LAFARGE

NIGERIA

LAFARGE AFRICA PLC

2021 ANNUAL REPORT & ACCOUNTS

Driving Innovation for Sustainable Growth

A MEMBER OF HOLCIM

CGRS RATED

Building a landscape of History and Heritage across Nigeria

CEMENT

The Company has a wide range of cement solutions designed to meet all building and construction needs, from small projects like individual home buildings to major construction projects.

Our Cement Product Portfolio includes 5 brands: Elephant Cement, a multi-purpose product suitable for a variety of building applications; Supaset, a fast setting and rapid strength gaining cement specifically designed for the needs of block-makers; Powermax; a high strength cement for the sophisticated contractor segment; Etex, a cement product designed to specification for manufacturing roof tiles and SRC, a sulphate resistant cement for coastal construction.

READYMIX

Leveraging the Group's over 50 years of global experience in the readymix business, Lafarge Africa produces quality and innovative concrete and aggregates solutions for small and large construction projects.

Lafarge Ready Mix operates currently in Lagos, Ogun, Abuja and Port-Harcourt, as a project enabler, driving quality and innovation as well as promoting a sustainable environment for generations to come.

MORTAR

We have a product line for special building mortar-based solutions, specifically the Supafix Tile Adhesive. The first of its kind in the Nigerian market, Lafarge Supafix is a cementitious tile adhesive made of cement, aggregates, as well as organic and inorganic additives. The solution is designed specifically for tiling and has proven to be particularly efficient for floor and wall applications.

GEOCYCLE

Through our Geocycle business, we collect waste directly from municipals and industries, pre-process it in platforms and co-process it in our cement plants. Through co-processing (the complete destruction of waste in our cement kilns) we recover energy and recycle materials from different types of waste, ranging from household plastics to industrial chemicals. The activities of Geocycle have strong environmental benefits for communities; as it helps to reduce the volume of landfilled waste, save public funds and create a cleaner living environment.

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Corporate Profile

Lafarge Africa Plc is a member of Holcim Group – the global leader in innovative and sustainable building solutions. Lafarge Africa is a publicly quoted company on the Premium Board of The Nigerian Exchange Group and serves Nigeria with a wide range of building and construction solutions designed to meet housing and construction needs from small projects like individual home buildings to major construction and infrastructure projects.

With four plants in Nigeria, spread across Sagamu and Ewekoro (South-West), Ashaka (North) and Mfamosing (South), Lafarge Africa Plc currently has an installed cement production capacity of 10.5 million tons per annum.

CEMENT OPERATIONS

South-West Operations

We have two plants located in Sagamu and Ewekoro, both in Ogun State, with a combined production capacity of 4.5 million metric ton per annum (MTPA). The Geocycle and Mortar plants are also located in the South-West.

Our product portfolio includes five brands - Elephant Cement, a general purpose cement and multi-use product - a multi-use product suitable for majority of the applications: Supaset, a fast-setting and rapid strength gaining cement specifically designed for the needs of the block-makers; Powermax, a high strength cement for the sophisticated contractor segment; Etex, a high performance cement designed to specification for the manufacturing of roof tiles; and SRC, a sulphate resistant cement for coastal construction.

Northern Nigeria Operations

Ashaka Cement plant in the North-East region focuses on providing creative and qualitative solutions to meet the needs of both small, medium and large-scale projects. In the last four decades, Ashaka Cement plant has contributed immensely to the economic growth and development of North-Eastern Nigeria and is well positioned to continue to impact the ecosystem of the region.

Ashaka Cement was incorporated in August 1974 and commenced production in 1979 as a cement manufacturing and marketing company under the name Ashaka Cement Plc. The company was founded by the defunct Nigerian Industrial Development Bank (NIDB) Limited, the Nigerian Bank for Commerce and Industry (NBCI), Northern Nigeria Investment Limited (NNIL) and the government of the then North-Eastern State (now Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe States). The current annual installed cement production capacity of the plant is 1 MTPA, with plans for expansion.

AshakaCem was fully integrated into Holcim Group in July 2002 after the acquisition of Blue Circle Industries, UK. Consequently, AshakaCem became a subsidiary of Lafarge Africa Plc.

Ashaka Cement produces the 32.5 (a multi-purpose product) and 42.5 (a high strength cement for the sophisticated contractor) types of cement which stands out for consistent high quality.

South-East Operations

Our Southern Nigeria operations comprise of a cement plant in Mfamosing, Cross River State. The Mfamosing plant is a modern facility with an annual cement production capacity of 5MTPA. It was originally established in 2002 as United Cement Company Nigeria (UNICEM) Limited, after the acquisition of the assets of moribund Calabar Cement Company (CalCemCo).

In 2012, the plant's product portfolio was expanded to offer customers two cement products catering for general purpose and specialized applications. An additional manufacturing line with a production capacity of 2.5MTPA was commissioned in 2016 to bring the total production capacity of the plant to 5MTPA and is now the single largest cement production site for Lafarge Africa.

MORTAR

Mortar Operations

The Mortar Operations started in 2019 with the establishment of a new plant in Sagamu Factory. With the commencement of Mortar Operations it was important to develop unique products, that meet customers needs, an effective route to market and a business model that will ensure business growth. The business operation is structured around an effective organisation, certification by the Standards Organization of Nigeria (SON), an agile day-to-day operation and partnership with associations that manage the development of Artisans and Tilers in Nigeria. The business operation currently leverages the Cement Division's effective route to market network, which ensures adequate market reach.

The partnership with relevant associations ensures the implementation of skills development, job creation, brand awareness and youth empowerment. The business line currently has three major products, C0, C1 & C2 for different sizes of Tiles. Other products for wall and floor screeds are in advanced stages of development. In 2021, the business achieved volume growth that was 34% above budget.

There are plans to improve on the variable contribution with the introduction of more value added products.

Corporate Profile

ReadyMix Concrete Operations

Lafarge Africa Plc (Ready Mix Operations) is a pioneer and leading player in Commercial Ready Mix Concrete Operations in Nigeria. The Ready Mix operations currently has installed annual capacity of over 400,000 cubic meters and a network of commercial batching plants in the main geographical hubs of Lagos, Ogun, Port Harcourt and Abuja - comprising of six (6) Ready Mix Concrete Plants and a Central Laboratory in Lagos.

The Ready Mix Operations has in place a team of well trained and professional staff across all its operating sites. All aspects of its operations are guided strictly by the Holcim Quality Management System, which ensures a high level of consistency of product quality with Technical support from Holcim Research Centre (LCR) in Lyon, France.

READY MIX CONCRETE OPERATIONS

Ready Mix offers a wide range of concrete products that are designed to address diverse strength specifications and durability requirements in line with project-specific needs or site related challenges. Our quality standards conforms with the European Standard (EN206).

Our Standard Concrete offering for normal applications is in strengths of 10MPa to 50MPa with guaranteed cubic strength at 28 days. Through our Value Added Product (VAPs), we offer the opportunity to work with clients/ contractors in developing the right concrete solution to address durability, aesthetics and timing requirements at different project stages. Examples of our VAPs are Fast Strip, Ultra Delay, Ultra Early, Low Heat, Water proofing, Self- Compacting, Ultra Fiber, Shotcrete and Lightweight Concretes. Others are Standard Screed, Piling Concrete for Continuous Flight Auger (CFA), Bore Piles and Sulphate Resistant Concrete Solution for marine environments.

Ready Mix also provides Mobile Plant Services which can be set up within short lead time to support projects in remote and logistically challenging sites, anywhere in Nigeria.

With the support of the Holcim Research and Development team, Lafarge Ready Mix seeks to constantly innovate and promote high-quality concrete products and solutions to our customers nationwide - whether individual homebuilders or developers of major infrastructure projects.

GEOCYCLE – For a Cleaner & Sustainable world

Geocycle, through its innovative and disruptive thinking, is promoting the transition towards a more extensive circular economy and a zero-waste future. In 2021, we have further strengthened our collaboration with our stakeholders to find the most sustainable solution for their waste, turning it into a circular resource by co-processing it in our cement plants. We help divert waste from landfills, ensuring complete recycling and recovery of resource value inherent in waste.

With the new Ewekoro waste recovery and treatment platform commissioned in 2020, fully active, we have expanded our footprint through pre-processing of various wastes from diverse industries. The platform helps us efficiently and effectively prepare solid wastes (biomass, shredded tyre, industrial waste) into a homogeneous mix prior to feeding it into the cement kiln for complete destruction through co-processing.

geocycle

Our key focus has been on co-processing of biomass waste which not only helps minimise our carbon footprint but also is a key driver for clean and prosperous local communities. We source local agricultural residues which cannot be otherwise managed and also help create alternative livelihood sources. All activities centering on collecting and treating biomass waste continued to sustain roughly 4,000 jobs in the local communities with large volumes of biomass supplied to the plants at Ewekoro, Sagamu and Ashaka.

We are leading the way towards a new approach to waste management, one that delivers improved sustainability outcomes. Thus we are also focusing on addressing the environmental impact caused by littering of used whole tyres. In 2021, we developed three small and medium scale enterprise (SME) partnerships that operated tyre shredding facilities. This initiative has helped address a key waste management challenge.

Geocycle has also received regulatory approval to offer waste management services to the oil industries and has successfully co-processed waste from the oil industry at the Ewekoro Plant. Discussions between Geocycle, regulators and other players in the sector are in advanced stage with a view to provide sustainable waste management solutions. Geocycle is expanding its sustainable waste management solutions year on year and is contributing to a cleaner environment and supporting hundreds of employment opportunities along the value chains of waste mangement.

Our Core Values

CUSTOMERS

Our focus is to build and deliver solutions that meet customers expectations.

We encourage diverse thinking to promote and nurture innovation.

We collaborate with our customers to achieve shared objectives.

RESULTS

Through business insights and the quality of our decision making, we introduce new ways of looking at challenges in order to achieve excellent results while ensuring accountability.

INTEGRITY

We operate a compliance focused organization and act with a clear sense of ownership.

SUSTAINABILITY

We demonstrate leadership in environment stewardship while role modeling responsibility to future generations. We look towards the broadest possible views on any issue or challenge.

PEOPLE, OPENNESS AND INCLUSION

We truly care for and respect every individual. We place a high priority on developing our people and building effective teams.

HEALTH AND SAFETY

Health and Safety is our core value. We believe in visible leadership and personal accountability for Health and Safety at all levels and throughout our organization.

ONE TEAM

ONE DIRECTION

We are building a high performing organization, with one team moving in the same direction.

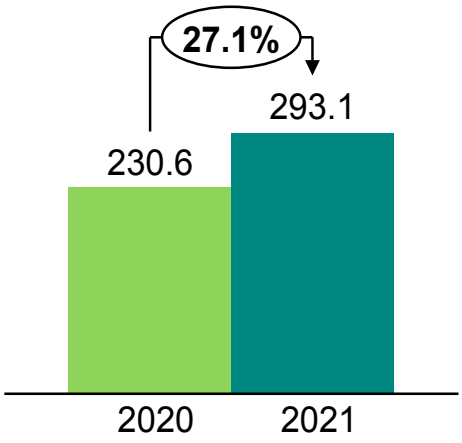

LAFARGE
#1 IN THE EAST
LAFARGE
UNICEM
Portland Limestone Cement
A MEMBER OF
HOLCIM

Financial Highlights

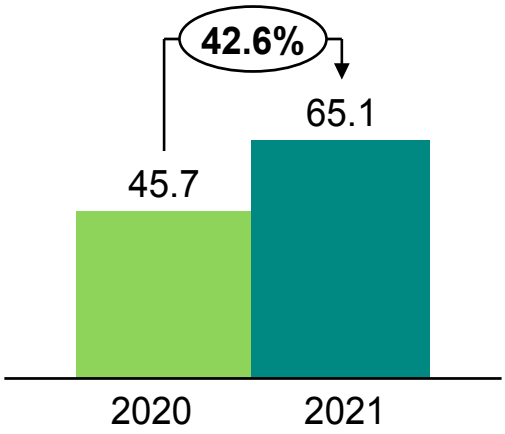
for the year ended 31 December 2021

All figures in ₦ billions

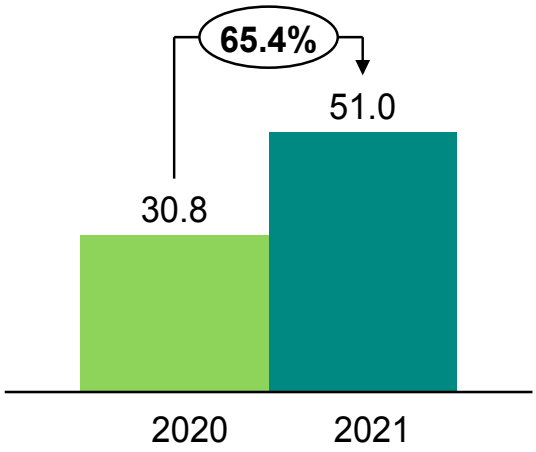
Revenue (₦ billion)



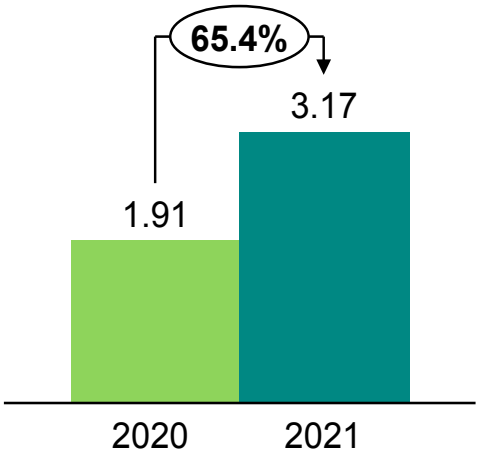
Operating Profit (₦ billion)



Profit After Taxes (₦ billion)



Earnings Per Share (₦)



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 63rd Annual General Meeting (AGM) of Lafarge Africa PLC (the Company) will hold at the Grand Ballroom, Eko Hotels & Suites, Plot 1415 Adetokunbo Ademola Street, Victoria Island, Lagos State on Thursday, 21st April 2022 at 10am to transact the following business:

ORDINARY BUSINESS

1. To lay before the shareholders the Audited Financial Statements for the year ended 31st December, 2021 together with the Reports of the Directors, Independent Auditors and Audit Committee thereon.

2. To declare a final dividend.

3. To re-elect the following Directors, who being eligible, offer themselves for re-election:
   a. Mr. Grant Earnshaw (Non-Executive Director);
   b. Mrs. Karine Uzan-Mercie (Non-Executive Director), and
   c. Mr. Marco Licata (Non-Executive Director) .

4. To authorise the Directors to fix the remuneration of the Independent Auditors.

5. To elect members of the Audit Committee.

6. To disclose the remuneration of the Managers.

SPECIAL BUSINESS

7. To fix the remuneration of the Directors.

8. To consider and pass this resolution as an ordinary resolution:

   a. Pursuant to The Nigerian Exchange Issuers Rule, that the general mandate given to the Company to enter into recurrent transactions with related parties or interested persons for the Company's day to day operations, including the procurement of goods and services and to enter into such incidental transactions on normal commercial terms, be and is hereby renewed.

9. To consider and if thought fit pass the following resolutions as ordinary resolutions:

   a. That the Directors be and are hereby authorised to take all steps necessary to comply with the requirements of the Companies and Allied Matters Act 2020 and the Companies Regulations 2021, as it relates to unissued shares of the Company, including the cancellation of the 3,892,204,279 (three billion, eight hundred and ninety-two million, two hundred and four thousand, two hundred and seventy-nine) unissued ordinary shares of the Company; and

   b. That the Directors be and are hereby authorised to enter into and execute agreements, deeds, notices or any other documents, and to perform all acts and to do all such other things necessary for or incidental to giving effect to Resolution 9(a) above, including without limitation, appointing such professional parties, consultants and advisers and complying with the directives of the regulatory authorities.

10. To consider and pass the following resolutions as special resolutions:

    a. That pursuant to resolutions 9 above, the Directors be and are hereby authorised to amend and substitute Clause 6 of the Memorandum of Association of the Company to read:

    'The share capital of the Company is ₦8,053,897,860.50 divided into 16,107,795,721 ordinary shares of 50k (fifty kobo) each'.

    b. That the Directors be and are hereby authorised to enter into and execute agreements, deeds, notices or any other documents and to perform all acts and to do all such other things necessary for or incidental to giving effect to Resolution 10(a) above, including without limitation, appointing such professional parties, consultants and advisers and complying with the directives of the regulatory authorities.

NOTES:

1. PROXY

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. In view of the Covid–19 pandemic, restrictions on public gatherings and in accordance with the Corporate Affairs Commission's Guidelines on Holding of Annual General Meetings (AGM) of Public Companies, attendance shall be by PROXY.

Consequently, members are required to appoint a proxy of their choice from the list of proposed proxies to represent them at the meeting. The designated proxies listed in the proxy form attached to the Annual Report are:

- Mr. Adebode Adefioye (Chairman);
- Mr. Khaled El-Dokani (GMD/CEO);
- Mr. Lolu Alade-Akinyemi (CFO); and
- Mrs. Adewunmi Alode (Company Secretary).

Notice of Annual General Meeting

A proxy form is enclosed in the Annual Report. For the instrument of proxy to be valid, it must be completed and duly stamped for the purpose of this meeting. The Company has made arrangements at its cost for the stamping of the duly completed proxy forms which must be deposited at the office of the Registrar, CardinalStone Registrars Limited, 335/337 Herbert Macaulay Street, Sabo, Yaba, Lagos or by email to registrars@cardinalstone.com, not less than 48 hours before the time fixed for the meeting.

2. PAYMENT AND CLOSURE OF REGISTER OF MEMBERS

If the final dividend recommended by the Directors is approved, dividend will be paid on Thursday, 21st April 2022 to shareholders whose names are registered in the Register of Members as at the close of business on Friday, 1st April, 2022. Therefore, the Register of Members and Transfer Books of the Company will be closed from Monday, 4th April, 2022 to Friday, 8th April, 2022 (both dates inclusive) to enable the Registrar to update its records.

3. UNCLAIMED DIVIDEND

The list of unclaimed dividends will be circulated with the Annual Reports and Accounts. The list of unclaimed dividend can also be accessed at the Company's registrar's office at No. 335/337 Herbert Macaulay Way, Sabo, Yaba, Lagos or via the Company's website: www.lafarge.com.ng

4. E-DIVIDEND

Notice is hereby given to all shareholders to open bank accounts, stockbroking accounts and CSCS accounts for the purpose of dividend payment. Detachable application forms for the e-dividend is attached to the Annual Report to enable all shareholders furnish particulars of their bank accounts to the Registrar as soon as possible.

The e-dividend form is also available on the website of our Registrar: www.cardinalstoneregistrars.com.

5. NOMINATIONS FOR THE AUDIT COMMITTEE

In accordance with Section 404 (6) of the Companies and Allied Matters Act, 2020, any shareholder may nominate another shareholder for appointment to the Audit Committee. Such nomination should be in writing and should reach the Company Secretary at least twenty-one (21) days before the Annual General Meeting.

6. RIGHT TO ASK QUESTIONS

It is the right of shareholders to ask questions, not only at the Annual General Meeting, but also in writing prior to the meeting. Such questions should be addressed to the Company Secretary and submitted at the registered office of the Company not later than one week before the Annual General Meeting.

7. DIRECTORS' PROFILE

The profile of Directors for re-election can be accessed on the Company's website: www.lafarge.com.ng and is also provided on pages 18 of this Annual Report.

8. ELECTRONIC ANNUAL REPORT

The electronic version of the Annual Report is available on the Company's website: www.lafarge.com.ng and wil be sent to Shareholders who have provided their email addresses to the Registrars. Furthermore, shareholders who are interested in receiving the electronic version of the Annual Report should request via email to registrars@cardinalstone.com.

BY ORDER OF THE BOARD

Adewunmi Alode (Mrs.)
General Counsel & Company Secretary
FRC/2018/ICSAN/00000017796
Dated this 25th February 2022
27B Gerrard Road
Ikoyi, Lagos.

Chairman's Statement

Prince Adebode Adefioye
Chairman, Board of Directors

It is with delight that I welcome all our distinguished shareholders to the 63rd Annual General Meeting of our Company. I am pleased that the results for the 2021 financial year that is being presented to shareholders at today's meeting demonstrate the resilience of our operations and the strong commitment of Management in the face of very challenging economic conditions. It is therefore appropriate that I start this address by acknowledging the pivotal role played by the Board of Directors, Management and Staff. I will like to thank you all for maintaining focus in the wake of the COVID-19 pandemic that brought global disruptions to social and economic activities in the last two years.

DOMESTIC ECONOMY

As the COVID-19 pandemic continued into 2021, inflation, foreign exchange challenges and Naira devaluation continued to have significant impact on our operations. Headline inflation rose sharply from 14.4% in October 2020 to 18.2% in April 2021. However, as the impact of the pandemic receded, a lowering of inflation rate began and January 2022 inflation closed at 15.3%. Unfortunately, the recent scarcity of petroleum products caused an increase to 15.7% at the end of February 2022. The stage seems set for further inflationary pressures in the coming months as persisting rise in energy prices continues to stoke further pressures on headline inflation.

Gross Domestic Product (GDP) growth turned positive in the last quarter of 2020 and this recovery trajectory continued throughout 2021 closing the year at 3.4% growth, far ahead of growth estimates by the International Monetary Fund (IMF) and 1.9% growth recorded for 2020. Key sectors of the economy that contributed to this turnaround were construction, telecommunications, and services, with positive impact on domestic demand for cement and other building materials.

DIVESTMENT OF CBI GHANA LIMITED

In my address last year, I informed our shareholders of the decision by the Board of Directors to divest the Company's 35% equity interest in Continental Blue Investment Ghana Limited (CBI Ghana), a cement grinding station located in the Tema port of Accra, Ghana. I am pleased to report to our shareholders that the sale of our interest in this business was successfully completed in June 2021 at a gain of ₦134 million net of the carrying value of the investment and the earn-out obligation in the shareholder agreement.

RESULTS FOR THE YEAR

The cement industry experienced another year of strong growth, mainly attributable to increased government expenditure on infrastructure and improved real-estate investment by private and commercial home builders. We benefited from this improved market conditions with volume and price growth; our revenue increasing by 27% compared with previous year, to close at ₦293 billion. The increase in average selling price of cement per ton was largely driven by macro-economic conditions; mainly devaluation of the Naira, with knock-on impact on prices of direct production materials.

The positive impact of increased sales revenue, moderated cost of sales, selling, distribution and administrative expenses amidst inflation and devaluation pressures resulted in improved margins recorded for the year, with Earnings Before Interest

Chairman's Statement

and Tax (EBIT) up by nearly 43% compared with 2020 to close at ₦65.1 billion. Net finance costs for the year was at ₦3.5 billion, 57% lower than 2020. The significant reduction in net finance costs is attributable to the redemption of the last tranche of our corporate bond (₦33.6 billion) in June 2021 together with principal repayment of ₦2.1 billion on the Bank of Industry supported CBN Intervention Fund on Power.

Profit after taxation (PAT) for the year closed at ₦51 billion, up 65.4% on 2020. Similarly, Earnings Per Share (EPS) for the year was ₦3.17 up on 2020 by the same percentage as PAT.

PROPOSED DIVIDEND

Based on the full year financial results laid before the shareholders, the Board of Directors is proposing a total dividend of 200 kobo (₦2) per share as dividend pay-out for the 2021 financial year. This proposal represents a pay-out ratio of 63% versus 52% in 2020 and a 100% increase on dividend for previous year. The total proposed dividend for the year is ₦32.2 billion, payable out of reserves held for Pioneer Status activities of the company hence will attract no withholding tax..

Recall that an interim dividend of 100 kobo (₦1.00) per share was already paid on the 19th of November 2021 based on the improved financial performance achieved in our 9-Months 2021 results. The interim dividend is a first in the history of our company. The Board of Directors will therefore at today's meeting propose a final dividend of 100 kobo (₦1.00) per share to make the total dividend for 2021 to be 200 kobo (₦2).

The final dividend if approved by shareholders will be paid on 21st April 2022 to shareholders whose names appear in the Register of Members as at the close of business on Friday, 1st April, 2022.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

In alignment with Holcim's theme on sustainability: "Building Progress for People and the Planet", we continue to focus on all four strategic sustainability pillars of Climate and Energy, Circular Economy, Environment and Community. Through effective governance frameworks, assessments, as well as monitoring and evaluation, we are entrenching a culture of ownership, ethics and corporate responsibility in our activities.

We also continue to pursue and leverage on strategic partnerships that help to sustain value and with positive impact on our stakeholder groups. We are providing thought leadership initiatives that strengthen our voice and position as a foremost company in Nigeria committed to Environmental, Social and Governance (ESG).

One of the major highlights of our CSR activities in 2021 was the handover of a completed and fully fitted COVID-19 Isolation Centre at Ota, Ogun State, which was financed in partnership with Unilever Plc. The facility was handed over to the Ogun State Ministry of Health, and it is being put to use to stem the spread of COVID-19. Secondly, our support for gender diversity and inclusion, Commemorative Days for Women and Girls in Science, and CSR Initiatives on Science, Technology, Engineering and Mathematics (STEM) all gained improved traction in 2021.

The Lafarge Africa National Literacy Competition was not held in 2021 due to COVID-19 related restrictions on large meetings. This CSR initiative with the theme "Build the Nation of Our Dream" is our contribution to improve literacy in Nigeria, with over 700,000 primary school pupils impacted in the last seven cycles.

In July 2021, we completed the replacement of Ewekoro Line II Kiln's Electro-Static Precipitator (ESP) with bag filter to reduce dust and CO2 emission from our operations. This project, which commenced in 2020, was completed in July 2021 and the plant has since returned to production, with significant reductions in dust and carbon emission.

We kicked-off our Green Logistics Initiative in 2021 with the launch of 52 natural gas (LNG) fueled trucks to promote clean energy and a safe environment. The implementation of the natural gas powered trucks will improve environmental performance as LNG generates 30% less carbon dioxide than fuel oil and 45% less than coal. Data from the Energy Information Administration shows that since 2006, increased use of natural gas has driven carbon dioxide savings. Undoubtedly, natural gas plays a great role in reducing CO2 emissions globally. We have a target to increase the 200 LNG trucks over the next 2 years.

Also, on the 26th of July, 2021 our Lafarge Driving Institute (LDI) in Calabar graduated 53 professional female drivers. This reiterates the Company's commitment to inclusive workplaces for women, a deliberate pledge to Gender Diversity, all round safety on Nigerian roads through the availability of qualified drivers within its operations, and creation of jobs around its host communities.

> ***"One of the major highlights of our CSR activities in 2021 was the handover of a completed and fully fitted COVID-19 Isolation Centre at Ota, Ogun State."***

Chairman's Statement

Our ambition is to continue to adopt a horizontal approach to sustainability in order to create opportunities for shared value, build trust and improve reputational capital for our company. This will be achieved through accelerating our sustainability initiatives thereby contributing to a world that works for all.

A detailed report on our CSR activities during the year is set out on pages 43 to 44 of the Annual Report and Accounts.

RETIREMENT BY ROTATION

In accordance with Articles 97 to 99 of the Articles of Association of the Company, one-third of all Non-Executive Directors are to retire by rotation at the Annual General Meeting. Pursuant to the Article, the Directors to retire by rotation and who being eligible, offer themselves for re-election are Mr. Grant Earnshaw, Mrs. Karine Uzan-Mercie, and Mr. Marco Licata.

There were no appointments to or departures from the Board since the last Annual General Meeting.

OUTLOOK

Thankfully a global easing of the impact of COVID-19 on social and economic activities is increasingly evident, with less constraints on travels and movement of goods and services. Barring any unforeseen circumstances, we expect the Nigerian economy to continue to record improved growth in GDP. Also, 2022 being a pre-election year will spur spending to complete government infrastructural projects which will further drive growth in the domestic demand for cement and other building materials.

The completion of the Captive Coal Power Plant (CPP) at our Ashaka operations which hitherto was hindered by COVID-19 is now set for completion in the fourth quarter of 2022. The CPP at completion will reduce the cost of power generation by a significant margin and consequently lower cost of production. Also the "Evacuation Road" at our operations in Mfamosing is estimated to be completed in the fourth quarter of 2022. So far, significant progress has been made towards its completion as light-weight vehicles are now able to use the road. This project at completion holds substantial opportunity to improve speed to market and reduce logistics costs.

Currently, the geo-political situation between Russia and Ukraine has triggered yet another volatility in commodity prices thereby escalating prices of petroleum products (diesel and aviation fuel) which has led to a knock-on effect on prices of basic services and commodities. The expectation is that the shocks to supply chain and general price levels will be temporary. However, management is already taking proactive steps to manage this challenge.

> ***"Net finance costs for the year is at ₦3.5 billion, 57% lower than 2020 net finance costs which was at ₦8.5 billion. The significant reduction in net finance costs is attributable to the redemption of the last tranche of our corporate bond (₦33.6 billion) in June 2021..."***

Going forward, as part of our commitment to protecting our environment, we will continue to focus on the use of "Alternative Fuel" (AF) as a fuel substitute to reduce cost of production and carbon emission. Already, we have made significant strides on this at our Ewekoro and Ashaka operations with good pay-back. We are looking at replicating this achievement at our Mfamosing plant. Similarly, we will continue to debottleneck our plants to unlock additional capacities to meet growing market demand.

CONCLUSION

Our Management and Staff deserve a mention again as I conclude this address. On behalf of the Board of Directors and our shareholders, I will like to acknowledge with appreciation their contribution towards the achievement of the stellar financial performance in 2021. As a result, the Board of Directors was able to propose a doubling of the dividend payment compared with last year. Our host communities, distributors, transporters, bankers and other suppliers of services have also been supportive and we are grateful to them. Our partner and largest shareholder, Holcim (formerly LafargeHolcim) has been very supportive of our operations. Over the years they have been unrelenting in ensuring that our technical, commercial and financial operations match global best practices and that the governance of the company serves all stakeholders.

Finally, I am grateful for the opportunity to chair the Board of Directors of our Company and I am indebted to all my colleagues on the Board for their support for my role and our company.

Distinguished Shareholders, Board members, ladies and gentlemen, once again, I warmly welcome you to the 63rd Annual General Meeting and I am pleased to invite you to participate in the agenda for the meeting.

PRINCE ADEBODE ADEFIOYE
Chairman
Lafarge Africa Plc

Corporate Information

DIRECTORS

Mr. Adebode Adefioye	Chairman
Mr. Khaled El Dokani (Egyptian)	Group Managing Director/CEO
Mr. Lolu Alade-Akinyemi	Chief Financial Officer
Mrs. Elenda Giwa-Amu	Non-Executive Director
Mrs. Adenike Ogunlesi	Independent Non-Executive Director
Mr. Grant Earnshaw	Non-Executive Director
Mrs. Karine Uzan-Mercie (French)	Non-Executive Director
Mr. Marco Licata (Italian)	Non-Executive Director
Mr. Gbenga Oyebode, MFR	Independent Non-Executive Director
Mrs. Oyinkan Adewale, FCA	Independent Non-Executive Director
Mrs. Virginie Darbo (French)	Non-Executive Director

COMPANY SECRETARY

Mrs. Adewunmi Alode

INDEPENDENT AUDITOR

KPMG Professional Services
KPMG Tower,
Bishop Aboyade Cole Street,
Victoria Island, Lagos.

COMPANY REGISTRATION NUMBER

RC 1858

PRINCIPAL BANKS

Access Bank Plc
Citibank Nigeria Limited
First Bank of Nigeria Limited
First City Monument Bank Limited
Guaranty Trust Bank Limited
Standard Chartered Bank Plc
Stanbic IBTC Bank Plc
United Bank for Africa Plc
Wema Bank Plc
Zenith Bank Plc

REGISTERED OFFICE

Lafarge Africa Plc
No 27B Gerrard Road,
Ikoyi, Lagos

REGISTRAR

Cardinal Stone (Registrars) Limited
Formerly City Securities (Registrars) Limited
335/337 Herbert Macaulay Road,
Yaba, Lagos.

Contact Details & Locations

Head Office:
No. 27B, Gerrard Road, Ikoyi,
Lagos State
Tel: +234 (1) 2713990

Oregun Office:
No. 38 Kudirat Abiola Road,
Off Adebayo Akande Street,
Oregun, Ikeja, Lagos.
Tel: +234(0)7088604659

Abuja Liaison Office:
No. 9 Julius Nyerere Crescent,
Asokoro, Abuja

Plant Locations

AshakaCem:
Ashaka Works,
Gombe, Gombe State
Tel: +234(0)8022924941-2

Ewekoro I & II:
Km 64, old Lagos-Abeokuta Road,
Ewekoro, Ogun State
Tel: +234 (0) 7015834347

Mfamosing:
Mfamosing Akampka LGA,
Cross River State
Tel:+234(0)7034167567

Sagamu:
Km 64, Old Lagos-Ikorodu Road,
Sagamu, Ogun State
Tel: +234 (1) 2713990

Readymix Locations

Abuja Plant (Idu):
763, Cadastral Zone C16,
Opposite Salini Quarters,
Idu Industrial Estate, Abuja FCT Abuja
Tel: +234(0) 7088604651

Ewekoro Plant:
Km 64, old Lagos-Abeokuta Road,
Ewekoro, Ogun State
Tel: +234 (0) 7015834347

Onne Plant:
Atlas Road FOT,
Onne Port Complex,
Port Harcourt,
Rivers State, Nigeria
Tel: +234(0)7088604662

Oregun Plant:
No. 38 Kudirat Abiola Road,
Off Adebayo Akande Street,
Oregun, Ikeja, Lagos.
Tel: +234(0)7088604659

Trans Amadi Plant:
17/19 Danjuma Drive,
Trans-Amadi Industrial Layout,
Port Harcourt, Rivers State
Tel: +234(0)7088604657

Board of Directors & Company Secretary's Profiles

Mr. Adebode Adefioye
Chairman

Mr. Adebode Adefioye joined the Board of the Company on the 20th of December 2012 and he was appointed as the Chairman, Board of Directors on the 4th of June 2020. Mr. Adefioye is an entrepreneur, a possibility thinker and a Chemist by training. He sat on the boards of a number of companies in Nigeria, including Eterna Plc and Wema Bank Plc, with focus on continuous improvement, good governance and long-term sustainability of these organisations. He has chaired a number of the Company's Board committees including the Property Committee and the Finance and Strategy Committee.

Mr. Adebode Adefioye is an alumnus of the University of Lagos from where he obtained a B.Sc. degree (Chemistry) in 1983. He also holds a Master of Science degree from the University of Lagos and is an alumnus of the Harvard Business School.

He started his career with John Holt Plc and rose through the ranks to become General Manager from 2000 – 2002, after serving at different levels and sections in the company, with his experience covering Production & Quality Control, Personnel and Administration.

He opted for an early retirement in 2002 and has since been engaged in business and public service.

Mr. Adefioye is a member of the Institute of Directors of Nigeria and the Institute of Public Analysts.

Mr. Khaled El Dokani
GMD/CEO

Mr. Khaled El-Dokani is a graduate of Commerce & Accounting from Alexandria University, Alexandria, Egypt and a Certified Public Accountant, Delaware, USA. He started his career with Coopers & Lybrand Deloitte where he worked as Audit Manager, after which he assumed the following roles from 1997-1998 as Finance Manager, Egyptian American Company, Egypt; from 1992-2002 as Chief Financial Officer, Diamond Bort, Belgium and as Chief Financial Officer, Egypt Cyber Center, Egypt from 2002-2004.

He joined the Holcim Group in 2004 where he assumed various Senior Executive positions such as: Country Chief Financial Officer, Lafarge Algeria, VP Business Development & Strategy for East North America, Country General Manager, Ready-mix, Aggregates & Gypsum Saudi Arabia and Country General Manager, Qatar.

In 2018, he was appointed as Country CEO, Iraq where he successfully achieved a turnaround in the business by returning it back to acceptable profit levels amongst other commendable feats within 18 months.

He was appointed as the Group Managing Director and Chief Executive Officer of Lafarge Africa Plc on the 18th of January 2020.

Board of Directors & Company Secretary's Profiles

Mr. Lolu Alade-Akinyemi
Chief Financial Officer

Mr. Lolu Alade-Akinyemi is a certified accountant with over 20 years of experience leading and transforming Finance & Supply Chain teams in complex, multinational companies in the United Kingdom, Belgium, Ghana and Nigeria. He holds a Bachelor's degree in Economics from the University of Essex, UK and a Masters degree in Business Administration from the Edinburgh Business School, Scotland, UK and is currently the Chief Financial Officer and Supply Chain Director of Lafarge Africa Plc.

Prior to joining Lafarge in 2014, he was Finance Director, PZ Cussons Nigeria Plc, Head of New Business & Strategy, and Head of Supply Chain, Coca-Cola Bottling Company, Ghana, Finance Manager (Group Office), Coca-Cola Europe, Eurasia & Middle East Group, London, Finance Manager (Group Office), Coca-Cola Africa, Windsor, UK, Europe Group Financial Shared Service Center in Belgium, Assistant Budget & Planning Manager, Financial Accountant and Treasury Officer at Coca-Cola Nigeria Limited and Management Trainee at Mobil Oil Nigeria.

He was appointed to the Board of Lafarge Africa Plc on the 8th of April 2020.

Mrs. Elenda Giwa-Amu
Non-Executive Director

Mrs. Elenda Giwa-Amu is the CEO, Chandrea Lifestyle Limited, a Home Interior business. She was the MD (Acting) Cross River State Tourism Bureau and Executive Secretary, Cross River State Carnival Commission, the prime driver of Calabar Carnival, which is regarded as Cross River State's most enduring brand.

She holds a B.Sc Honours in Microbiology/Zoology, from the University of Maiduguri and an Associate Degree in Design Technology from F.I.T New York. She is a member of the Women in Manufacturing (WIM) Africa and previously, Head, Private Banking, Chartered Bank now Stanbic IBTC.

She was appointed to the Board of Lafarge Africa Plc on the 11th March 2015.

Mrs. Adenike Ogunlesi
Independent Non-Executive Director

Mrs. Adenike Ogunlesi is the founder and Creative Director of Africa's leading premium children's clothing brand: Ruff 'n' Tumble, the foremost indigenous lifestyle brand operating to international standards in the design, manufacturing and retail of children's clothing.

She is an alumnus of the prestigious Lagos Business School. She is the founding member and the first president of the Network of Entreprenurial Women (NEW) at the Nigeria Employer's Consultative Association (NECA).

She is an advisory board member and mentor at WISCAR (Women in Successful Careers), a structured mentoring programme for young women.

Mrs. Ogunlesi has received several awards. She was a finalist at CNBC AABLA (All Africa Business Leaders Awards) in the category of the Business Woman of the year 2014 and 2015.

She was appointed to the Board of Lafarge Africa Plc on the 11th of March 2015.

Board of Directors & Company Secretary's Profiles

Mr. Grant Earnshaw
Non-Executive Director

Mr. Grant Earnshaw holds a Postgraduate Diploma in Business Administration from Edinburgh Business School, and is a qualified Civil Engineer from Peterborough Technical College UK. Grant has held several positions at Holcim, including Senior VP & Head of Integration, CEO of Lafarge Iraq, Group Vice President Strategy, Development, Mergers & Acquisitions and Managing Director, Lafarge Middle East. Prior to joining Holcim Group, Grant worked in Infrastructure Project Management for 10 years with Balfour Beatty Plc in the UK.

He is the Chairman of Holcim Liban S.A.L, Board member of Jordan Cement P.S.C and a Fellow of the Institute of Directors (UK). Grant is currently responsible for a portfolio of countries across EMEA at Holcim Group.

He was appointed to the Board of Lafarge Africa Plc on the 7th of April 2018.

Mrs. Karine Uzan Mercie
Non-Executive Director

Mrs. Karine Uzan Mercie is currently the Group Head of Tax at Holcim. Prior to joining Holcim in 2018, she occupied different positions in Coca-Cola Enterprises Inc., Atlanta, USA, the world largest Coca-Cola bottler, including Vice-President Corporate Initiatives, Group Head of Tax, Treasurer Europe and Vice-President Public Affairs & Communication, France.

She was also Vice-President Tax at Alstom in Paris, France and International Tax lawyer at Ernst & Young in Paris, France.

She co-chairs the investment committee of the Holcim UK pension fund, is a board member of Holcim Maroc, of Oris the first digital platform for sustainable roads and of Puissance Elles, non-profit French organization providing education to girls in distressed areas.

She is a knight of the legion of honor of France.

She was appointed to the Board of Lafarge Africa Plc on the 21st of March 2019.

Mr. Marco Licata
Non-Executive Director

Mr. Marco Licata is currently the General Counsel for the Middle East and Africa Region at Holcim in Zug, Switzerland.

Prior to joining Holcim in 2019, Marco was General Counsel Offshore Wind and Sourcing Executive Counsel for General Electric in Paris, France. Previous roles include General Counsel Onshore Wind for General Electric, in Schenectady, New York, USA; General Counsel Renewable Power for Alstom in Paris, France; Chief Counsel Legal & Contract Management Wind Business for Alstom in Barcelona, Spain; Director of the Legal Department for Alstom Power Italia in Milan, Italy.

He holds a Master of Laws (LLM) degree (Magna cum Laude) from Albany Law School, Albany New York, USA. He acquired his University Law degree (Summa cum Laude) in Milan, Italy.

He was appointed to the Board of Lafarge Africa Plc on the 21st of July 2019.

Board of Directors & Company Secretary's Profiles

Mr. Gbenga Oyebode, MFR
Independent Non-Executive Director

Mr. Gbenga Oyebode, MFR is a lawyer with over 35 years of experience in corporate and commercial law practice and holds an LL.M from the University of Pennsylvania, Philadelphia, an LL.B from the University of Ife. He is a fellow of the Chartered Institute of Arbitrators (UK) (FCIArb) and the Nigerian Leadership Initiative and a member of the Nigeria Bar Association, the American Bar Association, and the International Bar Association (IBA) amongst others. He was conferred Doctor of Laws (Honoris Causa) by the Ekiti State University, Ado Ekiti (2016) and Elizade University, Ilara Mokin, Ondo State, Nigeria (2017). He is the Chancellor of Elizade University, Ilara Mokin, Ondo State, Nigeria.

Mr. Oyebode, MFR was conferred with one of Nigeria's highest honours, the Member of the Order of the Federal Republic of Nigeria (MFR) in 2000. He was also conferred with the Belgian Royal Honour of 'Knight of the Order of Leopold' in 2007. He was the Chairman of Access Bank Plc (2005-2015), Director, MTN Nigeria Plc (2001-2019) and Chairman, Okomu Oil Palm Company (all listed on the Nigerian Stock Exchange) and now serves on the Boards of Nestle Nigeria Plc and Socfinaf S.A (listed on the Luxemburg Stock Exchange) and CFAO Nigeria Plc as Chairman.

Also, he sits on the Africa Advisory Committee of the Johannesburg Stock Exchange (JSE). He is the Chairman of Teach for Nigeria, Director Teach for All, New York, Member of the Global Advisory Council of the Africa Leadership Academy, Johannesburg, Director Jazz at the Lincoln Centre, New York and Director African Philanthropy Forum. Member Board of Trustees Carnegie Hall, New York, Member Board of Trustees Ford Foundation, New York and Director International Lawyers for Africa (ILFA), London. He is the founder and Chairman of the management board of Aluko & Oyebode (one of the largest integrated law firms in Nigeria).

He was appointed to the Board of Lafarge Africa Plc on the 8th of April 2020.

Mrs. Oyinkan Adewale, FCA
Independent Non-Executive Director

Mrs. Oyinkan Adewale, FCA, a qualified chartered accountant since 1984, is a highly experienced finance expert with over 30 years' track record as Chief Financial Officer in various companies and over 20 years' experience serving on various boards.

From 2012 to 2018, she was the Executive Director/Chief Financial Officer of Union Bank Nigeria Plc. From 2009 to 2011, Mrs. Adewale was the CBN-appointed Executive Director/CFO at Oceanic Bank, where she supervised all the bank's subsidiaries and also served as a director of some of the subsidiaries. Following the acquisition of Oceanic Bank by ETI and its merger with Ecobank Nigeria in 2012, she managed the integration and was also the ETI Group Head of MIS.

Mrs. Adewale started her banking sector career at Citibank Nigeria in 1989 as Deputy Financial Controller and by 2002 when she left, had risen to the role of Executive Director/CFO, Citibank with responsibility for Finance across 7 West African countries, including Nigeria. She has successfully led bank turnarounds and transformations, establishing world class finance functions.

She was the Pioneer MD/COO at Renaissance Capital Africa from 2006 to 2009. Prior to that, she co-founded SIAO, a leading indigenous accounting firm that played a key role in the banking sector consolidation under then CBN Governor, Charles Soludo in 2005 and led SIAO to win several due diligence and financial advisory mandates that subsequently led to M&A transactions.

Mrs. Adewale started her professional career in 1981 at Coopers & Lybrand as a trainee accountant and left the firm in 1989 as an Audit Manager. She is a recipient of the Central Bank of Nigeria (CBN) Governor's commendation for meritorious service to the banking sector.

Mrs. Adewale was a member and treasurer of the board of management of St. Saviour's School, Ikoyi, Nigeria's prominent British curriculum school.

She holds a B.A French Hons degree from the University of Ibadan and is a fellow of the Institute of Chartered Accountants of Nigeria (ICAN). She is an alumnus of INSEAD, Fontainebleau, IMD, Lausanne and Oxford Said Business School. A member of the faculty of the Institute of Directors Nigeria, Mrs. Adewale also teaches financial literacy and has been a guest lecturer of Ethics and Corporate Governance at the Lagos Business School. For over 20 years, she has been a trustee of Junior Achievement Nigeria.

She was appointed to the Board on the 4th of June 2020.

Board of Directors & Company Secretary's Profiles

Mrs. Virginie Darbo
Non-Executive Director

Mrs. Virginie Darbo is currently the Head of Finance, Middle East and Africa at Holcim Group. She is a high caliber CFO with 24 years of international experience, dealing with complex environments in various finance positions.

Virginie has worked with the Holcim Group for a period of 17 years, during which she led five strategic assignments across France, China, Russia, and Algeria. She had occupied various positions as Chief Financial Officer, Algeria; Chief Financial Officer, Russia; Project Controller, Russia; Internal Control Director, China and Asia among others.

Virginie has extended experience in crisis management. She is a change agent, greatly contributing to digital and commercial transformation, with exceptional skills in dealing with delicate situations and strategic issues. She is an inspirational leader and talent developer, managing multicultural teams with empathy, passion and drive.

She was appointed to the Board of Lafarge Africa Plc on the 11th of December 2020.

Mrs. Adewunmi Alode
General Counsel & Company Secretary

Mrs. Adewunmi Alode holds a Masters in Business Administration (MBA) from Business School Netherlands. She is a Chartered Secretary, qualified by the Institute of Chartered Secretaries and Administrators, UK and Nigeria. She obtained her Law degree from the Lagos State University and was called to the Nigerian Bar in 2004.

She has over 15 years work experience spanning legal practice, corporate transactions, project management, company secretariat, regulatory and ethical compliance, litigation, claims and dispute resolution among others.

She was Company Secretary of Unicorn Holdings Limited before joining the Company (then Lafarge Cement WAPCO Nigeria Plc) in 2008 as a Legal Officer. She rose to assume several roles within the Company including Company Secretary of the previously wholly-owned subsidiary, Lafarge Ready Mix Nigeria Limited, Compliance Officer, Legal Manager and Senior Legal Counsel for Commercial Contracts.

She was appointed as the Secretary to the Board on the 12th of December 2017 and General Counsel in June 2019. In 2019, she was recognised and awarded with the "40 under 40" award by ESQ Nigerian Legal Awards.

She was equally ranked among the top 50 General Counsels in 2019. In 2020, she was recognised by the International Cement Executive as one of Africa's Top 30 Women shaping Africa's cement industry.

She is currently the General Counsel and Company Secretary.

Leadership Team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1 KHALED EL-DOKANI
Group Managing Director/CEO

2 LOLU ALADE-AKINYEMI
Chief Financial Officer

3 OLUSEGUN SHOYOYE
Industrial Director

4 GBENGA ONIMOWO
Commercial Director

5 GBEMIGA OWOLABI
Organization & Human Resources Director

6 IBRAHIM AMINU
Managing Director, AshakaCem Limited

7 ADEWUNMI ALODE
General Counsel & Company Secretary

8 BESTOW AKEZE
Head of Aggregates & Concrete

9 FEMI YUSUFF
Head of Mortar, Innovation & New Products Development

10 DANIEL ADEDOKUN
Head of Geocycle Nigeria

11 OLUFOLAKE ODEGBAMI
Head of Safety, Health & Environment

12 SAEED ANDE
Procurement Director

13 HELMUT KORAK
Country Security Manager

Directors' Report

The Directors are pleased to present the Annual Report of Lafarge Africa Plc (the Company) and its subsidiaries (together as "the Group") along with the Audited Consolidated and Separate Financial Statements of the Group for the year ended 31st December, 2021.

1. LEGAL FORM

Lafarge Africa Plc, a publicly quoted company on The Nigerian Exchange group (NXG) was incorporated in Nigeria under the Companies Act (now Companies and Allied Matters Act 2020) on the 24th of February 1959. The Company became listed on the Nigerian Stock Exchange (now The Nigerian Exchange) in 1979. The name of the Company was changed from Lafarge Cement WAPCO Nigeria Plc to Lafarge Africa Plc on the 9th of July 2014.

2. SUBSIDIARIES

The Company has full ownership of Ashaka Cement Limited and Wapsila Nigeria Limited.

3. PRINCIPAL ACTIVITIES

The principal activities of the Group and Company are manufacturing and marketing of cement, concrete and aggregates products, including the provision of building solutions.

4. SUMMARY OF GROUP AND COMPANY RESULTS FOR THE YEAR

	Group		Company	
	31 Dec 2021 ₦'million	31 Dec 2020 ₦'million	31 Dec 2021 ₦'million	31 Dec 2020 ₦'million
Revenue	**293,086,183**	230,572,922	**262,299,071**	202,530,359
Profit before minimum tax	**62,254,478**	37,572,131	**63,649,528**	34,319,046
Minimum tax	**(466,769)**	(377,593)	**(466,769)**	(377,593)
Income tax expense	**(10,784,160)**	(6,352,400)	**(9,726,847)**	(5,226,569)
Profit after tax	**51,003,549**	30,842,138	**53,455,912**	28,714,884
Other comprehensive gain/loss for the year	**134,216**	(53,714)	**134,216**	(53,714)
Total comprehensive income for the year	**51,137,765**	30,788,424	**53,590,128**	28,661,170

5. DIVIDEND

At the 345th Meeting of the Board of Directors of Lafarge Africa Plc, held on 27th of October 2021, a resolution on an interim gross dividend of 100k was proposed, deliberated upon and duly passed on every ordinary share in issue amounting to ₦16,107,795,721.00, payable from the pioneer profits. The Board of Directors is proposing a final gross dividend of 100k on every ordinary share in issue, amounting to ₦16,107,795,721.00, bringing the total dividend to 200k (2020: 100K) on every ordinary share in issue, amounting to ₦32,215,591,442.00 for 2021 (2020: ₦16,107,795,721.00). The final dividend proposed, if approved by shareholders, is payable from the pioneer profits and is not subject to deduction of withholding tax. The proposed dividend is subject to approval by shareholders at the Annual General meeting.

6. SHAREHOLDING AND SUBSTANTIAL SHAREHOLDERS

The issued and fully paid-up Share Capital of the Company as at 31st December 2021 was 16,107,795,721 ordinary shares of 50kobo each. The Register of Members show that two shareholders: Caricement BV holding 56.04% and Associated International Cement Limited (AIC UK) holding 27.77% held more than 5% of the Company's Issued share capital as at 31st December 2021. The remaining 16.19% of the issued shares were held by other institutions and individuals. Holcim is an international investor holding its shares in the names of its subsidiaries: Caricement BV (56.04%) and AIC UK (27.77%).

Directors' Report

SHAREHOLDING STRUCTURE AS AT 31 DECEMBER 2021

Paid Up Share Capital:		16,107,795,721
Major Shareholders	**Holdings**	**% Holdings**
FOREIGN		
Caricement BV	9,027,365,874	56.04
Associated Intl Cements Ltd U.K	4,473,044,718	27.77
Sub-Total	**13,500,410,592**	**83.81**
MAJOR SHAREHOLDERS		
Stanbic IBTC Nominees Limited	403,559,611	2.51
Odua Investment Company Limited	316,711,504	1.96
Sub-Total	**720,271,115**	**4.47**
Other Nigerians	1,887,114,014	11.72
TOTAL	**16,107,795,721**	**100.00**

7. PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant & equipment is disclosed in Note 15 to the consolidated and separate financial Statements.

8. UNCLAIMED DIVIDEND AND SHARE CERTIFICATES

Shareholders are hereby informed that a number of share certificates and dividend warrants have been returned to the Registrars as "unclaimed". Any member affected by this notice is advised to write to the office of the Company's Registrar, CardinalStone Registrars Limited. The list of unclaimed dividends can be accessed at the Registrar's office or via the Company's website: www.lafarge.com.ng.

The Company's Registrars has advised that the total amount outstanding as at 31st December 2021 is the sum of ₦1,431,461,243.59.

9 DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors accept responsibility for the preparation of the annual financial statements set out on page 45 that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act (CAMA) 2020 and the Financial Reporting Council of Nigeria Act 2011.

The Directors further accept responsibility for maintaining accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal control as the Directors determine is necessary to ensure adequate internal control procedures are instituted to safeguard assets, prevent and detect frauds, errors and other irregularities.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern for at least twelve months from the date of this statement.

10. DIRECTORS' INTEREST IN SHARES

In accordance with sections 301 and 385 of the Companies and Allied Matters Act, 2020 and in compliance with the Listing Rules of the Nigerian Exchange Group, the interest of Directors in the share capital of the Company are recorded in the Register of Members and/or notified by them are as follows:

Directors' Report

Names	No of Direct Shares 31.12.2021	No of Indirect Shares 31.12.2021	No of Direct Shares 31.12.20	No of Indirect Shares 31.12.20	No of Direct Shares 31.12.19	No of Indirect Shares 31.12.19
Mr. Adebode Adefioye	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Khaled El Dokani	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Lolu Alade-Akinyemi	Nil	Nil	Nil	Nil	Nil	Nil
Mrs. Elenda Giwa-Amu	203,550	Nil	203,550	Nil	203,550	Nil
Mrs. Adenike Ogunlesi	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Grant Earnshaw	Nil	Nil	Nil	Nil	Nil	Nil
Mrs. Karine Uzan Mercie	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Marco Licata	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Gbenga Oyebode, MFR	Nil	Nil	Nil	Nil	Nil	Nil
Mrs. Oyinkan Adewale, FCA	Nil	Nil	Nil	Nil	Nil	Nil
Mrs. Virginie Darbo	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total	203,550		203,550		203,550	

Except as disclosed, none of the Directors has notified the Company of any disclosable interests in the Company's share capital and none of the Directors has an indirect shareholding in the Company.

11. DIRECTORS' INTEREST IN CONTRACTS

None of the Directors has notified the Company, for the purpose of Section 303 of the Companies and Allied Matters Act 2020, that they were members or held shareholding of some specified companies which could be regarded as interested in any contracts which the Company was involved as at 31st December, 2021.

12. DONATIONS AND CHARITABLE GIFT

In 2021, Lafarge Africa Plc expended ₦2.4 billion (2020: ₦1.3 billion) on diverse social investment programs and initiatives in our communities. The breakdown is as follows:

	31 Dec 2021	31 Dec 2020
Corporate social responsibility interventions	**₦595,931,780**	₦329,868, 021
Donations and Sponsorships	**₦8,185,000**	₦ 1,094,000
Inclusive projects (roads)	**₦1,788, 566,080**	₦430,000, 000
Community Development Projects across Nigeria (Covid-19 donation)	**-**	₦500,000,000
Total	**₦2,392,682,860**	₦1, 260, 962,021

In accordance with the provisions of Section 43 (2) of the Companies and Allied Matters Act 2020 and the Holcim Group Donations Policy, the Company did not make any donation or gift to any political party, political association or for any political purpose during the year in review (2020: nil).

13. WHISTLE BLOWING

The Company is committed to conducting its affairs ethically and responsibly. Unethical behaviours cost the Company money, time, human resources and can negatively affect the Company's reputation before its stakeholders.

All ethical abuses and fraud are reported through the Company's internal and external whistle blowing processes.

Directors' Report

14. HEALTH AND SAFETY

In Lafarge Africa Plc, Health and Safety is our core value. In 2021, significant progress was made with the initiative, which started in 2016, to imbibe health and safety as a core value for every employee, contractor and stakeholders that we interact with as a business.

15. EMPLOYMENT OF PHYSICALLY CHALLENGED PERSONS

Lafarge Africa Plc is an equal opportunity employer and does not discriminate on any grounds. Therefore, we provide employment opportunities to physically challenged persons, bearing in mind the respective abilities of the applicants concerned. In the event that an employee becomes physically challenged while in the employment of the Company, every effort is made to ensure that their employment with the Company continues and that appropriate training and support is given to them.

16. SUSTAINABILITY REPORT

The Company believes that as a responsible Company, it must contribute to the society, play an active role in the development of the communities where it operates; and that the implementation of proactive measures in favour of sustainability creates value not only for its shareholders, but also for customers and all its stakeholders.

17. LEARNING AND DEVELOPMENT

As the organisation evolves, we continue to equip our employees with both technical and management skills to hone their competencies, to prepare them to cope with challenging environments and a sustainable future.

18. STATUTORY AUDIT COMMITTEE

An Audit Committee of the Company was constituted at the 62nd Annual General Meeting held in Lagos on the 25th May 2021 comprising of three (3) shareholders and two (2) Non-Executive Directors namely: Mr. Adebayo Adeleke, Mr. David Adekanmbi, Mr. Timothy Adejuwon (shareholders' representatives) and Mrs. Oyinkan Adewale and Mrs. Karine Uzan Mercie (Board members).

19. INDEPENDENT AUDITORS

KPMG acted as the Company's Independent Auditor during the year under review. KPMG has indicated their willingness to continue in office as Independent Auditor in accordance with Section 401 (2) of the Companies and Allied Matters Act 2020. A resolution will be proposed to authorize the Directors to fix their remuneration.

BY ORDER OF THE BOARD

ADEWUNMI ALODE (MRS.)
Company Secretary
FRC/2018/ICSAN/00000017796
Dated 25th February 2022

Corporate Governance Report

Corporate Governance is at the heart of the operations and structure of Lafarge Africa Plc. The Board and Management of Lafarge Africa Plc remain committed to the highest standards of corporate governance and have continued to maintain fair, ethical and transparent governance practices, to achieve long-term value and success for all stakeholders of the Company.

Lafarge Africa Plc also adheres to the Holcim Code of Business Conduct, which articulates the Group's values, ethics and business principles, and serves as the ethical road map for the Company, its directors, employees and other stakeholders. The Group also has appropriate mechanisms that may be used for reporting any concerns relating to non-adherence with the Code of Business Conduct.

The Company continues to comply with the provisions of its Memorandum and Articles of Association, the Companies and Allied Matters Act 2020, the Nigerian Code of Corporate Governance 2018 (the "Nigerian Code"), the Nigerian Exchange Limited's Rules, the Rules and Guidelines of the Securities and Exchange Commission (SEC), International Best Practices and other applicable regulations.

This report highlights the Board's corporate governance activities for the year 2021, in compliance with relevant laws, rules and regulations, as well as best practices in corporate governance.

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1. THE BOARD COMPOSITION AND ITS COMMITTEES

In accordance with the provisions of the Nigerian Code of Corporate Governance which provides that the Board should be of a sufficient size relative to the scale and complexity of the Company's operations, the Company's Articles of Association provides that the Company's Board shall consist of not more than eleven Directors.

The composition of the Board is diverse and gender inclusive, with a mix of Executives, Non-Executives and Independent Non-Executive Directors, who possess high level of competencies and experience, with impressive records of achievement, spanning across various industries including: manufacturing; sales, marketing and branding; law; finance and accounting; business administration; taxation; sciences; risk management; banking and entrepreneurship.

The Company has a Diversity and Inclusion Policy. As at December 2021, the Board comprised of six (6) Non-Executive Directors, three (3) Independent Non-Executive Directors and two (2) Executive Directors, out of which five (5) are female directors and six (6) are male directors.

Information regarding Directors holding concurrent Directorships have been disclosed to the Board and are available on pages 16 to 20 of this Report. The names of directors holding concurrent directorships are: Mr. Adebode Adefioye, Mr. Grant Earnshaw, Mrs. Karine Uzan-Mercie, Mr. Gbenga Oyebode, MFR, Mrs. Oyinkan Adewale, Mr. Marco Licata, and Mrs. Virginie Darbo.

EXECUTIVE DIRECTORS

The position of the Group Managing Director (GMD/CEO) and the Chairman are held by separate persons. The GMD /CEO is not a chair of any of the Board Committees, neither is the Board Chairman a member or chair of any of the Board Committees. Also, the Executive Directors do not chair any Board Committee.

The Executive Directors have contracts of employment and letters of appointment. The roles and responsibilities of Executive Directors are specified in their letters of appointment. They declare conflict of interest on appointment, annually and as they occur.

NON-EXECUTIVE DIRECTORS

The roles and responsibilities of Non-Executive Directors are clearly defined in their letters of appointment, Board charter and the Board induction pack. The appointment letters clearly specify their duties, liabilities and terms of engagement. Non-Executive Directors declare conflict of interest on appointment, annually and as they occur. They are provided with detailed information relating to management and on all Board matters in a standard format that ensures completeness. Non-Executive Directors have unfettered access to Executive Directors, the Company Secretary and the Internal Auditor.

Corporate Governance Report

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-Executive Directors meet the criteria prescribed under section 7.2 of the Nigerian Code of Corporate Governance. They are selected in accordance with the Company's Board Selection and Appointment Policy, which prescribes a rigorous process involving: consideration of available and required skill-set on the board; consideration of the recommended practices under the Nigerian Code; assessment, screening and shortlisting of candidates; recommendation of eligible and suitable candidate by the Nominations, Governance and Remuneration Committee to the Board for approval.

The appointment letters of Independent Non-Executive Directors clearly specifies their duties, liabilities and terms of engagement. Independent Non-Executive Directors declare conflict of interest on appointment, annually and as they occur. The Board ascertains and confirms independence of the Independent Non-Executive Directors annually, through the declaration of conflict and review by the Nominations, Governance and Remuneration Committee. The Independent Non-Executive Directors do not own shares in the Company or any of its affiliates. They have no other relationship with the Company apart from directorship. Independent Non-Executive Directors receive director's fees and allowances only.

All Directors have access to independent professional advice in the discharge of their duties. This is documented in the Company's Board Charter and Independent Professional Advice Policy. The Company bears the cost of the Independent Professional Advice.

The Board has an approved Selection and Appointment Policy. The criteria considered for appointment to the Board are as follows:

- diversity requirements of the Board.
- integrity and ethical values of the prospective director.
- capacity and the required expertise needed for the board to effectively fulfil its responsibilities, including:
- educational qualification.
- industry and corporate experience.
- business development and risk management skills and experience.
- time availability of the prospective director.

In determining whether the prospective directors are fit and proper persons, due diligence and consideration prior to the appointment of directors are conducted. The process in ensuring that the Board is refreshed periodically is included in the Company's succession planning policy.

2. ROLE OF THE BOARD

The Board has an Approved Charter containing the roles, terms of reference and responsibilities of all Directors and Officers of the Board.

The Board met regularly to consider matters reserved for it, set broad policies for the Company's business and operations and ensure that a professional relationship is maintained with the Company's auditors, to promote transparency in financial and non-financial reporting. Furthermore, the Company has a conflict of interest policy adhered to by the Board and Management.

The role of the Board as contained in the Board Charter is summarised as follows:

- To review and align goals, annual budget and business plans with the overall strategy of the Company.
- To set performance objectives; monitor implementation and oversee major capital expenditure in line with approved budget.
- To ensure the integrity of the Company's accounting and financial reporting systems and that appropriate systems are in place for monitoring risk, financial control and compliance with the laws.
- Through Board Committees, to make recommendations and take decisions on issues of expenditure that may arise outside the normal meeting schedule of the Board.
- Ratify duly approved recommendations and decisions of the Board Committees.
- The Board has supervisory responsibility for overall budgetary planning, major treasury planning, scientific and commercial strategies. The Board is responsible for satisfying itself that the planning procedure and the Company's overall objectives are appropriate.

Corporate Governance Report

- Periodic and regular review of actual business performance relative to established objectives.
- Review and approve internal controls and risk management policies and processes.
- Performance appraisal and compensation of Board members, succession planning and appointment, training, remuneration and replacement of Board members and Senior Executives.

3. THE BOARD CHAIRMAN

The Chairman was appointed on the 4th of June 2020. He is a Non-Executive Director and he is not a former GMD/CEO or Executive Director of the Company. The roles and responsibilities of the Chairman are clearly defined in his appointment letter, Board charter and the Board induction pack.

4. THE COMPANY SECRETARY

The Company Secretary is an in-house counsel. She is a lawyer and a Chartered Secretary (UK and Nigeria). The Company Secretary is a member of the Senior Management. She reports to the Board Chairman with a communication line to the GMD/CEO. She was appointed by the Board through a rigorous selection process involving interview of candidates, shortlisting and consideration by the Board Nominations, Governance and Remuneration Committee. The Board undertakes and approves the performance appraisal of the Company Secretary. In accordance with the Companies and Allied Matters Act 2020, removal of the Company Secretary is a matter reserved for the Board.

5. BOARD CHANGES

There was no change(s) on the Board since the last Annual Meeting General.

6. RETIREMENT BY ROTATION

In accordance with Articles 97 to 99 of the Articles of Association of the Company, one-third of all Non-Executive Directors (rounded down) are offered for re-election every year (depending on their tenure on the Board), together with Directors appointed by the Board since the last General Meeting.

Pursuant to this, the Directors to retire by rotation and who being eligible, offer themselves for re-election are Mr. Grant Earnshaw, Mrs. Karine Uzan Mercie and Mr. Marco Licata. The profiles of the retiring Directors standing for re-election are set out on page 18 of this Annual Report.

7. THE BOARD OF DIRECTORS' ATTENDANCE

In accordance with Section 284 (2) of the Companies and Allied Matters Act 2020 and the Nigerian Code of Corporate Governance 2018, the record of Director's attendance and meetings held during the year 2021 are detailed below and will be available for inspection at the venue of the Annual General Meeting.

8. BOARD MEETINGS

The Board has a formal schedule of meetings for each year. In 2021, the Board met six (6) times, five (5) scheduled meetings and one (1) emergency meeting, to consider and approve the divestment of the Company's 35% equity investment in Continental Blue Investment Ghana Limited (CBI Ghana).

The record of attendance of Directors at the meetings is as follows:

S/N	Names	No. of Meetings
1.	Mr. Adebode Adefioye	6/6
2.	Mr. Khaled El Dokani	6/6
3.	Mr. Lolu Alade-Akinyemi	6/6
4.	Mrs. Elenda Giwa-Amu	5/6
5.	Mrs. Adenike Ogunlesi	6/6
6.	Mr. Grant Earnshaw	6/6
7.	Mrs. Karine Uzan Mercie	6/6
8.	Mr. Marco Licata	6/6
9.	Mr. Gbenga Oyebode, MFR	6/6
10.	Mrs. Oyinkan Adewale, FCA	6/6
11.	Mrs. Virginie Darbo	6/6

Corporate Governance Report

Dates of Board meetings held in 2021:
20th January 2021, 19th March 2021, 28th April 2021, 24th May 2021, 28th July 2021 and 27th October 2021.

Minutes of Board meetings are prepared and sent to Directors at least 7 days prior to scheduled meetings. Minutes are, thereafter, approved at the subsequent scheduled meetings of the Board. Attendance at meetings are taken into consideration prior to the Directors' recommendation for re-election.

9. COMMITTEES OF THE BOARD

All Board Committees have approved Terms of Reference setting out their responsibilities, composition and matters to be considered. Minutes of Board Committee meetings are prepared and sent to the Directors at least (seven) 7 days prior to scheduled meetings. The minutes are adopted at the subsequent scheduled Committee meeting. The Company Secretary acts as secretary to the Board Committees. The Chair of each Committee (except the Statutory Audit Committee) is appointed by the Board.

i) Finance and Strategy Committee

In accordance with the Committee's Terms of Reference, the Finance and Strategy Committee has the responsibility to review and make recommendations to the Board of Directors with respect to the Company's periodic and long-term financial strategies and objectives.

The Finance and Strategy Committee consists of six (6) members: two (2) Independent Non-Executive Directors, two (2) Non-Executive Directors and the Managing Director. The Chairman of the Committee is an Independent Non-Executive Director.

The Committee held four (4) scheduled meetings and one (1) emergency meeting in 2021; the table below shows the attendance of the members of the Committee meetings held during the year:

Dates of the Finance and Strategy Committee meetings held in 2021 are:
20th January 2021, 18th March 2021, 27th April 2021, 27th July 2021 and 26th October 2021.

S/N	Names	Designation	No. of Meetings
1.	Mrs. Oyinkan Adewale, FCA	Chairperson	5/5
2.	Mr. Khaled El Dokani	Member	5/5
3.	Mrs. Elenda Giwa-Amu	Member	4/5
4.	Mrs. Karine Uzan Mercie	Member	5/5
5.	Mr. Gbenga Oyebode, MFR	Member	5/5
6.	Mrs. Virginie Darbo	Member	5/5

(ii) Nominations, Governance and Remuneration Committee

This Committee has oversight of nominations, governance and remuneration matters. The Committee selects and reviews the skills and experience required to be on the Board and meets as the need arises to deliberate and make recommendations on the Board skill mix and diversity, and remuneration of Directors and senior executives of the Company in line with best practices of Corporate Governance.

The Nominations, Governance and Remuneration Committee consists of two (2) Independent Non-Executive Directors and three (3) Non-Executive Directors. The Chairman of the Committee is an Independent Non-Executive Director.

The Company has a succession plan policy, which is reviewed as the need arises, to ensure it remains consistent with the Company's objectives and relevant standards of corporate governance. Board and Committee Charters including other governance policies are also reviewed as the need arises. The Committee reports on its activities at the Board meeting subsequent to the Committee's meeting and through other channels of communication including memo and reports.

Corporate Governance Report

The Committee held three (3) meetings in the year 2021. The table below shows the attendance of the members of the Committee at the meeting:

Dates of Nominations, Governance and Remuneration Committee meetings held in 2021 are:
22nd April 2021, 22nd July 2021 and 27th October 2021.

S/N	Names	Designation	No. of Meetings
1.	Mr. Gbenga Oyebode, MFR	Chairman	3/3
2.	Mrs Elenda Giwa-Amu	Member	1/3
3.	Mrs. Adenike Ogunlesi	Member	3/3
4.	Mr. Grant Earnshaw	Member	3/3
5.	Mr. Marco Licata	Member	3/3

iii) Risk Management & Ethics Committee

The Risk Management and Ethics Committee is saddled with the responsibility of risk management and ensuring that the Company's policy on ethics adequately impacts positively on its business partners and stakeholders e.g. Customers, Shareholders, Community, Government, Suppliers and the public. The Committee also considers the nature, extent and categories of the risks facing the Company, and the likelihood of such risks materializing, the Company's ability to reduce the incidence and the impact on its business, if the risks do materialize.

The Risk Committee Chairperson is an Independent Non-Executive Director. The Company has a Board-approved Risk Management Framework. The Committee reviews the adequacy and effectiveness of risk management controls at least twice a year. The Chief Risk Officer is a member of Senior Management and has relevant experience for the role. The Chief Risk Officer attended all meetings of the Risk Management and Ethics Committee in 2021.

The Committee held three (3) meetings in the year 2021. The table below shows the attendance of the members of the Committee at the meetings.

Dates of Risk Management and Ethics Committee meetings held in 2021 are: 11th May 2021, 22nd July 2021 and 20th October 2021.

S/N	Names	Designation	No. of Meetings
1.	Mrs. Adenike Ogunlesi	Chairperson	3/3
2.	Mr. Gbenga Oyebode MFR	Member	3/3
3.	Mr. Lolu Alade-Akinyemi	Member	3/3
4.	Mrs. Oyinkan Adewale, FCA	Member	3/3
5.	Mrs. Virginie Darbo	Member	3/3

(iv) Statutory Audit Committee

The Audit Committee was established by virtue of Section 359 of the repealed Companies and Allied Matters Act cap C20, Laws of the Federation of Nigeria 2004 (now section 404 Companies and Allied Matters Act 2020).

In compliance with the provisions of Section 404 (3) of the Companies and Allied Matters Act 2020, the Audit Committee consist of five members comprising three (3) shareholders and two (2) Non-Executive Directors

Corporate Governance Report

namely: Mr. Adebayo Adeleke, Mr. David Adekanmbi, Mr. Timothy Adejuwon, (shareholders' representatives) and Mrs. Oyinkan Adewale and Mrs. Karine Uzan Mercie (Board members).

Details of the Committees' function is in accordance with Section 404 (7) of the Companies and Allied Matters Act 2020.

The Committee held five (5) meetings during the year. The table below shows the attendance of the members of the Committee at the meetings:

Dates of Audit Committee meetings held in 2021: 28th January 2021, 18th March 2021, 27th April 2021, 26th July 2021 and 25th October 2021.

S/N	Names	Designation	No. of Meetings
1.	Mr. Adebayo Adeleke	Chairman	5/5
2.	Mr. Adekanmbi David Ademola	Member	5/5
3.	Mr. Adejuwon Timothy Ademola	Member	5/5
4.	Mrs. Karine Uzan Mercie	Member	5/5
5.	Mrs. Oyinkan Adewale, FCA	Member	5/5

The Company has a Statutory Audit Committee. Members of the Audit Committee have qualifications and experience in accounting, finance, banking, tax, risk management, business administration and law. The Audit Committee reviews the internal auditor's reports quarterly. The Company has an approved internal control framework and compliance is monitored through quarterly updates presented to the Audit Committee. The Audit Committee also reviews the external auditor's management letter, key audit matters and management's response quarterly. The Company has an approved non-audit services policy. The Audit Committee held discussions with the head of internal audit function and external auditors without the management.

The Company has an Internal Audit Function and a Board Approved Internal Audit Charter. The Head of Internal Audit is a member of Senior Management with 13 years of senior management experience in internal audit, control and forensics, within the manufacturing and financial services sectors. The Company also has an annual risk based internal audit plan. The Head of the Internal Audit Function reports quarterly to the Audit Committee on the adequacy and effectiveness of management, governance, risk and control environment; deficiencies observed and mitigation plans. The Audit Committee and the GMD/CEO undertakes the performance evaluation of the Head of Internal Audit.

The Audit Committee makes recommendations to the Board for the appointment, re-appointment or removal of the independent auditors. The Board approves the appointment, re-appointment or removal of independent auditors, subject to ratification by the shareholders. The first date of appointment of the external auditors was 19th July 2017.

10. BOARD PERFORMANCE EVALUATION

The Company has adopted recommendations of the Nigerian Code of Corporate Governance on the Evaluation of Board Performance. Required actions and areas of improvement identified during the Board's performance evaluation, facilitated by DCSL Corporate Services Limited, an independent external consultant, were extensively considered and implemented by the Board in 2021.

The Board evaluation report was presented to the Board in 2021. The Chairman discussed the evaluation report with each Director. The appraisal of each Director's evaluation was considered in the re-election process.

Corporate Governance Report

11. INDUCTION & CONTINUING TRAINING FOR DIRECTORS

The Company has a formal induction programme for new Directors. All newly appointed directors participated in the Company's formal orientation program. This orientation includes presentations intended to familiarise new Directors with the Company's operations, strategic plans, compliance programs, Code of Business Conduct and Ethics, principal officers, internal and independent auditors, shareholding structure, Board plan, health and safety policy, among others.

The Board formalised and approved the Board Training Policy in accordance with requirements of the Nigerian Code and best practices. Training needs are assessed through outcomes of the Board performance and peer assessment evaluations, in line with the Board Training Policy.

12. REMUNERATION OF DIRECTORS

The Company has a Remuneration Policy. The policy is reviewed as the need arises. Details of Directors' fees and allowances for 2021 are stated on Note 38.2 of this report.

Key Performance Indicators (KPIs) have been set by the Board for executive management and performance was measured against the KPIs. The GMD/CEO, Executive Directors, Company Secretary and other senior management staff do not receive fees and sitting allowance.

13. LEADERSHIP TEAM

The Group Managing Director/CEO has the overall responsibility for executing the Company's long term strategy with a view to creating sustainable shareholder value. The GMD/CEO manages the day-to-day operations of the Company and ensures that the operations are consistent with the policies approved by the Board.

The GMD/CEO oversees the Leadership Team and is responsible for ensuring that a culture of integrity and legal compliance is imbibed. He ensures that the Directors are provided with sufficient information to support their decision making.

The GMD/CEO's appointment letter sets out his authority and relationship with the Board. The Company has a policy and requirement for the GMD/CEO to make a conflict of interest declaration on appointment, annually, and/or as they occur. So far, no conflict has been disclosed. The GMD/CEO is not serving as a Non-Executive Director in any other company. The GMD/CEO is not a member of any other Board.

The Leadership Team is made up of the Company's Executives. They meet often to deliberate on critical issues affecting the day-to-day running of the Company. The list of the Leadership Team is available on page 21 of this Annual Report.

14. DEALING IN COMPANY SECURITIES

The Company formulated an Insider Trading Policy, in line with the provisions of the Investment & Securities Act 2007, the Nigerian Exchange Post-Listing Rules, the Nigerian Code of Corporate Governance and the Holcim Directive on Trade Restriction and Market Disclosure. The policy prohibits Directors, employees and any other person in possession of insider information from dealing in the Company's shares at least 14 days before its publication and 24hours after its publication (Non-Authorised Trading Periods).

The Company's Directors and employees are therefore notified and prohibited from dealing in the Company's shares during the Non-Authorised Trading Periods, in accordance with the Investment and Securities Act, 2007, the Post Listing Rules of the Nigerian Exchange Group and the Company's policy on Insider Trading.

15. WHISTLE BLOWING POLICY

The Company is committed to conducting its affairs ethically and responsibly. Accordingly, the Company reviewed and updated its Whistleblowing Policy in 2020 and have established a culture where employees feel comfortable raising concerns about potential and actual breaches of our Code of Business Conduct or

Corporate Governance Report

policies. A breach may be reported either through our integrity line (https://integrity.holcim.com) or available on the Company's website.

The whistleblowing mechanism is reliable, accessible and guarantees anonymity and protection of the whistleblower. The Audit Committee is regularly provided with reports of reported cases, including the process and results of investigated cases.

16. ENTERPRISE RISK MANAGEMENT

The Board has the responsibility of safeguarding the maintenance of a sound system of internal control and risk management, and regularly receives reports from the Risk Management and Ethics Committee on the effectiveness of the Company's risk management processes to support its strategy and objectives.

The Board defines the Company's risk appetite and limit. Risk assessments and reviews are conducted at least quarterly. The Board receives and reviews risk management reports at least twice annually.

Enterprise Risk Management Framework

In line with good corporate governance practice, Lafarge Africa Plc has established a sound framework for the management of Enterprise Risk. The Enterprise Risk Framework was developed in accordance with the Company's commitment to establish and sustain risk management in line with international standards and best practices.

Lafarge Africa's Risk Management function primarily ensures minimisation of the divergence between expectation and outcome, thus ensuring the realisation of more predictable results, which can only be achieved through a robust framework, and clearly defined and transparent risk management process.

At Lafarge Africa, we adopt risk assessment and mitigation steps comprising of:

- Risk Identification;
- Risk Assessment/Measurement;
- Risk Treatment/Control;
- Risk Monitoring and Review;
- Risk Reporting; and
- Risk Communication and Consultation

Our risk management process ensures better management, prevention, and compliance with laws and regulations relevant to our business operations.

Risk Appetite

Lafarge Africa's risk appetite is defined by the Board to ensure that risk is proactively managed across the Company. The Board regularly reviews the Company's risk appetite to ensure consistency with its strategy, business environment and stakeholders' requirements.

Typically, a significant part of the Company's business involves the acceptance and management of risk. The Company operates a formal risk management framework to ensure that its exposure to all risks are properly identified and managed.

Risk Oversight

Lafarge Africa's Risk & Insurance ("R & I") provides a central oversight of risk management to ensure the identification, measurement, monitoring and control of the full spectrum of risks, to minimise adverse outcomes.

The R & I co-ordinates the monitoring and reporting of all risks across the Company. Furthermore, the Internal Audit function regularly audits the R & I, to ensure that all units charged with risk management perform their roles effectively on a continuous basis. In addition, the Internal Audit function tests the adequacy of Internal

Corporate Governance Report

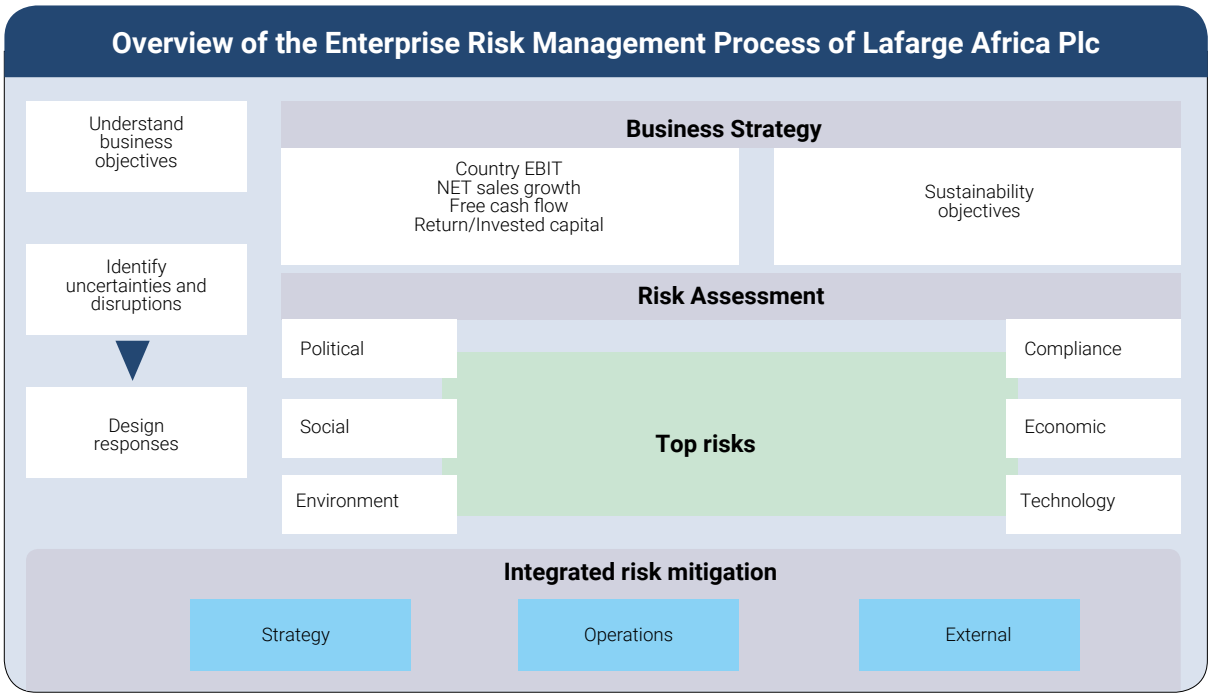
Controls and makes appropriate recommendations where weaknesses are identified. These measures ensure that identified threats to the objectives of the Company are nipped in the bud at the earliest stage.

Scope of Risks

The scope of risks directly managed by Lafarge Africa includes strategic, operational, and external risks.

Covid–19 Related Risks

The Company re-strategised and inculcated Covid–19 risks into its Enterprise Risk Management process; this enabled Lafarge Africa effectively address the short to mid-term threats posed by the pandemic.



17. RELATIONSHIP WITH SHAREHOLDERS

The Board and Management of the Company ensures that communication and dissemination of information regarding the operations of the Company to shareholders, stakeholders, potential investors and the general public is timely, accurate and continuous.

At least 21 days prior to the last Annual General Meeting, notices, annual reports and any other relevant information were dispatched to shareholders. The Board Chairman were present to respond to shareholders' enquiries at the last Annual General Meeting. Adequate information is also provided to shareholders through the Company's website and on The Nigerian Exchange issuers portal.

In compliance with the requirements of the Securities and Exchange Commission's Rules Relating to the Complaints Management Framework of the Nigerian Capital Market issued on 16th February, 2015 and The Nigerian Exchange Directive issued on 22nd April, 2015 to all listed Companies, the Company has put in place a Complaints Management Framework Policy.

The Complaints Management Framework Policy sets out the broad framework by which the Company and its Registrar will provide assistance regarding shareholder issues and concerns. It also provides the opportunity for the Company's shareholders to send feedback to the Company on matters that affect them.

Corporate Governance Report

This Policy is directly accessible on the Company's website; www.lafarge.com.ng. In addition, information on the performance of the Company and other major corporate information are also available to shareholders in particular and the general public on the Company's website:www.lafarge.com.ng

18. STAKEHOLDERS' ENGAGEMENT

The Board has adopted the provisions of the Nigerian Code of Corporate Governance in relation to shareholder engagement. The Company has a Stakeholder Management and Communication Policy.

In accordance with the Company's Stakeholder Management and Communication Policy, the Company strives to proactively engage her stakeholders through regular and constructive dialogues, in order to anticipate and manage changes and, ultimately, partner together to create shared values.

The Company considers its stakeholders as those who have influence over its activities as well as those who are impacted by them. The Company interacts and engages in sustained dialogues with a broad spectrum of stakeholders, at all levels, through meetings and investor calls.

The Company has an up to date investor relations portal - https://www.lafarge.com.ng/investor-relations

19. ETHICS AND CODE OF BUSINESS CONDUCT

The Company has a Code of Business Conduct and Ethics for internal and external stakeholders. The Company has adopted the Holcim Code on Ethics and Business Conduct which ensures that all directors, officers and employees share Holcim's commitment to conducting business with integrity, and provides guidance on how to put this commitment into practice.

This Code has been communicated to all internal and external stakeholders. The Code of Business Conduct is applicable to the board, senior management, other employees and third parties. We strive to ensure all suppliers adhere to principles set forth in the Holcim Supplier Code of Conduct, particularly principles on human rights, labor related issues, environment, anti-bribery and corruption.

The Board has incorporated a process for identification, monitoring, reporting and adherence to the Company's Code of Business Conduct. Disciplinary sanctions including written warning, suspension and termination were imposed for non-compliance with the Company's Code of Business Conduct in accordance with the Company's Employee Handbook and consequence management procedure.

20. ETHICAL CULTURE

The Board has an approved Insider Trading Policy in accordance with The Nigerian Exchange rules. Compliance is monitored through disclosures and regular communication with insiders. Also, the Board adopted The Nigerian Exchange rules on related party transactions. Compliance is monitored through the Company's robust due diligence process and third-party due diligence. The policy is applicable to the Board, senior management, employees and the Company's parent company or associated companies. The Board ensures adequate disclosure through the periodic declaration of conflict and conduct of third party due diligence. The Company has a Board-approved policy on conflict of interest. Compliance is monitored through regular reminder/training and evaluation of conflict of interest disclosures. The policy is applicable to senior management and all employees.

21. SUSTAINABILITY POLICY

The Company has an approved sustainability policy. The sustainability policy is in line with Holcim Group policy applicable to the group companies including Lafarge Africa Plc. Compliance is monitored through regular updates on sustainability.

22. ANTI-BRIBERY AND CORRUPTION STATEMENT

The Board of Directors adopted the Anti-Bribery and Corruption Statement below in accordance with global best practices and the Company's commitment to upholding the highest standards of Corporate Governance. The Anti-Bribery & Corruption Statement provides that:

Corporate Governance Report

Lafarge Africa Plc (the "Company") is committed to:

- Conducting its business dealings and relationships in an ethical manner and with the highest level of integrity, in accordance with the Group's Anti-Bribery and Corruption policies included in the Holcim´s Code of Business Conduct, as well as applicable laws;
- Complying with relevant Anti-Bribery and Corruption laws such as Corrupt Practices and other Related Offences Act of 2000 and the UK Bribery Act of 2010 regardless of the business environment we operate in;
- Ensuring the implementation and enforcement of effective systems to counter the risks of bribery and corrupt practices in the form of gifts and entertainment, reciprocal agreements, favours, discounts, travel, education, donations and other forms of improper benefits for which the Company could be held liable;
- Prohibiting the Company as well as third parties acting on its behalf from engaging in fraudulent acts, corrupt practices and all forms of bribery, gratification, attempting to obtain gratification, facilitation payments, and improper payments or benefits to public officials, their family members and other individuals.

Lafarge Africa commits to comply with the Group Directives and comply with applicable laws on anti-bribery and corruption as well as ensure that its business practices reflect this commitment.

23. DATA PROTECTION STATEMENT

In line with the Nigerian Data Protection Regulation, 2019 (NDPR), the Company has put in place mechanisms to ensure that the collection and processing of personal data from customers, suppliers, stakeholders as well as employees of the Company comply with the requirements of the NDPR. The Company's privacy policy, which can be found on its website https://www.lafarge.com.ng/privacy-policy, explains how Lafarge processes personal data in its possession and the rights and options available to data subjects. The Company is committed to ensuring full compliance with the NDPR and has deployed requisite resources towards its achievement.

BY ORDER OF THE BOARD

ADEWUNMI ALODE (MRS.)
FRC/2018/ICSAN/00000017796
General Counsel & Company Secretary
Dated this 25th February 2022

Report of the External Consultants on the Performance of the Board of Directors of Lafarge Africa Plc

for the year ended December 31 2021

DCSL Corporate Services Limited
235 Ikorodu Road
Ilupeju
P. O. Box 6315, Marina
Lagos, Nigeria

Tel: +234 8090381864
info@ dcsl.com.ng
www.dcsl.com.ng

RC NO. 352393

Abuja Office:
Suite A05, The Statement Hotel
Plot 1002, 1st Avenue
Off Shehu Shagari Way Central Business District
Abuja, Nigeria

Tel: +234 9 4614902-5

7th March 2022

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE OF THE BOARD OF DIRECTORS OF LAFARGE AFRICA PLC FOR THE YEAR-ENDED DECEMBER 31, 2021

DCSL Corporate Services Limited (DCSL) was engaged as Independent External Consultants by Lafarge Africa Plc ("Lafarge", "the Company") to carry out an evaluation of the performance of the Board of Directors, that of its Committees, the Board Chairman, and Individual Directors for the year-ended December 31, 2021, in line with the provision of **Principle 14.1 of the Nigerian Code of Corporate Governance, 2018** as well as global best practices on Corporate Governance. The appraisal entailed a review of the Company's corporate and statutory documents, Minutes of Board and Committee meetings, policies and other ancillary documents made available to us and the administration of questionnaires to Directors.

The objective of the review was to ascertain the extent of compliance with corporate governance principles and the performance of the Board in general. The Company's corporate governance structures, policies and processes were benchmarked against the provisions of the Nigerian Code of Corporate Governance 2018 (NCCG), Securities and Exchange Commission Corporate Governance Guidelines 2021 (SCGG) and international best practices. The evaluation covered the following six key corporate governance themes:

1. Board Structure and Composition;
2. Strategy and Planning;
3. Board Operations and Effectiveness;
4. Measuring and Monitoring of Performance;
5. Risk Management and Compliance;
6. Corporate Citizenship; and
7. Transparency and Disclosure

The Board has the responsibility for putting in place adequate corporate governance structures and practices and approving policies that will ensure that the Company carries on its business in accordance with its Memorandum and Articles of Association as well as in conformity with applicable laws, codes, and regulations to guarantee sustainability. At the conclusion of the evaluation exercise, we confirm that the Board substantially complied with the provisions of the Nigerian Code of Corporate Governance 2018 and SEC Code of Corporate Governance Guidelines and that the activities of the Board and the Company are to a large extent in compliance with corporate governance best practice. In our opinion, the Board and individual Directors have displayed commendable commitment to enhancing the Company's growth, developing, and monitoring corporate strategy to achieve sustainable growth.

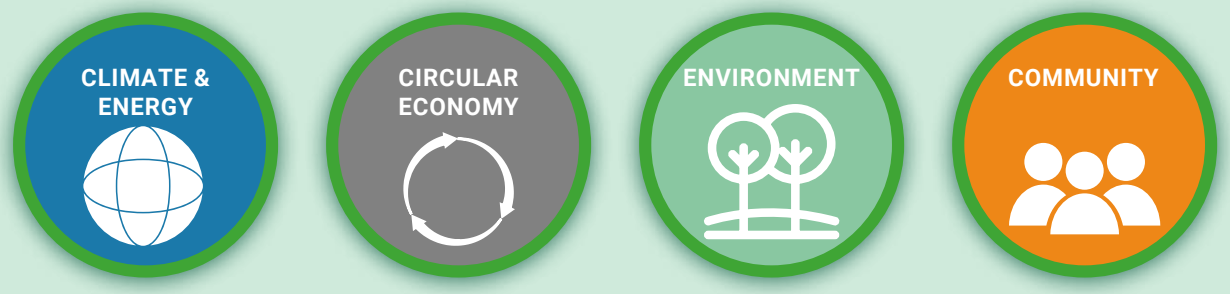
Details of our key findings and recommendations are contained in our detailed Report.

Yours faithfully,
For: DCSL Corporate Services Ltd

Bisi Adeyemi
Managing Director
FRC/2013/NBA/00000002716

Sustainability Performance Report

Lafarge Africa Plc., continues to build and leverage its commitment to sustainable development through effective management in line with global trends in Environmental, Social and Governance (ESG). As the foremost innovative and sustainable building solutions provider, we have retained a culture that reinforces innovation, influence and impact through our strategic sustainability pillars. Being a member of Holcim, the four sustainability pillars – Climate and Energy, Circular Economy, Environment and Community have served as the bedrock for entrenching sustainability into our core and essence. We are also making giant strides through deliberate efforts as we journey to 2050 and commit to our net zero ambitions.



In maintaining our leadership position in sustainability and our corporate positioning of 'Building Progress for People and Planet, we have consistently maintained our drive for excellence by building resilience, demonstrating shared value in our operating communities and partnering with stakeholders to reinforce positive; social, economic and environmental footprints within and beyond our fence.

We benchmark our efforts and initiatives against the 17 United Nations Sustainable Development Goals (SDGs) and partner with organizations and agencies to complement the Federal Government of Nigeria's efforts to create value for our shareholders, customers, employees, and communities.

We remain committed to alignment with the sustainability ambitions and Strategy 2025 – "Accelerating Green Growth," with its value drivers of; Accelerating Growth, Expanding Solutions & Products, Leading in Sustainability and Innovation and Delivering of Superior Performance.

"Lafarge Africa is committed to a sustainable future and to improving the social, economic and environmental well-being of the communities where we operate by making positive contribution to nature and society."

Sustainability Performance Report

CLIMATE AND ENERGY

On our way to becoming a net zero company, Energy, a major sustainability pillar in our Lafarge Africa PLC (LAP), contributes to our net zero pledge with science-based targets. Principal focus was responsible consumption, efficiency drive in production & waste reduction. These initiative-based actions, enabled achievement of reduction in CO2 emissions.

There were major energy achievements in 2021 which had significant impact on operations. In our Sagamu, Mfamosing & Ashaka plants, we were able to reduce global Kiln Specific Thermal Energy Consumption (STEC) by 4%, 2% & 1% respectively. STEC is a critical sustainability indicator because thermal energy consumption is the total of energy consumed to produce clinker. This is the sum of the Giga Joules (GJ) of all fuel types consumed in the kiln system. Specific thermal energy consumption corresponds to the amount of thermal energy consumed in order to produce one ton of clinker. Simply put, energy efficiency is about using less energy to get the same job done and, in the process, avoiding high energy bills and unnecessary pollution.

In our Ewekoro plant, we successfully exported energy to third party off takers enabling optimization of our power generation capability whilst achieving significant reduction in our CO2 emission footprint. Fuel mix achieved reflected our drive for CO2 reduction by ensuring more clean gas vs liquid fuel. Availability & Reliability factors (AV% & RF %) for the power plants in Ewekoro & Mfamosing plant achieved >98% which shows steady operation. These parameters are essential for fuel mix optimization and overall reduction in NOx & CO2 emissions. Still on Mfamosing plant, we also enabled power plant engines start-up on gas to reduce amount of liquid fuel consumption as engine now starts directly on gas. Rerouting of Kiln gas pipeline to the surface through a scrubber helps eliminate risk of gas explosion due to several leakages on the pipeline and reduce condensate impact. Overall, the impact was reduction in fuel consumed, hence reduction in our CO2, SOx and NOx footprint.

Additionally, in our Mfamosing plant, our power plant engine alternator was replaced & upgraded to high efficiency. The alternator generates all the electrical energy stored and consumed in the power plant. The standard alternators generally have a maximum efficiency rating somewhere in the 55–60% range and the high-efficiency models are generally in the 68–75% range. These efficiency gains are mostly due to using conductors that allow greater fill of the windings in the alternator. Versions that operate at higher efficiencies place less load on the engine. It is important to note that alternators typically consume 0.5–1% of the engine's fuel to perform their function, so any fuel economy gains from new technology will be modest.

Moreover, on the journey to net zero we are taking a holistic approach from shaping the plants of tomorrow with automation and artificial intelligence to accelerating energy reduction solutions. The Performance and Collaboration Tool (PACT) has played a key role in enabling our teams to work remotely and to stay connected to the data required for operational decision-making. The notification module provides users with timely information on critical Key Performance Indicator (KPI) which affects our energy footprint. These KPIs include targets on Power consumption, STEC & emission levels (NOx, SOx, CO2, dust etc) with updated guidelines on Stop/Restart processes are embedded in the PACT notification system. This information has equipped our teams with proven guidelines on how to record and track key actions and execute a shutdown in the best conditions as well as how to manage rapidly changing energy demand.

Lafarge Africa is committed to a sustainable future and to improving the social, economic and environmental well-being of the communities where we operate by making positive contribution to nature and society.

Sustainability Performance Report

ENVIRONMENT

Environmental values created in 2021

73% reduction in dust emission at Kiln Stacks against 2020.

24% reduction in both NOx and SO2 emissions at Kiln Stacks against 2020.

15.2% reduction in specific water consumption against the benchmark for cement operations.

Over **16,500** young trees planted across the country for climate change reduction.

Environmental Management Systems

To ensure compliance with stringent company requirements we expect all our plant operations (cement and ready-mix) to have an environmental management system in place. In 2021, 100 percent of our cement plants are certified to ISO 14001 environmental Management System. Our focus for 2022 is to ensure that all our ready-mix plants are certified to the ISO 14001 environmental management system standard.

Water and Biodiversity Management

Our main focus on water management is to consider our total impact on water resources in the communities where we operate. We optimize our operations and prevent the excessive use of freshwater as well as reduce the risk of depletion or pollution by measuring our operational water footprint, reducing freshwater withdrawal, minimizing water wastages and also ensure that all discharge water from our plant operations meet the Nigerian regulatory standards. The specific water consumption for the year was 212 L/t which is a savings of 15.2% when compared with the target for cement operations.

Another critical environmental priority for us as a business is Biodiversity. To minimize any impact from our mining and quarry operations, we have a robust Quarry Rehabilitation and Biodiversity Directive which is geared towards protecting and enhancing the quarry biodiversity. About 16,500 of indigenous trees were planted this year with proper maintenance of over 50,000 young trees. Tree planting does not only support biodiversity but also absorbs carbon dioxide (CO2) and other pollutant gases from the atmosphere thereby contributing to cleaner air and climate change reduction.

Air Emissions

Air emissions are a key environmental aspect for us as a priority. All our cement sites measure and manage air emissions. Today, we have installed at all our cement plants, continuous dust emissions monitoring equipment which can be viewed real time, throughout the year.

In our Ewekoro plant, we converted the old de-dusting system to the best available technology in terms of kiln dust emission reduction. We are proud to achieve 73% reduction in kiln dust emission across the business this year. Our focus for 2022 is to install continuous gas emissions monitoring equipment in all our cement plant operations.

Maintaining an operational – environmental balance

We recognize the global pressure on natural resources and give high priority in managing our raw materials. With the objective to reduce our reliance on non-renewable raw materials like gypsum and iron ores we have implemented a robust strategy focusing on optimizing our supply chain and mining operations. Use of alternative raw materials has been made a strategic priority especially in our Ewekoro plant to reduce the consumption of natural resources and extend the life of the quarries. This year we were able to substitute over 9,000 tons of our core raw materials with by-products from other industries.

"We recognize the global pressure on natural resources and give high priority in managing our raw materials. With the objective to reduce our reliance on non-renewable raw materials like gypsum and iron ores we have implemented a robust strategy focusing on optimizing our supply chain and mining operations. Use of alternative raw materials has been made a strategic priority especially in our Ewekoro plant to reduce the consumption of natural resources and extend the life of the quarries."

Sustainability Performance Report

COMMUNITY

Partnering for impact

In 2021, Lafarge Africa partnered with various private organizations, communities and the government to create a more enabling environment to build for people and planet. A major milestone in 2021 was the handover of the completed and fully equipped Otta Isolation centre in partnership with Unilever Plc which was handed over to the Ogun State Government. Our stakeholder management framework which is all inclusive and creates opportunities for building more resilient communities using various initiatives; employees support and other sustainability interventions to create impact and empowerment through our CSR projects to the communities.

The Corporate Social Responsibility (CSR) for host communities remain hinged on four thematic areas - education, economic empowerment, health and infrastructure. The community development interventions focused on empowerment of youths, construction of health centres, schools, restoration of dilapidated buildings and skill acquisition programs.

Other initiatives that enable us progress in our journey are dedicated programmes that support gender diversity and inclusion, such as the commemorative days for Women and Girls in Science, our impact in the areas of Science, Technology, Engineering and Mathematics as well as our drive to assure that the human rights of our critical stakeholders are preserved. Accordingly, we also commemorated the annual Sustainability Week with the theme 'Leading the Way: for People and for Planet'. In 2021, observing all Covid-19 protocol, our employees, as part of 'Friends of the Communities' - the Company's employee volunteering initiative, dedicated 3,981 hours to initiatives that support Education, Housing and Infrastructure, Health, Environment and the United Nations (UN) commemorative days. We also initiated a "Give back" initiative through our Impact with Partners Programme, empowering a group of our distributors, transporters and other stakeholders make voluntary donations in cash and kind, including various scholarship opportunities availed to pupils of a low-income school.

In line with our commitment to increase our social footprints within our communities and beyond, we are strengthening our risk management, impact monitoring and evaluation processes. Through this initiative, we are entrenching a culture of continuous improvement that meets the interests of our various stakeholder groups.

Cross section of stakeholders at the Otta Isolation Centre handover ceremony and a section of the fully equipped 80 bed Isolation centre.

Sustainability Performance Report

2021 CSR PROJECTS

Projects	Locations
Scholarship/Bursary for undergraduates:50 Funakaya/Akko Students (CDA) and 200 Students for Grema Mustapha Scholarship scheme at ₦60,000 each	Ashaka
Renovation of Classrooms at Sultan Attahiru Community College Bajoga	Ashaka
Furnishing of Bage Central Primary school	Ashaka
Exercise Books for Students	Ashaka
Agricultural Scheme to support community farming system	Ashaka
Construction of Maternity at Garin Alh. Bappanyo (Juggol Borkono)	Ashaka
Construction of Maternity at Maza Mariki (One block of 2 classrooms)	Ashaka
Construction of Maternity at Manawashi (Gongila)	Ashaka
Construction of Maternity at Musa Miyabe Bajoga (Medical Equipment)	Ashaka
Renovation of Jalingo Abatour	Ashaka
Construction of ring culvert at Jauro Mamu	Ashaka
Hand pump borehole - Kayel Baga 1	Ashaka
Hand pump borehole-Kargo	Ashaka
Hand pump borehole-Tudun Kuka	Ashaka
Hand pump borehole - Bakar Dadi	Ashaka
Culvert at Gari Sarki	Ashaka
Culvert at kalkulum	Ashaka
Hand pump borehole at Kayel Baga 2	Ashaka
Construction of Speed Bumps in Bajoja Town and environs	Ashaka
Hand Pump at Wuro Bapparu	Ashaka
Hand Pump at Jauro Bello	Ashaka
Hand Pump at Wuro Karewa	Ashaka
Community Hall at Kumo	Ashaka
Reprinting of CSR Booklets/photo books/other collaterals/CRC Engagements	Ashaka
Repair of Rural Roads	Ashaka
Oxidaiton Pond Rehabilitation	Ashaka
192 Farmers supported with farm materials, tools and equipment	Ewekoro
Provision of Borehole for Camp community primary school, Olapeleke	Ewekoro
Bursary award for 204 students of tertiary institutions in Nigeria worth ₦100,000 per student	Ewekoro
Supply of Educational materials which includes printing and supply of notebooks,pen, school uniforms etc.	Ewekoro
96 Community indigenes trained on various skills including vulcanizing, barbing, hair dressing, fashion designing, beads and bag making, shoe making, etc.	Ewekoro
Construction of a block of 3 classroom, head teacher's office and toilets at Ewekoro Community secondary school	Ewekoro
Installation of 300KVA/33/415 Transformer with earthing system at Ewekoro Community	Ewekoro
Construction of 14 bed Health Centre at Wasinmi Alaafia community (Tiling,Electrical work, Plumbering work, Painting)	Ewekoro
Construction of 14 bed Health Centre at Okeoko Sekon i(Phase 2: Rendering,installation of doors and windows, Plumbing)	Ewekoro
Construction of one block of three classroom at Olapeleke Community	Ewekoro
Construction of Court Quarters at Itori Community	Ewekoro
Construction of 330m block wall drainage and two culverts at Okeoko Egbado Community	Ewekoro
Re-roofing of house No 5 and external painting at Oke oko Egbado Community	Ewekoro
Installation of 3 concrete poles and lighting at Oke oko Egbado Community	Ewekoro
Installation of 500KVA /33/415/ transformer at Egbado Ajegunle Community	Ewekoro
Construction of Generator House, supply of 7.5KVA generator and other basic amenties at Olujobi Community	Ewekoro
Construction of 6 room toilets at 2 locations within Elebute Community	Ewekoro
Construction of 60m reinforced concrete road and drainage at alaagutan Community	Ewekoro
Construction of 14 bed Health Centre at Papalanto Community	Ewekoro
Construction of Transformer base, supply of 300KVA/33/415 Transformer and LT cables at Akinbo Community	Ewekoro
Provision of medical supplies for Wasinmi Alaafia Health Centre	Ewekoro
Provision of medical equipment and supplies for Olujobi Health Centre	Ewekoro
Medical supports for the seniors and elderly (e.g, follow up treatments, wheel chairs, glasses etc.	Ewekoro
Provision for environmental hazards e.g dust emission, noise,dilapitation of building structures due to vibration, control and managing of erosion etc.	Ewekoro

Sustainability Performance Report

Projects	Locations
Secretariat adminstration for running of the community secretariats	Ewekoro
Provision of 90 Dual lockers to a renovated public primary school	Sagamu
Expanded programme of Skills acquisition scheme(Plumbing,Auto-mechanic, Carpentry, welding, Red brick(production & laying), fashion & tailloring, beauty care for youths	Sagamu
Upgrading of Sagamu Library to e-library	Sagamu
Bursary awards for 100 penultimate class Sagamu indigents students in public Tertiary Institutions	Sagamu
Bursary preparation logistics	Sagamu
Promotion of science & technology education in public secondary schools in Sagamu Local Government Area(Coaching Programme)	Sagamu
Logistics for IT Training	Sagamu
Construction of Afisuru-Ogijo Health Centre.	Sagamu
Fencing of Ewu-Oliwo Health Centre	Sagamu
Renovation of a Block of 6 classrooms at St Paul's School, Alagbo	Sagamu
Construction of wall fence at St Paul's School II, Makun	Sagamu
Construction of Toilets at Oba Sonariwo Nursery & Primary School, Sabo	Sagamu
Construction of Culvert at High Court Road, Odo Eran, Makun	Sagamu
Construction of 3 specific locations in Ogijo	Sagamu
Support towards the construction of a modern Fire Service Station for Sagamu Community	Sagamu
Support for the construction of police secondary school Batoro	Sagamu
Maintenance of previously commissioned and existing projects in Sagamu Community	Sagamu
Grading of 90km Igbafa Oke Ariko Iraye Road	Sagamu
Supply of medical equipment for Afisuru-Ogijo Health Centre	Sagamu
Supply of medical equipment for Ajegunle-Ogijo Health Centre	Sagamu
Supply of Ultrasound machine for Emuren, Latawa, Ewu-Oliwo, Ajegunle-Ogijo and Afisuru-Ogijo	Sagamu
Provision for safety of Sagamu Community through vigilantes (Security outfit)	Sagamu
Group life insurance for the security outfit.	Sagamu
Tool and equipment maintenance and services for the security outfit	Sagamu
Provision for one Toyota Hilux for the security outfit	Sagamu
Administration of Sagamu community secretariat	Sagamu
Branding of Dual lockers	Sagamu
Annual Bursary scheme for 100 secondary and 40 tertiary beneficaries	MFA
Recruitment of NYSC volunteers for teaching in host communities	MFA
Back to school campaign in host communities - school bags, uniforms, sandals and books	MFA
Provision of school desk across community school	MFA
Medical outreaches to host communities	MFA
Construction of school toilets in Mbobui, Akwa Ikot Effanga and Mfamosing	MFA
Training of women in agricultural production and business set ups	MFA
Vocational empowernment skill training, make up , tailoring , barbing etc	MFA
Provision of tricycle and motor bikes and keke napeps to community youth	MFA
Construction of Community town hall Essien Town	MFA
Renovation of Kasuk Community clan heads palace	MFA
CRC Training	MFA
Project management Admin Expenses	MFA
CRC Training	MFA
Project management Admin Expenses	MFA

SOCIAL INVESTMENTS

In 2021, Lafarge Africa Plc. expended ₦2, 392,682,860 on diverse social investment programs and initiatives in our communities' pan-Nigeria, and directly impacted over 124,886 beneficiaries within and beyond our host communities.
The breakdown of our investments is as follows:

CSR Interventions	₦595, 931,780
Donations and Sponsorships	₦8, 185,000
Inclusive projects (roads)	₦1, 788, 566,080
Total	**₦2,392,682,860**

LAFARGE

BUILDING PROGRESS FOR PEOPLE AND THE PLANET

We are building resilient communities, enabling economic and social development.

A MEMBER OF HOLCIM

Statement of Directors' Responsibilities

in relation to the Financial Statements for the year ended 31 December 2021

The Directors accept responsibility for the preparation of the annual consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the ability of the Group and the Company to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Adebode Adefioye
Chairman
FRC/2017/IODN/00000016512
Date: 25th February 2022

Khaled El Dokani
Group Managing Director/CEO
FRC/2020/003/00000020762
Date: 25th February 2022

Audit Committee's Report

In accordance with Section 404(7) of the Companies and Allied Matters Act (CAMA), 2020, we, the members of the Audit Committee have reviewed and considered the Independent Auditors' Report required to be made in accordance with Section 404 (7) of CAMA and report as follows:

i. The scope and planning of the internal audit for the year ended 31 December 2021 are satisfactory. The internal audit programs reinforce the Company's internal control system;

ii. The scope and planning of statutory audit for the year ended 31 December 2021 are satisfactory;

iii. Having reviewed the Independent Auditors' management letter on accounting procedures and internal controls, we are satisfied with management's responses thereto;

iv. The accounting and reporting policies for the year ended 31 December 2021 are in accordance with International Financial Reporting Standards and applicable regulatory requirements;

In our opinion, the scope and planning of the audit for the year ended 31st December 2021 were adequate and management's responses to the Independent Auditors' findings were satisfactory.

Mr. Adebayo Adeleke
FRC/2013/NIM/00000002317
Chairman, Audit Committee
Dated 24th February 2022

Audit Committee Members

Mr. Adebayo Adeleke	Shareholder Representative
Mr. David Adekanmbi	Shareholder Representative
Mr. Timothy Adejuwon	Shareholder Representative
Mrs. Karine Uzan Mercie	Non-Executive Director
Mrs. Oyinkan Adewale	Independent Non-Executive Director

Statement of Corporate Responsibility for the Financial Statements

for the year ended 31 December 2021

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Group Managing Director and Chief Financial Officer, hereby certify the financial statements of Lafarge Africa Plc for the year ended 31 December 2021 as follows:

(a) That we have reviewed the audited consolidated and separate financial statements of the Group and Company for the year ended 31 December 2021.

(b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

(c) That the audited consolidated and separate financial statements and all other financial information included in the financial statements fairly present, in all material respects, the financial condition and results of operation of the Group and Company as of and for, the year ended 31 December 2021.

(d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company and its subsidiaries is made known to the principal officer by other officers of the companies, during the year ended 31 December 2021.

(e) That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of the audited consolidated and separate financial statements, and certify that the Company's internal controls are effective as of that date.

(f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

(g) That we have disclosed the following information to the Company's Independent Auditors and Audit Committee:

   (i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and we have identified for the Company's independent auditors any material weaknesses in internal controls, and

   (ii) there is no fraud that involves management or other employees who have a significant role in the Company's internal control.

Khaled Abdel Aziz El Dokani
Group Managing Director
FRC/2020/003/00000020762
Date: 25th February 2022

Lolu Alade-Akinyemi
Chief Financial Officer
FRC/2020/001/00000020157
Date: 25th February 2022

Report of the Independent Auditor

KPMG

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

Telephone 234 (1) 271 8955
234 (1) 271 8599
Internet home.kpmg/ng

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of **Lafarge Africa Plc**

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion
We have audited the consolidated and separate financial statements of Lafarge Africa Plc ("the Company") and its subsidiaries (together, "the group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December, 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Report of the Independent Auditor

1. Impairment of Sagamu plant assets

Refer to significant accounting policies (Note 2) and Property, Plant and Equipment note (Note 15) on the consolidated and separate financial statements

The key audit matter	How the matter was addressed in our audit
The Group and Company's plant in Sagamu with an installed capacity of 1 million metric tons per annum has remained under-utilized due to its sub-optimal plant efficiency as reported by management. Arising from this, the Company reviewed its plans for the Sagamu plant and performed a utilisation assessment in line with future production plans. Consequently, these plans necessitated management's impairment assessment on the specific assets of the Sagamu plant on a stand-alone basis. An impairment loss of ₦4.7 billion in relation to property, plant and equipment and a write down of the associated specific spares carried as inventories of ₦724 million have been recognised in the consolidated and separate financial statements. This is considered a key audit matter due to the significance of the amount and the significant judgement exercised by management.	Our audit procedures included the following: ● We made inquiries of management and evaluated management's process and procedures for the identification of indicators of impairment of the identified asset. ● To corroborate the results of our inquiries, we reviewed the board minutes/board approval and other communications and assessed management plans for impairment. ● We challenged management's basis of judgement and assumptions applied in determining the impairment loss based on our knowledge of the Company. ● We obtained and reviewed managements' assessment detailing the value of spares to be written down and the estimated consumption pattern of spares used in production. ● We considered the adequacy of the Group and Company's disclosures in relation to the impairment of property, plant and equipment in line with the relevant accounting standards.

2. Inventory Obsolescence Allowance ("Off-Spec" Clinker)

Refer to significant accounting policies (Note 2) and Inventories note (Note 21) on the consolidated and separate financial statements.

The key audit matter	How the matter was addressed in our audit
The Group and Company has significant volume of 'off-spec' clinker which had accumulated across all plants and has continued to suffer deterioration due to weather impact and low consumption. Consequently, management has performed an obsolescence assessment of the "off-spec" clinker across all plants and included an allowance amount of ₦7.3 billion in the consolidated and separate financial statements. This is considered a key audit matter due to the significance of the amount and the significant judgement exercised by management.	Our audit procedures included the following: ● We made inquiries of management and evaluated management's processes and procedures for the identification of indicators relating to the identified asset. ● We obtained management's assessment detailing the basis of the amount recognized as write down for the inventory. ● We challenged management's judgment and the assumptions applied in assessing the amount written down based on our knowledge of the Group and Company and observable obsolescence indicators. ● We considered the adequacy of the Group and Company's disclosures in relation to the write down of the identified asset in line with the relevant accounting standards.

Report of the Independent Auditor

3. Provisions and contingent liabilities	
Refer to significant accounting policies (Note 2), Accruals note (Note 33.2) and Contingent liabilities (Note 36) on the consolidated and separate financial statements.	
The key audit matter	**How the matter was addressed in our audit**
In the normal course of business, potential exposures may arise from operations including logistics, legal and work-related matters. The application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability is inherently subjective. This is considered a key audit matter as the amounts involved are potentially significant and the determination as to whether there is a liability is inherently uncertain.	Our audit procedures included the following: • We evaluated and challenged management's basis of provision and accruals in relation to the application of the relevant accounting standards. • We obtained and inspected third party confirmations and correspondences to ascertain the existence and probability of the balance accrued and potential liabilities at year end. • We assessed the adequacy of the disclosures with respect to the potential liabilities of the Group and Company in line with the relevant accounting standards.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Directors' Report, Audit Committee's Report, Statement of Directors' Responsibilities in Relation to the Financial Statements, Statement of Corporate Responsibility for the Financial Statements, Other National Disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report. It also includes financial and non-financial information such as the Notice of Annual General Meeting, Financial Highlights, Chairman's Statement, Corporate Governance Report, Board of Directors' Profile, Leadership Team, Sustainability Report, Corporate Social Responsibility Report, amongst others (together "Outstanding reports"), which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Report of the Independent Auditor

Responsibilities of the Directors for the Consolidated and Separate Financial Statements
The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRSs and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report of the Independent Auditor

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors and Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Board of Directors/Audit Committee, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020.

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.

iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Signed

Oluwatoyin A. Gbagi, FCA
FRC/2012/ICAN/00000000565
For: KPMG Professional Services
Chartered Accountants
28 February 2022
Lagos, Nigeria

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2021

	Notes	Group		Company	
		31 Dec 2021 ₦'000	31 Dec 2020* ₦'000	31 Dec 2021 ₦'000	31 Dec 2020* ₦'000
Revenue	6	**293,086,183**	230,572,922	**262,299,071**	202,530,359
Cost of sales (Production)	7	**(150,505,605)**	(121,716,515)	**(125,134,689)**	(102,568,981)
Gross profit		**142,580,578**	108,856,407	**137,164,382**	99,961,378
Selling and distribution costs	8	**(56,976,373)**	(45,837,222)	**(51,681,590)**	(40,706,971)
Administrative expenses	9	**(21,158,470)**	(18,301,776)	**(20,057,257)**	(17,507,420)
Other income	10	**687,092**	976,151	**414,912**	963,731
Impairment (loss)/reversal on trade receivables	11.2	**(25,603)**	20,605	**(24,461)**	19,316
Other operating expenses	11	**-**	(41,026)	**-**	(41,026)
Operating profit		**65,107,224**	45,673,139	**65,815,986**	42,689,008
Finance income	12.1	**1,740,253**	1,176,002	**1,900,445**	1,099,608
Finance costs	12.2	**(5,276,309)**	(9,710,156)	**(4,750,213)**	(9,902,716)
Net finance cost	12.2	**(3,536,056)**	(8,534,154)	**(2,849,768)**	(8,803,108)
Share of profit from joint venture accounted for using the equity method	17.2	**683,310**	433,146	**683,310**	433,146
Profit before minimum tax	14	**62,254,478**	37,572,131	**63,649,528**	34,319,046
Minimum tax expense	13.1	**(466,769)**	(377,593)	**(466,769)**	(377,593)
Profit after minimum tax		**61,787,709**	37,194,538	**63,182,759**	33,941,453
Income tax expense	13.2	**(10,784,160)**	(6,352,400)	**(9,726,847)**	(5,226,569)
Profit after tax for the year		**51,003,549**	30,842,138	**53,455,912**	28,714,884
Other comprehensive income:					
Items that are or may be reclassified subsequently to profit or loss:					
Share of OCI from joint venture accounted for using the equity method	17.2	**(292,558)**	(53,714)	**(292,558)**	(53,714)
Reclassification of share of OCI from joint venture accounted for using the equity method		**307,169**	-	**307,169**	-
		14,611	(53,714)	**14,611**	(53,714)
Items that will not be reclassified to profit or loss:					
Remeasurements of defined benefit obligations	32.3	**170,864**	-	**170,864**	-
Related tax	13.4	**(51,259)**	-	**(51,259)**	-
		119,605	-	**119,605**	-
Other comprehensive gain/(loss) for the year, net of tax		**134,216**	(53,714)	**134,216**	(53,714)
Total comprehensive income for the year		**51,137,765**	30,788,424	**53,590,128**	28,661,170
Profit attributable to :					
- Owners		**51,003,549**	30,842,138	**53,455,912**	28,714,884
		51,003,549	30,842,138	**53,455,912**	28,714,884
Total comprehensive income for the year is attributable to:					
- Owners		**51,137,765**	30,788,424	**53,590,128**	28,661,170
		51,137,765	30,788,424	**53,590,128**	28,661,170
Earnings per share attributable to the ordinary equity holders of the Company:					
Basic earnings per share (Kobo)	26	**317**	191	**332**	178
Diluted earnings per share (Kobo)	26	**317**	191	**332**	178

* During 2021, the Group and Company modified the classification of distribution costs on its products to reflect more appropriately the nature of the expense, which is consistent with the accounting policy of the group and company. Comparative amounts in the statement of profit or loss were reclassified for consistency.

The accompanying notes form an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Financial Position

as at 31 December 2021

		Group		Company	
	Notes	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
ASSETS					
Non-current assets					
Property, plant and equipment	15	**338,721,747**	348,328,150	**273,704,651**	287,447,215
Intangible assets	16	**713,746**	1,939,210	**578,322**	1,524,264
Investments in subsidiaries	17.1	**-**	-	**63,906,867**	63,906,867
Investment in joint ventures	17.2	**-**	379,432	**-**	379,432
Other financial assets	18	**-**	964,796	**-**	964,796
Other assets	20	**35,535,403**	29,127,048	**32,699,442**	28,657,973
Deferred tax assets	13.7	**15,292,417**	23,404,073	**15,292,417**	23,404,073
Total non-current assets		**390,263,313**	404,142,709	**386,181,699**	406,284,620
Current assets					
Inventories	21	**45,010,127**	31,052,596	**36,656,494**	22,466,615
Trade and other receivables	22	**7,196,754**	5,028,913	**32,377,152**	26,255,784
Other assets	20	**15,275,129**	11,916,440	**14,734,768**	8,846,892
Other financial assets	18.2	**19,035,529**	1,731,432	**18,975,911**	1,729,090
Derivative assets	19	**-**	18,905	**-**	-
Cash and cash equivalents	23	**50,057,345**	53,322,980	**45,128,099**	39,749,715
Total current assets		**136,574,884**	103,071,266	**147,872,424**	99,048,096
Total assets		**526,838,197**	507,213,975	**534,054,123**	505,332,716
LIABILITIES					
Non-current liabilities					
Loans and borrowings	29	**2,482,049**	5,139,600	**709,077**	2,774,394
Employee benefit obligations	32.1	**2,165,592**	2,284,688	**1,821,942**	2,009,182
Deferred income	31	**1,356,534**	1,683,008	**1,123,575**	1,234,307
Provisions	30.1	**2,103,557**	1,510,577	**1,193,962**	817,124
Deferred tax liabilities	13.7	**9,116,700**	9,401,523	**-**	-
Total non-current liabilities		**17,224,432**	20,019,396	**4,848,556**	6,835,007
Current liabilities					
Loans and borrowings	29	**20,805,272**	44,593,230	**19,846,836**	44,458,963
Deferred income	31	**326,474**	381,646	**110,732**	110,732
Trade and other payables	33	**103,177,397**	76,857,775	**109,116,337**	76,438,447
Provisions	30.2	**2,918,962**	2,644,965	**2,571,809**	2,405,497
Current tax liabilities	13.5	**3,824,984**	3,078,461	**2,210,383**	1,109,137
Total current liabilities		**131,053,089**	127,556,077	**133,856,097**	124,522,776
Total liabilities		**148,277,521**	147,575,473	**138,704,653**	131,357,783
EQUITY					
Share capital	24	**8,053,899**	8,053,899	**8,053,899**	8,053,899
Share premium	25	**435,148,731**	435,148,731	**435,148,731**	435,148,731
Retained earnings		**189,487,103**	170,579,540	**145,824,819**	124,464,893
Foreign currency translation reserve	27	**-**	(14,611)	**-**	(14,611)
Other reserves arising on business combination and re-organisations	28	**(254,129,057)**	(254,129,057)	**(193,677,979)**	(193,677,979)
Capital and reserves attributable to owners		**378,560,676**	359,638,502	**395,349,470**	373,974,933
Total equity		**378,560,676**	359,638,502	**395,349,470**	373,974,933
Total equity and liabilities		**526,838,197**	507,213,975	**534,054,123**	505,332,716

The accompanying notes form an integral part of these consolidated and separate financial statements

These financial statements were approved and authorised for issue by the board of directors on 25th February 2022 and were signed on its behalf by:

Adebode Adefioye
Chairman
FRC/2017/IODN/00000016512

Khaled Abdel Aziz El Dokani
Group Managing Director
FRC/2020/003/00000020762

Lolu Alade-Akinyemi
Chief Financial Officer
FRC/2020/001/00000020157

Consolidated and Separate Statements of Changes in Equity - Group

for the year ended 31 December 2021

Group	Notes	Attributable to equity holders of the parent					
		Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Foreign currency translation reserve ₦'000	Other reserves arising on business combination and re-organisations ₦'000	Total equity ₦'000
Balance at 1 January 2021		**8,053,899**	**435,148,731**	**170,579,540**	**(14,611)**	**(254,129,057)**	**359,638,502**
Profit for the year		**-**	**-**	**51,003,549**	**-**	**-**	**51,003,549**
Other comprehensive income (Net of tax)		**-**	**-**	**119,605**	**14,611**	**-**	**134,216**
Total comprehensive income for the year		**-**	**-**	**51,123,154**	**14,611**	**-**	**51,137,765**
Transaction with owners:							
Dividends declared	33.3	**-**	**-**	**(32,215,591)**	**-**	**-**	**(32,215,591)**
Total transaction with owners		**-**	**-**	**(32,215,591)**	**-**	**-**	**(32,215,591)**
Balance at 31 December 2021		**8,053,899**	**435,148,731**	**189,487,103**	**-**	**(254,129,057)**	**378,560,676**
Balance at 1 January 2020		8,053,899	435,148,731	155,801,325	39,103	(254,129,057)	344,914,001
Profit for the year		-	-	30,842,138	-	-	30,842,138
Other comprehensive income (Net of tax)		-	-	-	(53,714)	-	(53,714)
Total comprehensive income for the year		-	-	30,842,138	(53,714)	-	30,788,424
Transactions with owners:							
Dividends declared	33.3	-	-	(16,107,796)	-	-	(16,107,796)
Forfeited dividend		-	-	43,873	-	-	43,873
Total transaction with owners		-	-	(16,063,923)	-	-	(16,063,923)
Balance at 31 December 2020		8,053,899	435,148,731	170,579,540	(14,611)	(254,129,057)	359,638,502

The accompanying notes and significant accounting policies form an integral part of these financial statements

Consolidated and Separate Statements of Changes in Equity - Company

for the year ended 31 December 2021

Company	Notes	Attributable to equity holders of the parent					
		Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Foreign currency translation reserve ₦'000	Other reserves arising on business combination and re-organisations ₦'000	Total equity ₦'000
Balance at 1 January 2021		**8,053,899**	**435,148,731**	**124,464,893**	**(14,611)**	**(193,677,979)**	**373,974,933**
Profit for the year		**-**	**-**	**53,455,912**	**-**	**-**	**53,455,912**
Other comprehensive income (Net of tax)		**-**	**-**	**119,605**	**14,611**	**-**	**134,216**
Total comprehensive income for the year		**-**	**-**	**53,575,517**	**14,611**	**-**	**53,590,128**
Transaction with owners:							
Dividends declared	33.3	**-**	**-**	**(32,215,591)**	**-**	**-**	**(32,215,591)**
Total transaction with owners		**-**	**-**	**(32,215,591)**	**-**	**-**	**(32,215,591)**
Balance at 31 December 2021		**8,053,899**	**435,148,731**	**145,824,819**	**-**	**(193,677,979)**	**395,349,470**
Balance at 1 January 2020		8,053,899	435,148,731	111,857,805	39,103	(193,677,979)	361,421,559
Profit for the year		-	-	28,714,884	-	-	28,714,884
Other comprehensive income (Net of tax)		-	-	-	(53,714)	-	(53,714)
Total comprehensive income for the year		-	-	28,714,884	(53,714)	-	28,661,170
Transactions with owners:							
Dividends declared	33.3	-	-	(16,107,796)	-	-	(16,107,796)
Total transaction with owners		-	-	(16,107,796)	-	-	(16,107,796)
Balance at 31 December 2020		8,053,899	435,148,731	124,464,893	(14,611)	(193,677,979)	373,974,933

The accompanying notes form an integral part of these consolidated and separate financial statements

Consolidated and Separate Statements of Cash Flows

for the year ended 31 December 2021

	Notes	Group		Company	
		31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Cash flows from operating activities:					
Profit after tax		**51,003,549**	30,842,138	**53,455,912**	28,714,884
Adjustments to reconcile Profit for the year to net cash flows:					
Depreciation	15.7	**31,431,791**	28,526,415	**28,738,637**	26,132,270
Impairment losses on property, plant and equipment	15	**4,802,130**	1,193,025	**4,802,130**	1,193,026
Amortization of intangible asset	16	**1,225,464**	1,262,858	**945,942**	982,546
Other non-cash items	34.3	**(127,187)**	(76,302)	**(8,656)**	(110,885)
Net unrealized foreign exchange (gain)/loss		**(1,009,005)**	(788,881)	**(1,039,917)**	(893,582)
Finance costs	12.2	**5,276,309**	8,821,234	**4,750,213**	9,298,055
Finance income	12.1	**(1,740,253)**	(1,176,002)	**(1,900,445)**	(1,099,608)
Share of profit from joint venture	17.2	**(683,310)**	(433,146)	**(683,310)**	(433,146)
Income tax expense	13.2	**10,784,160**	6,352,400	**9,726,847**	5,226,569
Minimum tax expense	13.1	**466,769**	377,593	**466,769**	377,593
Provisions and net movement on employee benefits	34.1.6	**174,103**	2,111,797	**49,874**	1,923,461
Change in net working capital	34.1	**(25,108,002)**	(11,721,309)	**(22,231,193)**	(21,521,601)
Cash flows generated from operations		**76,496,518**	65,291,820	**77,072,803**	49,789,582
Income taxes paid	**13.6**	**(2,728,831)**	(1,556,084)	**(1,031,973)**	(1,134,041)
Net cash flows generated from operating activities		**73,767,687**	63,735,736	**76,040,830**	48,655,541
Cash flows from investing activities					
Acquisition of property, plant and equipment	15.1	**(22,575,810)**	(9,935,846)	**(17,131,293)**	(7,585,750)
Interest received	12.3	**527,487**	638,705	**485,883**	584,730
Interest income received from related party	17.5	**985,897**	-	**985,897**	-
Proceeds from disposal of investment in joint venture (net of earn-out obligation paid)	17.5	**1,211,419**	-	**1,211,419**	-
Loan to related party received	17.5	**1,944,751**	-	**1,944,751**	-
Proceeds from sale of property, plant and equipment	34.2	**15,647**	475,059	**15,647**	458,662
Net cash flows used in investing activities		**(17,890,609)**	(8,822,082)	**(12,487,696)**	(6,542,358)
Cash flows from financing activities					
Interest paid	12.4	**(5,223,520)**	(7,540,737)	**(4,833,576)**	(7,622,970)
Dividend paid to equity holders of the company	33.4	**(27,310,008)**	(7,512,967)	**(27,310,008)**	(7,512,967)
Proceeds from loans and borrowings	29.5	**14,566,748**	1,834,067	**14,037,942**	1,499,886
Repayment of lease liabilities	29.5	**(7,208,823)**	(7,488,596)	**(6,952,724)**	(7,488,596)
Repayment of loans and borrowings	29.5	**(36,045,934)**	(7,759,060)	**(35,180,135)**	(6,403,645)
Net cash used in financing activities		**(61,221,537)**	(28,467,293)	**(60,238,501)**	(27,528,292)
Net (decrease)/increase in cash and cash equivalents		**(5,344,459)**	26,446,361	**3,314,633**	14,584,891
Cash and cash equivalents at the beginning of the year	23.2	**52,056,686**	25,700,556	**38,483,421**	23,987,649
Effects of exchange rate changes on cash and cash equivalents		**1,913,657**	(90,231)	**1,898,584**	(89,119)
Cash and cash equivalents at the end of the year	23.2	**48,625,884**	52,056,686	**43,696,638**	38,483,421

The accompanying notes form an integral part of these consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

1 Business description

Lafarge Africa PLC (Lafarge Africa) was incorporated in Nigeria on 26 February, 1959 and commenced business on 10 January 1961. The Company, formerly known as Lafarge Cement WAPCO Nigeria PLC changed its name after a special resolution was passed by the shareholders at an Annual General Meeting held on Wednesday 9 July 2014. The change of name became effective with the acquisition of shares in Lafarge South Africa Holdings (Proprietary) Limited (LSAH), United Cement Company of Nigeria Limited (UNICEM), AshakaCem PLC (AshakaCem) and Atlas Cement Company Limited (Atlas). The Company's corporate head office is situated at 27B Gerrard Road, Ikoyi, Lagos which is the same as the registered office.

Lafarge Africa is in the business of manufacturing and marketing of cement and other cementitious products such as Ready-Mix Concrete, Aggregates, Fly-Ash etc. On July 15, 2016, Lafarge S.A. France and Holcim Limited, Switzerland, two large global players, merged to form LafargeHolcim Group based in Zurich, Switzerland. Consequently Lafarge Africa is now a subsidiary company of LafargeHolcim (now Holcim Group, by virtue of a name change resolution passed by the shareholders at an Annual General Meeting held on 4 May 2021).

The term 'Group' as used in this report refers to Lafarge Africa, its subsidiaries and investment in a joint venture. Lafarge Africa Group comprises of Lafarge Africa Plc and its subsidiaries below:

AshakaCem Limited was incorporated in Nigeria on 7 August 1974 as a private limited liability company and was converted to a public limited liability company in July 1990. In April 2017, the shareholders of AshakaCem, at an Extraordinary General Meeting (EGM), passed a resolution to delist the company from the official list of the Nigerian Stock Exchange (NSE). Subsequent to the delisting of the company, the shareholders of AshakaCem, held a Court-ordered EGM on October 23, 2017, at which a Scheme to re-organize the issued share capital of the company was passed. The resolution passed at the court ordered meeting was subsequently filed and sanctioned by the Federal High Court and the sanction officially gazetted. At the conclusion of the scheme, Lafarge Africa became 100% owner of the issued share capital of AshakaCem. AshakaCem's main business is the manufacturing and marketing of cementitious materials. AshakaCem has a production capacity of 1.0mtpa.

Wapsila Nigeria Limited was incorporated in Nigeria on 1 December 2014 as a wholly owned subsidiary of Lafarge Africa Plc. Its main business is the generation and sale of power. The Company was yet to commence operations as at 31 December 2021.

In November 2019, through a shareholder meeting ordered by the Federal High Court and the resolutions sanctioned by it, Lafarge Readymix Nig Ltd. was merged into Lafarge Africa effectively from 30th November, 2019.The Court Sanction was registered with the CAC and published in the official Gazette of the Federal Government of Nigeria.

On January 20, 2021, the board of directors of Lafarge Africa Plc approved the disposal of the Company's investment in Continental Blue Investment Ghana Ltd (CBI) a Company involved in development, financing and operation of a cement grinding plant in Ghana via a sale of the total equity interest held by the Company in CBI to a third party, F. Scott AG. The sale was concluded on June 30, 2021,

The Group's subsidiaries are as stated below;

31 December 2021	31 December 2020
AshakaCem Limited	AshakaCem Limited
Wapsila Nigeria Limited	Wapsila Nigeria Limited

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

2.1 Basis of accounting

i) Statement of Compliance

These consolidated and separate financial statements of Lafarge Africa Plc have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011. The financial statements, which were prepared on a going concern basis, were authorized for issue by the Company's board of directors on 25th February 2022. Details of the Group and Company's accounting policies, including changes thereto are included in Note 2.2.2.

ii) Basis of measurement

The financial statements have been prepared in accordance with the going concern assumption under the historical cost concept except for the following items, which are measured on an alternative basis on each reporting date:

- non-derivative financial instruments – initially at fair value and subsequently at amortized cost using effective interest rate
- derivative financial instruments – measured at fair value
- defined benefit pension plans - plan assets measured at fair value
- inventory - lower of cost and net realisable value
- lease liabilities- measured at present value of future lease payments

Functional and presentation currency

The historical financial information is presented in Naira, which is the Group's functional currency, and all values are rounded to the nearest thousand (₦'000), except where otherwise indicated. The accounting policies are applicable to both the Company and Group.

2.2 Use of judgements and accounting estimates

In preparing these consolidated and separate financial statements, management has made judgments, estimates and assumptions that affect the application of the Group/Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and separate financial statements is disclosed in Note 3.1.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is disclosed in Note 3.2.

Fair value measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief financial officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes: Note 4.3.1 – Financial Instrument – Fair value measurement

2.2.1 Going concern

These financial consolidated and separate statements have been prepared on a going concern basis. Management believes that the going concern assumption is appropriate.

2.2.2 Standards and Interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

A. Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. The amendments apply for annual reporting periods beginning on or after 1 January 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other components of equity, as appropriate. The comparatives are not restated. The Group has determined that all contracts existing at 31 December 2021 will be completed before the amendments become effective.

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B. Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. The amendments apply for annual reporting periods beginning on or after 1 January 2023. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

C. Other standards

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

Standard/Interpretation		Date issued by IASB	Effective date Period beginning on or after	Summary of the requirements and impact assessment
Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual improvements 2018- 2020	May 2020	1 January 2022	IFRS 1 First Time Adoption of International Financial Reporting Standards - The amendment permits a subsidiary (as a first-time adopter of IFRS that applies IFRS later than its parent) that applies IFRS 1.D16(a) to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs. IFRS 9 Financial Instruments - The amendment clarifies that for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. IFRS 16 Leases – The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive. IAS 41 Agriculture - The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, with earlier application permitted.

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C. Other standards(Contd.)

Standard/Interpretation		Date issued by IASB	Effective date Period beginning on or after	Summary of the requirements and impact assessment
Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use	May 2020	1 January 2022	The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before its intended use by management. As such, proceeds from selling items before the related item of property, plant and equipment is available for use should be recognised in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs. Companies will therefore need to distinguish between: • costs associated with producing and selling items before the item of property, plant and equipment is available for use; and • costs associated with making the item of property, plant and equipment available for its intended use. Making this allocation of costs may require significant estimation and judgement. The amendments also clarify that testing whether an item of PPE is functioning properly means assessing its technical and physical performance rather than assessing its financial performance – e.g. assessing whether the PPE has achieved a certain level of operating margin. The amendments apply for annual reporting periods beginning on or after 1 January 2022, with earlier application permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

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C. Other standards(Contd.)

Standard/Interpretation		Date issued by IASB	Effective date Period beginning on or after	Summary of the requirements and impact assessment
Amendments to IAS 1	Classification of liabilities as current or non-current	January 2020	1 January 2023	Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement. The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognised as either equity or liability separately from the liability component under IAS 32 Financial Instruments: Presentation The standard is effective for annual periods beginning on or after 1 January 2023. Early adoption is permitted.
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure Initiative: Accounting Policies	Feb-21	1 January 2023	The amendments were issued to assist companies provide useful accounting policy disclosures. The key amendments to IAS 1 include: • requiring companies to disclose their material accounting policies rather than their significant accounting policies; • clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and • clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements; The amendments are consistent with the refined definition of material: "Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements". The amendments are effective from 1 January 2023.

Notes to the Consolidated and Separate Financial Statements

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C. Other standards(Contd.)

Standard/Interpretation		Date issued by IASB	Effective date Period beginning on or after	Summary of the requirements and impact assessment
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	September 2024	The effective date of this amendment has been deferred indefinitely by the IASB.	The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting. Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV. In either case, the loss is recognised in full if the underlying assets are impaired. The IASB has decided to defer the effective date for these amendments indefinitely.
Amendments to IAS 8		Feb-21	1 January 2023	This amendment provides clarifications to companies on how to distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The amendment introduces a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarifies the following: • an entity develops an accounting estimate to achieve the objective set out by an accounting policy. • developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) and choosing the inputs to be used when applying the chosen measurement technique. • a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. • a change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods. The definition of accounting policies remains unchanged. The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

Notes to the Consolidated and Separate Financial Statements

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2.3 Introduction to summary of significant accounting policies

The note provides a list of the significant accounting policies adopted in the preparation of these consolidated and separate financial statements to the extent they have not already been disclosed in other notes. These policies have been consistently applied to all the years presented unless otherwise stated.

2.4 Principles of consolidation and equity accounting

The financial statements of the consolidated subsidiaries were used to prepare the consolidated financial statements as at the parent company's reporting date.

i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Common control business combination and re-organization:
The Group uses the acquisition method to account for business combinations involving entities ultimately controlled by Holcim Group. A business combination is a "common control combination" if:

- The combining entities are ultimately controlled by the same party both before and after the combination and
- Common control is not transitory

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities (see (P)). The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

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ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that does not result in a loss of control are accounted for as equity transactions.

iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iv) Joint arrangements

The Group's joint arrangements are classified as joint venture. A joint venture is an arrangement in which the Group and other parties have joint control, whereby the group has rights to the net assets of the joint arrangement. The classification is based on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Interests in joint ventures are accounted for using the equity method (see (v) below).

v) Interest in equity-accounted investees

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.12.

Interests in the joint ventures are derecognised when the Group loses joint control over the joint venture. Any resulting gain or loss is recognised in profit or loss.

vi) Impairment assessment of investments in subsidiary

Interests in the equity of subsidiaries not attributable to the parent are reported in equity as non-controlling interest. Profits or losses attributable to non-controlling interests are reported as profit or loss attributable to non-controlling interests.

In the separate financial statements of Lafarge Africa Plc (the Company) investments in subsidiaries is recognised at cost and dividend income is recognised in other income in the statement of profit or loss.

The Group assesses at the end of each reporting period whether there is objective evidence that an investment is impaired. An investment is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the investment and has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated.

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The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in profit or loss.

vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.5 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale, and represents a separate major line of business or geographical area of operations, and is part of a single coordinated plan to dispose a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is represented as if the operation had been discontinued from the start of the comparative year.

2.6 Revenue recognition

The specific recognition criteria described below must also be met before revenue is recognised:

The Group recognises revenue when (or as) it satisfies a performance obligation by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). The amount of revenue recognised is the amount allocated to the satisfied performance obligation. A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer or for construction related activities).

2.7 Investment income

Investment income arising on dividends from subsidiaries and un-listed investments are usually classified as part of other income. Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

2.8 Finance income and finance costs

The Group's finance income and finance costs include: - interest income - interest expense - the foreign currency gain or loss on financial assets and financial liabilities. For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in profit or loss. Foreign exchange gains and losses on transactions are presented in net finance income or finance expense.

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Finance expense is recognised in profit or loss and would normally include; bank charges, interest expense calculated using the effective interest rate method, exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and the unwinding of the effect of discounting provisions.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.9 Government grants

The Group's government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

The benefit of a government loan at a below-market rate of interest is treated as government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The unwinding of the discount is recognised each year as a finance cost in the profit or loss.

2.10 Income tax

Income tax expense comprises current tax (company income tax, tertiary education tax and Nigeria Police Trust Fund levy) and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on Taxable profits
- Tertiary education tax is computed on assessable profits
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting ALL expenses and taxes from revenue earned by the Group during the Year)

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Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

b) Minimum tax

The Group and Company are subject to the Company Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and Minimum tax (determined based on 0.5% of the gross turnover of the Group and Company). Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognized in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as Minimum tax.

The Group offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

c) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

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Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2.11 Leases

A) Definition of a lease

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group uses the definition of a lease in IFRS 16.

This policy is applied to contracts entered into, on or after 1 January 2019.

B) As a lessee

The right-of-use assets were in general measured at the present value of the lease liability, adjusted for any prepaid and accrued leases before the date of initial application. For certain leases, the right-of-use asset was measured at its carrying amount as if the standard had been applied since the commencement date, discounted with the incremental borrowing rate at the date of initial application. Lafarge Africa Plc does not recognise right-of-use asset and record lease liability for the payments for short-term leases, that is, leases with a lease term assessed to be 12 months or less from the commencement date, and for leases of low value assets, that is, assets which fall below the capitalization threshold for property, plant and equipment as the impact is immaterial. These payments are included in operating profit on a cost incurred basis and reported in the cash flow from operating activities. Information regarding the financial impacts of the initial application of IFRS 16 is stated below. Since January 1, 2019, the Group assesses at inception of a contract whether it contains a lease under IFRS 16 and accordingly recognizes a right-of use asset and a lease liability if it meets the definition of a lease, with the exception of short-term leases and leases of low value assets as described above.

The lease liability is measured at commencement date at the present value of the future lease payments, discounted with the interest rate implicit in the lease or, if not readily determinable, with the lessee's respective incremental borrowing rate.

Future lease payments include in-substance fixed payments, variable lease payments depending on an index or rate and, if assessed as reasonably certain to be exercised, payments for purchase options, termination options and extension options. The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. Non-lease components in contracts are separated from lease components and accordingly accounted for in operating profit on a cost incurred basis. The right-of-use asset is recognized at the commencement date at cost, which includes the amount of the lease liability recognized, any lease payments made at or before the commencement date of the lease, initial direct costs incurred and an estimate of costs to be incurred in dismantling and removing the underlying asset or restoring the asset to the condition agreed with the lessor. Unless the Group is reasonably certain to exercise a purchase option, the right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and lease term. Right-of-use assets are subject to the impairment requirements under IAS 36 Impairments of Assets.

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The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The Group has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

In the cash flow statement, the portion of the lease payments reflecting the repayment of the lease liability and interest portion is presented within financing activities.

2.12 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGUs is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGUs.

An impairment loss is recognised if the carrying amount of an asset or CGUs exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs, and then to reduce the carrying amounts of the other assets in the CGUs on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.13 Cash and cash equivalents

Cash and cash equivalents as shown in the statement of financial position comprise cash in hand or bank, deposit held at call with banks and time deposits which are readily convertible to cash with original maturities of three months or less.
Bank overdrafts that are repayable on demand and form an integral part of the Group/Company's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

2.14 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of raw materials, spare parts, other supplies (consumables) and purchased finished goods is the weighted average cost less amount written down to net realizable value.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overhead based on normal operating capacity.

Net realisable value of inventories is the estimated selling price of the inventories in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

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Slow moving and obsolete inventory items are written off to profit or loss.

2.15 Financial instruments

2.15.1 Financial assets

Non-Derivative financial assets:

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not measured at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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Financial assets - Assessment

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

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2.15.2 Financial liabilities

Non-Derivative financial liabilities:

i) Classification

Financial liabilities are classified as financial liabilities at amortised cost. The Group has no financial liabilities in any other category. Management determines the classification of financial liabilities at initial recognition.

a) Financial liabilities at amortised cost

These includes trade and other payables, loan payables and borrowings. Trade payables are classified as current liabilities due to their short term nature while borrowings are spilt into current and non current liabilities. Borrowings included in non-current liabilities are those with maturities greater than 12 months after the reporting date.

ii) Recognition & measurement

Financial liabilities are recognised initially at fair value, net of any transaction costs. Loan payables and borrowings are recognised on the date when they are originated. All other financial liabilities are initially recognised on the trade date when the entity becomes party to the contractual provisions of the instrument. Subsequently, they are measured at amortised cost using the effective interest method.

2.15.3 Derecognition

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (that is, if substantially all the risks and rewards have not been transferred, the Company tests control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition).

Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

2.15.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount 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 realise the asset and settle the liability simultaneously. The legal enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Group or Company.

2.15.5 Impairment of financial assets

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Group measures loss allowances at an amount equal to the 12 month ECLs.

The ECLs for trade and other receivables are estimated using a provision matrix based on the Group's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both current as well as the forecast direction of conditions at the reporting date. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group has identified the change in annual gross domestic product (GDP) to be the most relevant factors and accordingly adjusts the historical loss rates if a significant change in GDP is expected within the next 12 months.

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The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

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2.16 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Spares expected to be in use for more than one year with material values as determined by the Directors are capitalised and depreciated over a period of 3-10 years.

Construction work in progress (Construction expenditure) is not depreciated, it is carried at cost less any recognised impairment losses. Cost includes professional fees and for qualifying assets, borrowing costs capitalised in accordance with the company accounting policies. All such assets, once available for use are capitalised within the appropriate class of property, plant and equipment and subjected to the applicable depreciation rate in the year they are used.

Freehold or leasehold land with indefinite extension is not depreciated by the Group. Depreciation of property, plant and equipment is calculated using the straight-line method to write down the cost to the residual values over the estimated useful lives, as follows:

	Useful life
Leasehold land	Depreciated over the lease term (years)
Buildings	20-35
Production plant	20-30
Capitalised spares	3-10
Furniture	3-10
Motor vehicles	3-10
Computer equipment	4-10
Ancillary plant & machinery	10-20

The assets' residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting date.

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 costs to sell and value in use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The Group require minimum levels of inventory to be able to operate the plant, such inventories were capitalised in line with recognition criteria in IAS 16.16(b) as costs that are necessary to bring the assets to its working condition.

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2.16.1 Major maintenance and repairs

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets and overhaul costs. Where an asset, or part of an asset, that was separately depreciated and is now written off is replaced, and it is probable that future economic benefits associated with the item will flow to the Group through an extended life, the expenditure is capitalised.

Where part of the asset was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) which is immediately written off. All other day-to-day maintenance and repairs costs are expensed as incurred.

2.17 Intangible assets

Initial recognition and measurement
In accordance with criteria set in IAS 38, intangible assets are recognised only if:

- they are identifiable,
- they are controlled by the entity because of past events, and
- It is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent recognition
Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Amortisation methods and periods
The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Derecognition
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

2.17.1 Software

Intangible assets primarily include software costs and are amortized using the straight-line method over their estimated useful life of 3years which is based on management estimation. This expense is recorded in administrative expenses based on the function of the underlying assets.

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An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

2.18 Borrowing costs

General and specific borrowing cost directly attributable to the acquisition, construction or production of a qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those asset, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. These include interest expenses calculated using the effective interest rate method, finance charges in respect of finance leases and exchange differences arising from foreign currency borrowings. Where a range of debt instruments is used to borrow funds, or where the financing activities are coordinated centrally, a weighted average capitalization rate is applied.

2.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation.
The amount of provisions are at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.19.1 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group and company, or a present obligation that arise from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

2.19.2 Site restoration provisions

In accordance with the Group's policy and general commitment to respect the environment, the Group has a constructive obligation to restore all quarry sites. The provision for such site restoration is recorded in Statement of financial position and charged to finance cost on commencement of mining activities. This provision is recorded over the operating life of the quarry on the basis of production levels and depletion rates. The estimated future costs for known restoration requirements are determined on a site-by-site basis.

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Site restoration costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the site restoration liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are included in profit or loss.

2.20 Exploration and evaluation

(a) Pre-licence costs

Pre-licence costs relate to costs incurred before the Group has obtained legal rights to explore in a specific area. Such costs may include the acquisition of exploration data and the associated costs of analysing that data. These costs are expensed in the period in which they are incurred.

(b) Exploration and evaluation expenditure

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource

Exploration and evaluation activity includes:

- Researching and analysing historical exploration data
- Gathering exploration data through geophysical studies
- Exploratory drilling and sampling
- Determining and examining the volume and grade of the resource
- Surveying transportation and infrastructure requirements
- Conducting market and finance studies

Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Once the legal right to explore has been acquired, exploration and evaluation expenditure is charged to profit or loss as incurred, unless the Group concludes that a future economic benefit is more likely than not to be realised. These costs include directly attributable employee remuneration, materials and fuel used, surveying costs, drilling costs and payments made to contractors. In evaluating whether the expenditures meet the criteria to be capitalised, several different sources of information are used. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

2.21 Employee benefits

a) Short-term employee benefits

This includes wages, salaries, bonuses, paid annual leave, sick leave and other contributions. These benefits are expensed in the period in which the associated services are rendered by employees of the Group. A liability is recognised for the amount that is expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group ensures that each employee is paid his/her annual leave entitlement at the end of each reporting period.

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b) Other long-term employee benefits (Long service award)

The group provides employees with two (2) Long Service Award Benefits. The benefits are gift items, Ex-Gratia (expressed as a multiple of Monthly Basic Salary), a plaque and certificate. The liability recognised in respect of these awards is computed using actuarial methods (discounted at present value). Any resulting remeasurement gain/loss is recognised in full within other income/administrative expense in the profit or loss.

Current service cost is included as part of administrative expense and interest cost is included as part of finance cost in the profit or loss.

c) Post-employment benefit obligations

Defined contribution scheme

The Group operates a defined contribution retirement benefit scheme for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. In a defined contribution plan, the actuarial risk falls 'in substance' on the employee. For Nigerian entities, the employee contributes 8% while the Group contributes 10% of the emoluments (basic, housing and transport allowance). The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The assets of this scheme are held in separate trustee administered funds, which are funded by contributions from both the employee and the Group. The contributions are recognised as employee benefit expense as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

d) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.22 Share capital

The Company has only one class of shares; ordinary shares. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12

2.23 Dividends

Dividends are recognised as liability in the period they are declared.

Dividends which remain unclaimed for a period exceeding twelve (12) years from the date of declaration and which are no longer actionable by shareholders in accordance with Section 432 of the Companies and Allied Matters Act (CAMA), 2020, are included in the profits that should be distributed to the other shareholders of the Company.

2.24 Earnings per share

Basic earnings per share is computed by dividing the profit or loss attributable to owners of the Company by the weighted average number of shares outstanding during the period.

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Diluted earnings per share is calculated by dividing the profit or loss attributable to the owners of the Company, by the weighted average number of shares outstanding after adjusting for the effects of all dilutive potential ordinary shares.

2.25 Prepayment for gas

The Company has a gas supply contract which requires that on a monthly basis, an agreed sum, known as the base amount, is paid by the Company for the supply of a specified quantity of gas in future, regardless of the Company's ability to utilise the gas. Any excess of the base amount over the value of actual gas utilised is recognised as prepaid gas assets, which is included in other assets in the financial statements.

Prepaid gas are capitalised when it is determined that the company will be able to utilise such amounts in the future and expensed as incurred. As the prepaid gas assets are utilised, they are expensed and recorded in the income statement in the period in which they are utilised.

2.26 Statement of cash flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the period from operating activities, investing activities and financing activities.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated for the purpose of preparing the statement.

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposit held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts.

The cash flows from investing and financing activities are determined by using the direct method.

2.27 Operating profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit or loss of equity accounted investees and income taxes.

3 Accounting estimates and judgments

The preparation of financial statements requires management to make certain judgments, accounting estimates and assumptions that affect the amounts reported for the assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. The nature of the estimation means that actual outcomes could differ from those estimates. The key source of estimation uncertainty that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities are discussed below.

3.1 Judgements

Leases

The judgement on whether the Group is reasonably certain to exercise extension options is disclosed in Note 2.11.

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3.2 Key sources of estimation uncertainty

3.2.1 Site restoration provisions

Where the Group is legally, contractually or constructively required to restore a site, the estimated costs of site restoration are accrued for at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the site. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of site restoration are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the site,. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of future activities. See further details in Note 30.1.

3.2.2 Trade receivables

The Group assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment should be recorded in profit or loss, the Group makes significant assumptions in line with the expected credit loss model of IFRS 9 in determining the weighted average loss rate. See further details in Note 22.3.

3.2.3 Rate for translation of foreign operations

The Group determines the rate to be used for translation of its foreign operations based on the rate available for immediate delivery.

3.2.4 Staff gratuities and Long Service awards

The cost of the defined benefit plans and the present value of retirement benefit obligations and long service awards are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and changes in inflation rates. Due to the complexities involved in the valuation and its long-term nature, these obligations are highly sensitive to changes in assumptions.

All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers market yield on federal government bond in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The rates of mortality assumed for employees are the rates published in 67/70 ultimate tables, published jointly by the Institute and Faculty of Actuaries in the UK. Further information is provided in Note 32.

3.2.5 Impairment of Property, Plant and Equipment

The Group assesses its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable, or at least at every reporting date.

The assessment for impairment entailed comparing the carrying value of the cash generating unit with its recoverable amount. The recoverable amount is based on an estimate of the value in use of these assets. Value in use is determined on the basis of discounted estimated future net cash flows. During the year, the Group recognised impairment losses in respect of two projects in Mfamosing and Ewekoro Plants. The value in use for all impaired items during the period is estimated to be zero as the Group does not expect any positive net cash flows arising from use or abandonment. These assets cannot be sold or transferred. See further details in Notes 15.2.

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3.2.6 Exploration and evaluation

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

In addition to applying judgement to determine whether future economic benefits are likely to arise from the Group's exploration and evaluation assets or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Group has to apply a number of estimates and assumptions.

The estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, particularly, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the relevant capitalised amount is written off to the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

3.2.7 Provisions and Contingencies

The Group makes judgements in recognition and measurement of provisions and contingencies especially relating to key assumptions about the likelihood and magnitude of an outflow of resources. See note 2.19.

3.2.8 Prepayment for Gas

The Company has a gas supply contract with a vendor. The contract requires that a base amount is paid (take-or-pay (TOP)) by the Company regardless of its gas utilisation. The excess of the base amount over the value of actual gas utilised is recognised in the financial statements as prepayment for gas. Based on the contract, any quantities of Gas forming part of the TOP quantity paid for by the Company and not utilised during a contract year shall be designated as Make-up Gas (MUG) and the Company shall be entitled to utilise the remaining balance of the accrued Make-up Gas in any subsequent period in the chronological order in which it is accrued during the contract period. See note 20.1.

The Company performs an assessment to determine whether the prepaid gas asset is recoverable within the contract period. This assessment contains elements based on judgments and assumptions that are impacted by future production volumes, forecasted growth rates and gas utilisation levels as well as the ability of the vendor to fulfil its obligations under the terms of the contract. There is a risk that actual outcomes may differ from expectations. Further details are included in Note 20.1 on Prepayment for Gas.

4 Financial risk management

The Group has exposure to credit, liquidity and market risk arising from financial instruments.

4.1 Financial risk factors

The Corporate Investment and Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit and liquidity risk.

The Group seeks to minimise the effects of these risks by aligning to parent company's policies as approved.

Compliance with policies and established controls is reviewed by the internal auditors on a continuous basis.

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The Corporate Investment and Treasury function reports monthly to the executive committee and periodically to the Risk and Ethics committee of the Board of Directors, for monitoring and implementation of mitigating policies.

The Internal Audit Department provides an independent assurance of the risk frame work. They assess compliance with established controls and recommendations for improvement in processes are escalated to relevant management, Audit Committee and Board of Directors.

(a) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies where available, and if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The credit limit is determined on an individual customer basis and as approved by the Credit Committee based on a assessment of each customer's credit worthiness. Bank guarantees are required from every customer that is granted credit.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the executive committee periodically.

The average credit period on sales of goods is 30 days. No interest is charged on trade receivable by the Group.

Before accepting a new customer with no historical information on their credit worthiness, the Group ensures that bank guarantees are in place in order to limit its credit risk exposure. The bank guarantees mitigates 90% of the credit risk exposure.

The Group does not have a single customer with a contribution of more than 5% of the total balance of trade receivables.

The Group does not require collateral in respect of trade and other receivables. The Group does not have trade receivables for which no loss allowance is required because of collateral.

The financial assets of the Group and Company are stated below:

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Trade receivables - Net (Note 22)	**2,512,634**	2,094,834	**7,152,841**	4,462,570
Other receivables (Note 22)	**4,684,120**	2,934,079	**25,224,311**	21,793,214
Other financial assets (Note 18) **	**19,035,529**	2,696,228	**18,975,911**	2,693,886
Cash and cash equivalents (Note 23)	**50,057,345**	53,322,980	**45,128,099**	39,749,715
Derivative assets	**-**	18,905	**-**	-
Total	**76,289,628**	61,067,026	**96,481,162**	68,699,385

Financial assets exclude prepayment, VAT receivable and withholding tax recoverable as these are non financial instruments.

** Other financial assets exclude available for sale assets.

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Trade receivables

Trade receivables are further broken down into:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Neither past due nor impaired (Stage 1)				
0 - 30 days	**1,228,224**	1,513,272	**5,934,218**	3,911,160
Past due but not impaired (Stage 2)				
The ageing of amounts past due but not impaired is as follows:				
31 - 60 days	**415,314**	233,402	**413,797**	206,426
61 - 90 days	**381,162**	121,968	**372,585**	119,951
Over 90 days	**487,934**	226,192	**432,241**	225,033
	1,284,410	581,562	**1,218,623**	551,410
Impaired (Stage 3)				
Credit impaired	**280,495**	254,892	**269,431**	244,970
Total amount exposed to credit risk (Gross)	**2,793,129**	2,349,726	**7,422,272**	4,707,540
Impairment allowance (Note 22.3)	**(280,495)**	(254,892)	**(269,431)**	(244,970)
Total amount exposed to credit risk (Net)	**2,512,634**	2,094,834	**7,152,841**	4,462,570

Management believes that the unimpaired amounts that are past due by less than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings as available.

Amounts due from related parties are considered recoverable by management as the Group has not suffered significant impairment losses in the past on related party receivables.

Impairment of trade receivables

An impairment analysis is performed at each reporting date and the calculation is based on actual incurred historical data. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet identified. For these receivables the estimated impairment losses are recognised in a separate provision for impairment. The Group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash.

Impairment losses are recognised in profit or loss. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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Reconciliation of changes in the allowance for credit losses impairment account is disclosed in Note 22.3.

Expected credit loss assessment for corporate customers as at 31 December 2021

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from agencies.

Exposures within each credit risk grade are segmented by geographic region and industry classification and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Expected Credit Loss Assessment

Group

As at 31 December 2021	Weighted average loss rate	Gross carrying amount ₦'000	Loss Allowance ₦'000	Credit Impaired
0-30	**0.05%**	**1,263,326**	**598**	**Yes**
31-60	**0.11%**	**392,685**	**443**	**Yes**
61-90	**0.19%**	**376,230**	**715**	**Yes**
Over 90days	**36.63%**	**760,889**	**278,739**	**Yes**
		2,793,130	**280,495**	

Group

As at 31 December 2020	Weighted average loss rate	Gross carrying amount ₦'000	Loss Allowance ₦'000	Credit Impaired
0-30	0.00%	1,278,557	-	No
31-60	0.00%	224,149	-	No
61-90	0.00%	119,951	-	No
Over 90days	52.57%	484,845	254,892	Yes
		2,107,502	254,892	

Company

As at 31 December 2021	Weighted average loss rate	Gross carrying amount ₦'000	Loss Allowance ₦'000	Credit Impaired
0-30	**0.04%**	**1,164,563**	**417**	**Yes**
31-60	**0.11%**	**391,167**	**443**	**Yes**
61-90	**0.19%**	**367,653**	**698**	**Yes**
Over 90days	**38.59%**	**694,133**	**267,873**	**Yes**
		2,617,516	**269,431**	

Company

As at 31 December 2020	Weighted average loss rate	Gross carrying amount ₦'000	Loss Allowance ₦'000	Credit Impaired
0-30	0.00%	1,196,890	-	No
31-60	0.00%	205,604	-	No
61-90	0.00%	119,951	-	No
Over 90days	51.57%	475,032	244,970	Yes
		1,997,477	244,970	

The Group holds bank guarantees to cover its credit risks associated with its financial assets.

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(c) Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. The Group mitigates its credit risk of its bank balance and derivative financial assets by selecting and transacting with reputable banks with good credit ratings and a history of strong financial performance. Bank ratings are based on Fitch national long term rating (2021). The credit ratings of the banks with the bank balances are shown below.

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Cash at bank				
AAA	**-**	4,704,692	**-**	4,694,264
A+	**25,467,239**	3,760,193	**23,081,662**	3,760,192
A-	**-**	12,747,955	**-**	4,213,780
B	**19,503,950**	2,071,788	**18,682,878**	1,668,303
B-	**3,654,695**	28,772,058	**1,932,098**	24,146,882
	48,625,884	52,056,686	**43,696,638**	38,483,421
Restricted cash at bank	**1,431,461**	1,266,294	**1,431,461**	1,266,294
Total cash and cash equivalents	**50,057,345**	53,322,980	**45,128,099**	39,749,715

'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

'BBB' ratings indicate that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

'BB' ratings indicate an elevated vulnerability to credit risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial alternatives may be available to allow financial commitments to be met.

'B' ratings indicate that material credit risk is present.

The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

Impairment on cash and cash equivalent has been measured on a 12- month expected loss basis and reflects the short maturities of the exposure. The group considers that it's cash and cash equivalent have low credit risk based on the external credit rating of the counterparties

The Group uses a similiar approach for assessment of ECL for cash and cash equivalent to those used for debt securities.

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The impairment loss was assessed as nil (2020: nil) at year end

4.1.2 Liquidity risk

(a) Management of liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group and Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group maintains the following lines of credit:

- ₦3.5 billion overdraft facilities that is unsecured. Interest payable ranges from 11% - 15%.
- ₦65.3 billion revolving credit facilities that is unsecured and can be drawn to meet short-term financing needs. Interest payable ranges from 0.5% - 15%.

(b) Maturities of financial liabilities

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group and Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Group **31 December 2021**	**Carrying amount ₦'000**	**Contractual cash flows ₦'000**	**0 - 12 months ₦'000**	**1-3 years ₦'000**	**Above 3 years ₦'000**
Non derivative financial instruments					
Interest-bearing loans and borrowings	**23,287,321**	**24,436,825**	**21,170,578**	**2,624,326**	**641,921**
Trade and other payables**	**53,594,594**	**53,594,594**	**53,594,594**	**-**	**-**
	76,881,915	**78,031,419**	**74,765,172**	**2,624,326**	**641,921**

Group **31 December 2020**	**Carrying amount ₦'000**	**Contractual cash flows ₦'000**	**0 - 12 months ₦'000**	**1-3 years ₦'000**	**Above 3 years ₦'000**
Non derivative financial instruments					
Interest-bearing loans and borrowings	49,732,830	58,197,983	48,911,800	8,361,755	924,428
Trade and other payables**	49,297,732	49,297,732	49,297,732	-	-
	99,030,562	107,495,715	98,209,532	8,361,755	924,428

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Company 31 December 2021	Carrying amount ₦'000	Contractual cash flows ₦'000	0 - 12 months ₦'000	1-3 years ₦'000	Above 3 years ₦'000
Non derivative financial instruments					
Interest-bearing loans and borrowings	**19,661,211**	**20,526,615**	**19,124,295**	**984,959**	**417,361**
Trade and other payables**	**66,467,386**	**66,467,386**	**66,467,386**	**-**	**-**
	86,128,597	**86,994,001**	**85,591,681**	**984,959**	**417,361**

Company 31 December 2020	Carrying amount ₦'000	Contractual cash flows ₦'000	0 - 12 months ₦'000	1-3 years ₦'000	Above 3 years ₦'000
Non derivative financial instruments					
Interest-bearing loans and borrowings	46,429,629	54,095,742	47,869,320	5,521,112	705,309
Trade and other payables**	54,321,390	54,321,390	54,321,390	-	-
	100,751,019	108,417,132	102,190,710	5,521,112	705,309

The amounts disclosed in the tables above are the contractual undiscounted cash flows of the liabilities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

** Trade and other payables exclude VAT payable, advance rent received, customer deposits and withholding tax payable as these are non financial instruments.

4.1.3 Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to interest rate risk and foreign exchange rate risk.

(I) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk.

Exposure to interest rate risk

The Group is not exposed to fair value interest rate risk because its fixed interest rate borrowings are not carried at fair value. Interest rate risk is managed by the Group by maintaining an appropriate mix between fixed and floating borrowings. The sensitivity analysis below have been determined based on the exposure to interest rates for borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. 200 basis points increase or decrease are used when reporting LIBOR and NIBOR risk respectively to key management personnel and these represent management's assessment of the reasonably possible change in interest rates.

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Floating interest rate (variable rate):
The financial liabilities with floating interest rates are shown below;

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Naira denominated fixed rates				
Power Fund (7%, 5%)	**3,268,947**	5,341,967	**903,795**	2,381,928
Bond (14.25%/14.75%)	**-**	34,083,978	**-**	34,083,978
Lease liabilities (7.95% - 17.8%)	**3,013,586**	7,868,846	**2,615,561**	7,859,810
Short term bank loans (7% - 12.0% p.a)	**17,004,788**	2,438,039	**16,141,855**	2,103,913
	23,287,321	49,732,830	**19,661,211**	46,429,629
Total	**23,287,321**	49,732,830	**19,661,211**	46,429,629

Floating interest rate (variable rate):
The financial liabilities with floating interest rates are shown below;

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Foreign denominated variable rates				
Loan to CBI Ghana (12 months LIBOR +11%)	**-**	2,631,490	**-**	2,631,490
	-	2,631,490	**-**	2,631,490

Sensitivity of interest rates for financial assets
The Group is exposed to cash flow interest rate risk on related party loans. The table below details the impact on the post- tax profit of the Group and the Company (no impact on equity).

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Foreign denominated variable rates				
Interest rates- decrease by 200 basis point	**-**	(52,630)	**-**	(52,630)
Interest rates- Increase by 200 basis point	**-**	52,630	**-**	52,630

(ii) Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates. The Group is exposed to risks resulting from fluctuations in foreign currency exchange rates. A change in the value of any such foreign currency could have an effect on the Group's cash flow and future profits. The Group is exposed to exchange rate risk as a result of cash balances denominated in a currency other than the Naira. The Group is mainly exposed to USD.

The following table details the Group's sensitivity to a 21%, increase and decrease in Naira against US dollar, Euro, Great Britain's Pound (GBP), Swiss Franc (CHF) and South Africa Rand (ZAR). Management believes that a 21% movement in either direction is reasonably possible at the 31 December 2021. The sensitivity analyses below include outstanding US dollar denominated assets and liabilities. A positive number indicates an increase in profit where Naira strengthens by 21% against the US dollar. For a 21% weakening of Naira against the US dollar there would be an equal and opposite impact on profit, and the balances below would be negative.

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Exposure to currency risk

Below are the foreign denominated currencies the Group is exposed to;

	31 Dec 2021		31 Dec 2020	
	Average rates	Closing rates	Average rates	Closing rates
US Dollars	**512.58**	**505.00**	411.19	470.00
Euros	**580.23**	**571.65**	469.56	577.25
GBP (Great Britain Pounds)	**690.59**	**680.38**	527.96	641.97
ZAR	**32.12**	**31.65**	25.14	31.95
CHF	**558.99**	**550.73**	438.55	533.40

Foreign currency denominated balances

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
US Dollar				
Financial assets				
Cash and cash equivalents	**38,134**	**12,132**	**38,044**	11,742
Loan receivables	**-**	**5,599**	**-**	5,599
Financial liabilities				
Borrowings	**(25,249)**	-	**(24,497)**	-
Trade and other payables	**(29,477)**	(14,399)	**(24,635)**	(10,075)
Net financial (liabilities)/asset	**(16,592)**	3,332	**(11,087)**	7,266
Euro				
Financial assets				
Cash and cash equivalents	**38**	64	**-**	58
Financial liabilities				
Borrowings	**(6,455)**	-	**(5,734)**	-
Trade and other payables	**(8,696)**	(5,926)	**(8,076)**	(5,548)
Net financial (liabilities)/asset	**(15,113)**	(5,862)	**(13,810)**	(5,490)
GBP				
Financial assets				
Cash and cash equivalents	**69**	3	**-**	-
Financial liabilities				
Borrowings	**(737)**		**(633)**	
Trade and other payables	**(210)**	(12)	**(222)**	(34)
Net financial (liabilities)/asset	**(878)**	(9)	**(854)**	(34)
ZAR				
Financial liabilities				
Borrowings	**(1,587)**	-	**(1,587)**	-
Trade and other payables	**(1,222)**	(2,501)	**(744)**	(2,161)
	(2,809)	(2,501)	**(2,331)**	(2,161)

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Sensitivity analysis for foreign exchange risk

The sensitivity analysis for currency rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

The sensitivity of the Group's earnings to fluctuations in USD, Euro, GBP, CHF and ZAR exchange rates is reflected by varying the exchange rates as shown below:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
US Dollar				
Increase in exchange rate by 21%	**(1,759,613)**	287,660	**(1,175,787)**	627,401
Decrease in exchange rate by 21%	**1,759,613**	(287,660)	**1,175,787**	(627,401)
Euro				
Increase in exchange rate by 21%	**(1,814,233)**	(578,121)	**(1,657,867)**	(541,333)
Decrease in exchange rate by 21%	**1,814,233**	578,121	**1,657,867**	541,333
GBP				
Increase in exchange rate by 21%	**(125,482)**	(1,042)	**(122,069)**	(3,707)
Decrease in exchange rate by 21%	**125,482**	1,042	**122,069**	3,707
ZAR				
Increase in exchange rate by 21%	**(18,669)**	(13,204)	**(15,493)**	(11,408)
Decrease in exchange rate by 21%	**18,669**	13,204	**15,493**	11,408

4.2 Capital management

4.2.1 Risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings', as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as the sum of all equity components on the statement of financial position plus net debt.

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The gearing ratios at 31 December 2020 and 31 December 2021 were as follows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Total borrowings	**23,287,321**	49,732,830	**20,555,913**	47,233,357
Less: Cash and cash equivalents excluding bank overdrafts	**50,057,345**	53,322,980	**45,128,099**	39,749,715
Net (cash)/ debt	**(26,770,024)**	(3,590,150)	**(24,572,186)**	7,483,642
Total equity	**378,560,676**	359,638,502	**395,349,470**	373,974,933
Total capital	**351,790,652**	356,048,352	**370,777,284**	381,458,575
Gearing ratio	**(0.07)**	(0.01)	**(0.06)**	0.02

4.3 Accounting classification and fair values

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions.

At the reporting date, the Directors believe that the book values of the financial assets and liabilities, except borrowings, are not materially different from the fair value.

All financial assets and liabilities are classified as level 2 except for non-deliverable futures, which are classified as level 1. The book values of the trade and other receivables, financial assets, trade and other payables are expected to approximate the fair values of these financial instruments due to their short term maturities. There were no transfers between levels during the reporting period.

	Group			
	31 December 2021		31 December 2020	
	Fair value ₦'000	Carrying Value ₦'000	Fair value ₦'000	Carrying Value ₦'000
Financial Assets				
Financial Assets classified at amortised cost				
Trade and other receivables	**7,196,754**	**7,196,754**	5,028,913	5,028,913
Financial assets (excluding non-deliverable futures)	**19,035,529**	**19,035,529**	6,324,051	6,324,051
Cash and cash equivalents	**50,057,345**	**50,057,345**	53,322,980	53,322,980
Financial Assets classified at fair value through profit or loss:				
Derivative assets	**-**	**-**	18,905	18,905
Financial Liabilities				
Financial liabilities classified as amortised cost				
Trade and other payables**	**53,594,594**	**53,594,594**	49,297,732	49,297,732
Borrowings	**23,287,321**	**23,287,321**	49,732,830	49,732,830

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	Company			
	31 December 2021		31 December 2020	
	Fair value ₦'000	Carrying Value ₦'000	Fair value ₦'000	Carrying Value ₦'000
Financial Assets				
Financial Assets classified at ammortised cost				
Trade and other receivables	**32,377,152**	**32,377,152**	26,255,784	26,255,784
Financial assets	**18,975,911**	**18,975,911**	6,321,709	6,321,709
Cash and cash equivalents	**45,128,099**	**45,128,099**	39,749,715	39,749,715
Financial Liabilities				
Financial liabilities classified at amortised cost				
Trade and other payables**	**66,467,386**	**66,467,386**	54,321,390	54,321,390
Borrowings	**20,555,913**	**20,555,913**	47,233,357	47,233,357

** Trade and other payables exclude VAT payable, advance rent received, customer deposits and withholding tax payable as these are non financial instruments.

4.3.1 Fair value measurement

Group

Financial Instruments in Level 1
The fair value of financial instruments traded in active markets (quoted equity) is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the Company is the bid price at the reporting date. These instruments are included in level 1.

The fair value of future and forward exchange contracts is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Financial Instruments in Level 2
The fair value of financial instruments that are not traded in an active market (loans and borrowings) is determined by using discounted cash flow valuation techniques. This valuation technique maximize the use of observable market data by using the market related interest rate for discounting the contractual cash flows. There are no significant unobservable inputs. There were no transfers between levels during the year. The basis of measurement has remained the same between current and prior years.

4.4 Offsetting financial assets and financial liabilities

There are no offsetting arrangements. Financial assets and liabilities are settled and disclosed on a gross basis.

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5 Segment Reporting

The Board of Directors (BOD) are the chief operating decision makers who reviews the internal reporting to assess performance and allocate resources. The Directors have identified operating segments based on these internal reports. The BOD considers business from the range of product perspective.

The BOD assesses the performance of the operating segments based on a measure of total assets and liabilities, revenue, gross profit and other directly attributable expenses. These operating segments are:

Cement	Established for the business of cement production. This segment has three major business operations within Nigeria which are the South-West operations, the Southern Nigeria operations and the Northern Nigeria operations.
Readymix products	Established for the business of concrete. This segment has operations currently in Lagos, Abuja, Port-Harcourt, and Ewekoro and is expected to expand to other states of Nigeria in the near future.
Other concrete products	Established for the business of concrete solutions.

The segments identified meet the recognition criteria as a reportable segment under IFRS 8.

The amounts provided to the Board of Directors with respect to total income and expense are measured in a manner consistent with that of the financial statements. Assets are allocated based on the use of the segment and the physical location of the asset.

*Deferred tax assets and liabilities are not assessed for the purpose of segment reporting.

No single customer contributed revenue in excess of 10% of the total revenue of any segment

5.1 Segment Information by Product line

	External revenue		Gross revenue	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Cement	**285,122,310**	226,178,496	**287,217,004**	228,003,738
Readymix products	**7,625,283**	4,292,151	**7,625,283**	4,292,151
Others	**338,590**	102,275	**338,590**	102,275
Total	**293,086,183**	230,572,922	**295,180,877**	232,398,164

Revenue from internal customers of ₦2.1 billion (2020:₦1.83 billion) has been eliminated on consolidation.

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	31 Dec 2021		
	Cement ₦'000	Aggregate and others ₦'000	Total ₦'000
Revenue	**285,122,310**	**7,963,873**	**293,086,183**
Production cost of sales	**(146,261,647)**	**(4,229,988)**	**(150,491,635)**
Other Income	**591,932**	**95,160**	**687,092**
Other expenses	**(77,367,702)**	**(792,744)**	**(78,160,446)**
Operating profit	**62,084,893**	**3,036,301**	**65,121,194**

	31 Dec 2020		
	Cement ₦'000	Aggregate and others ₦'000	Total ₦'000
Revenue	226,178,496	4,394,426	230,572,922
Production cost of sales	(120,544,863)	(3,011,698)	(123,556,561)
Other Income	784,910	191,243	976,153
Other expenses	(61,927,868)	(391,507)	(62,319,375)
Operating profit	44,490,675	1,182,464	45,673,139

	31 Dec 2021		
	Cement ₦'000	Aggregate and others ₦'000	Total ₦'000
Statement of financial position by segment:			
Property, plant & equipment	**336,591,212**	**2,130,535**	**338,721,747**
Other non current assets	**50,473,816**	**1,067,750**	**51,541,566**
Current assets	**135,456,725**	**1,118,159**	**136,574,884**
Total assets	**522,521,753**	**4,316,444**	**526,838,197**
Non current liabilities	**(17,465,854)**	**241,422**	**(17,224,432)**
Current liabilities	**(132,881,182)**	**1,828,093**	**(131,053,089)**
Net assets/(liabilities)	**372,174,717**	**6,385,959**	**378,560,676**

	31 Dec 2020		
	Cement ₦'000	Aggregate and others ₦'000	Total ₦'000
Statement of financial position by segment:			
Property, plant & equipment	345,828,780	2,499,370	348,328,150
Other non current assets	54,233,557	1,581,002	55,814,559
Current assets	101,826,775	1,244,491	103,071,266
Total assets	501,889,112	5,324,863	507,213,975
Non current liabilities	(20,473,933)	454,537	(20,019,396)
Current liabilities	(129,143,163)	1,587,086	(127,556,077)
Net assets/(liabilities)	352,272,016	7,366,486	359,638,502

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6 Revenue

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Sale of goods	**293,086,183**	230,572,922	**262,299,071**	202,530,359
The following is an analysis of revenue by product:				
Cement	**285,122,310**	226,178,496	**254,338,450**	198,135,933
Aggregate and concrete	**7,625,283**	4,292,151	**7,625,283**	4,292,151
Other products (Note 6.1)	**338,590**	102,275	**335,338**	102,275
	293,086,183	230,572,922	**262,299,071**	202,530,359

6.1 Other products represent revenue earned from the sale of mortar

7 Cost of sales (Production)

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Variable costs (Note 7.1)	**88,534,899**	60,848,359	**73,528,082**	51,189,198
Production fixed costs (Note 7.2)	**12,396,059**	23,821,180	**5,473,125**	17,221,972
Maintenance costs	**14,609,334**	8,470,505	**13,366,827**	7,607,650
Depreciation (Note 15)	**30,136,307**	27,350,037	**27,937,649**	25,323,726
Impairment of property, plant and equipment (Note 15)	**4,802,130**	1,193,025	**4,802,130**	1,193,026
Amortisation of intangible assets (Note 16.1)	**26,876**	33,409	**26,876**	33,409
	150,505,605	121,716,515	**125,134,689**	102,568,981

7.1 Variable costs

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Fuel and power	**51,508,789**	38,641,203	**41,085,241**	29,380,296
Raw materials and consumables	**37,026,110**	22,207,156	**32,442,841**	21,808,902
	88,534,899	60,848,359	**73,528,082**	51,189,198

7.2 Production costs

Included in production costs are personnel expenses, by-products costs, inventory write-offs and electrical energy expenses.

Notes to the Consolidated and Separate Financial Statements

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7.3 Distribution costs

During 2021, the group and company modified the classification of distribution costs on its products to reflect more appropriately the nature of the expense, which is consistent with the accounting policy of the group and company. Comparative amounts in the statement of profit or loss were reclassified for consistency. As a result, ₦52.5 billion (2020:₦41.6 billion) for the Group and ₦47.8 billion (2020:₦36.5 billion) for the Company relating to distribution costs were reclassified from cost of sales to selling and distribution costs.

Consolidated and separate statements of profit or loss

	Group		
	As reported in 2020 financial year ₦'000	**Reclassification/ Presentation ₦'000**	**2020 comparative re-presentation ₦'000**
Cost of sales	(163,332,552)	41,616,037	(121,716,515)
Impact on gross profit		41,616,037	
Selling and distribution costs	(4,221,185)	(41,616,037)	(45,837,222)
Impact on operating profit		-	

	Company		
	As reported in 2020 financial year ₦'000	**Reclassification/ Presentation ₦'000**	**2020 comparative re-presentation ₦'000**
Cost of sales	(139,054,949)	36,485,968	(102,568,981)
Impact on gross profit		36,485,968	
Selling and distribution costs	(4,221,003)	(36,485,968)	(40,706,971)
Impact on operating profit		-	

8 Selling and distribution costs

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Distribution variable costs	**47,323,492**	39,835,362	**43,538,373**	35,381,496
Distribution fixed costs	**5,832,411**	1,780,675	**4,322,748**	1,104,472
Advertising expenses	**1,038,358**	780,786	**1,038,358**	780,786
Campaign and innovation expenses	**21**	44,913	**21**	44,913
Marketing staff salaries and other related costs	**2,782,091**	3,395,486	**2,782,090**	3,395,304
	56,976,373	45,837,222	**51,681,590**	40,706,971

Notes to the Consolidated and Separate Financial Statements

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9 Administrative expenses by nature

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Salaries and other staff related costs	**8,620,212**	6,190,070	**8,628,116**	6,190,070
Directors' costs (Note 38.2)	**81,669**	117,320	**81,669**	117,320
AGM Costs	**69,783**	65,441	**69,783**	65,441
Audit fees	**107,500**	100,000	**91,375**	85,000
Community relations	**380,370**	210,818	**380,370**	210,818
Fuel	**30,304**	23,616	**30,304**	23,616
Insurance	**213,142**	2,436	**213,142**	2,436
Advance payment of taxes and levies (Note 9.1)	**1,999,062**	1,999,062	**1,999,062**	1,999,062
Other supplies and spare parts	**135,560**	618,086	**161,253**	618,086
Rent	**19,904**	69,166	**19,904**	69,166
Consultancy fees	**609,053**	597,683	**608,978**	596,189
Repair and maintenance	**9,168**	44,028	**9,168**	44,028
Security Cost	**104,436**	59,122	**104,436**	59,122
Training	**301,611**	184,948	**301,611**	184,948
Travel	**156,451**	282,379	**156,451**	280,457
Office and general expenses (Note 9.2)	**1,284,031**	1,755,639	**1,242,124**	1,656,105
Depreciation (Note 15.7)	**1,295,484**	1,176,379	**800,988**	808,544
Amortisation of intangible assets (Note 16.1)	**1,198,588**	1,229,449	**919,066**	949,137
Technical service fees (Note 9.4)	**4,542,142**	3,576,134	**4,239,457**	3,547,875
	21,158,470	18,301,776	**20,057,257**	17,507,420

9.1 Advance payment of taxes and levies

In 2020, the Company renewed an agreement with the Cross River state government to advance an amount not exceeding ₦2.8 billion annually as payments for all taxes, dues and levies payable in the state. The renewed agreement, which is for a three-year period which commenced in April 2020, which effectively exempts the Company from all Cross River State and local government taxes, dues and levies during the agreed period. In line with the agreement, the Company made an advance payment of ₦2.8 billion, of which ₦2 billion relates to the current financial year. ₦0.8 billion advance payment brought forward in the year, has also been amortised in the income statement in current year. These amounts have been included in the consolidated and separate statements of profit or loss and other comprehensive income as Cost of sales ₦0.8 billion (under Note 8 - Distribution variable cost) and Administrative expenses ₦2 billion (Under Note 9 – Administrative expenses).

9.2 Office and general expenses

Office and general expenses mainly relate to office expenses and stationary, legal cost, fees, subscriptions, other personnel costs, IT costs, canteen, cleaning, distribution and licenses.

Notes to the Consolidated and Separate Financial Statements

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9.3 Non-audit fees paid to KPMG Professional Services

The total amount of non-audit fees paid to KPMG Professional Services is ₦9.2 million. This is in respect of tax services rendered during the year.

9.4 Technical service fees

Lafarge Africa Plc has a technical service agreement with Holcim Technology Limited, a related party, which relates to Industrial Franchise. This agreement has been registered with the National Office for Technology Acquisition and Promotion (NOTAP) in Nigeria and the provision for the technical service fees is computed as 5% of Earnings before interest, tax, depreciation and amortisation (EBITDA) for both Group and Company, subject to maximum of 2% of net sales. The agreement expiry date is on 31 December 2021. The total technical service fees payable at year end for the Group and Company amounted to ₦4.3 billion (2020: ₦3.9 billion).

10 Other income

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Gain on disposal of property, plant and equipment (Note 10.1)	**89,742**	237,369	**89,742**	224,949
Government grants (Note 10.2)	**381,646**	292,010	**110,732**	110,733
Gain on disposal of investment in joint venture (Note 17.4)	**133,922**	-	**133,922**	-
Sale of scraps and other miscellaneous income (Note 10.3)	**81,782**	446,772	**80,516**	628,049
	687,092	976,151	**414,912**	963,731

10.1 Gain on disposal of property, plant and equipment

This represents gain on disposal of the Company's motor vehicles and machineries owned by the Company (Note 10)

10.2 Government grants

Government grants arise from below-market interest rate government loans (CBN/BOI Intervention Fund loan) obtained in July 2011 and in March 2018. There are no unfulfilled conditions or contingencies attached to these grants.

10.3 Sale of scraps and other miscellaneous income

This comprises of the total income earned on miscellaneous activities not related to cementitious products including income from sale of scrap and product shortage recoveries (haulers).

Notes to the Consolidated and Separate Financial Statements

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11 Other operating expenses

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Write off of property, plant and equipment	-	41,026	-	41,026
	-	41,026	-	41,026

11.2 Impairment loss/(reversal) on trade receivables

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Impairment loss/(reversal) on trade and other receivables	**25,603**	(20,605)	**24,461**	(19,316)
	25,603	(20,605)	**24,461**	(19,316)

12 Finance income and costs

12.1 Interest income under the effective interest method and other finance income:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Interest income on current accounts	**527,487**	766,445	**485,883**	690,051
Other finance income	**26,878**	123,351	**26,879**	123,351
Interest on loan receivable	-	286,206	-	286,206
Finance income per statement of cash flows	**554,365**	1,176,002	**512,762**	1,099,608
Foreign exchange gain (net)	**1,185,888**	-	**1,387,683**	-
Finance income	**1,740,253**	1,176,002	**1,900,445**	1,099,608

12.2 Finance costs:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Interest on borrowings (Note 29.5)	**(3,763,760)**	(7,859,989)	**(3,380,277)**	(8,418,695)
Unwinding of discount on provisions (Note 30.1)	**(140,460)**	(66,636)	**(75,559)**	(66,636)
Interest cost on employees long service award (Note 32.2)	**(122,262)**	(167,311)	**(102,680)**	(138,044)
Interest cost on staff gratuities (Note 32.3)	**(29,400)**	(97,072)	**(29,400)**	(97,072)
Bank charges & other interest cost	**(1,220,427)**	(630,226)	**(1,162,297)**	(577,608)
Finance costs per statement of cash flows	**(5,276,309)**	(8,821,234)	**(4,750,213)**	(9,298,055)
Foreign exchange loss (net)	-	(888,922)	-	(604,661)
Finance costs	**(5,276,309)**	(9,710,156)	**(4,750,213)**	(9,902,716)
Net finance cost recognised in the profit or loss	**(3,536,056)**	(8,534,154)	**(2,849,768)**	(8,803,108)

Bank charges represent letter of credit charges, over-the-counter (OTC) charges for non-deliverable futures and other bank account operational charges

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12.3 Interest received per statement of cash flows

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Finance income per profit or loss	**527,487**	1,176,002	**485,883**	1,099,608
Interest receivable	**-**	(537,297)	**-**	(514,878)
Interest received per statement of cash flows	**527,487**	638,705	**485,883**	584,730

12.4 Interest paid per statement of cash flows

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Finance costs per profit or loss	**(5,276,309)**	(9,710,156)	**(4,750,213)**	(9,902,716)
Interest payable/(receivable)/offset	**(239,333)**	949,478	**(291,002)**	1,373,333
Non-cash interest charged to profit or loss	**292,122**	331,019	**207,639**	301,752
Foreign exchange loss (net)	**-**	888,922	**-**	604,661
Interest paid per statement of cash flows	**(5,223,520)**	(7,540,737)	**(4,833,576)**	(7,622,970)

13 Income tax (credit)/ expense

This note provides an analysis of the Group and Company's income tax expense. It shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made, if any, in relation to the Group and Company's tax position.

13.1 Minimum tax charge recognised in profit or loss

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Minimum tax charge recognised in profit or loss	**466,769**	377,593	**466,769**	377,593

13.2 Income tax expense recognised in profit or loss

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Current taxation				
Company income tax	**1,207,988**	1,565,212	**-**	-
Education tax	**1,442,433**	754,793	**1,308,286**	629,000
Capital gains tax	**358,164**	7,490	**358,164**	7,490
Total current tax expense	**3,008,585**	2,327,495	**1,666,450**	636,490
Deferred taxation				
Deferred tax charge to profit or loss (Note 13.7)	**7,775,575**	4,024,905	**8,060,397**	4,590,079
Income tax expense	**10,784,160**	6,352,400	**9,726,847**	5,226,569

The Company's operating results for the year ended 31 December 2021 when adjusted for tax purposes, resulted in a nil taxable income. Accordingly, no provision has been made for Company Income tax. In accordance with the provisions of the Companies Income Tax Act C21 LFN 2004, the Company is liable to Minimum tax. See Note 13.1.

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13.3 Reconciliation of effective tax to statutory tax

The tax on the Company's profit before income tax differs from the amount that would arise using the statutory income tax rate as follows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Profit before tax from continuing operations before income tax expense	**62,254,478**	37,572,131	**63,649,528**	34,319,046
Tax calculated at statutory tax rate of 30%	**18,676,343**	11,271,639	**19,094,859**	10,295,714
Impact of disallowable expenses for tax purpose	**3,719,849**	672,210	**2,358,434**	602,583
Impact of non taxable income	**(1,175,409)**	(12,342)	**(1,152,704)**	-
Changes in estimate relating to prior year	**(146,333)**	(2,577,048)	**(57,153)**	(2,543,876)
Impact of education tax	**1,534,585**	754,793	**1,308,286**	629,000
Effect of pioneer status	**(12,183,039)**	(3,764,342)	**(12,183,039)**	(3,764,342)
Impact of capital gains tax	**358,164**	7,490	**358,164**	7,490
Income tax expense recognised in profit or loss	**10,784,160**	6,352,400	**9,726,847**	5,226,569
Effective tax rate	**17%**	17%	**15%**	15%

13.4 Income tax recognised in other comprehensive income

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Deferred tax arising on:				
Remeasurement of defined benefit obligation	**(51,259)**	-	**(51,259)**	-

13.5 Current tax liabilities

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Balance at 1 January	**3,078,461**	1,929,457	**1,109,137**	1,229,095
Charge for the year:				
Company income tax	**1,207,988**	1,565,212	**-**	-
Education tax	**1,442,433**	754,793	**1,308,286**	629,000
Capital gains tax	**358,164**	7,490	**358,164**	7,490
Minimum tax	**466,769**	377,593	**466,769**	377,593
	6,553,815	4,634,545	**3,242,356**	2,243,178
Payment during the year	**(2,728,831)**	(1,556,084)	**(1,031,973)**	(1,134,041)
At 31 December	**3,824,984**	3,078,461	**2,210,383**	1,109,137

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13.6 In the statement of cash flows, Income taxes paid comprise::

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Current income tax liabilities paid (Note 13.5)	**(2,728,831)**	(1,556,084)	**(1,031,973)**	(1,134,041)
Total current income taxes paid	**(2,728,831)**	(1,556,084)	**(1,031,973)**	(1,134,041)

13.7 Deferred taxation

The analysis of deferred tax assets/(liabilities) is as follows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Deferred tax assets	**15,292,417**	23,404,073	**15,292,417**	23,404,073
Deferred tax liabilities	**(9,116,700)**	(9,401,523)	**-**	-
Deferred tax assets net	**6,175,717**	14,002,550	**15,292,417**	23,404,073

Deferred tax liabilities/(assets):

Group	At 1 January 2021 ₦'000	Reclassification ₦'000	(Credit)/ charge to P/L ₦'000	(Credit)/ charge to OCI ₦'000	At 31 December 2021 ₦'000
Property, plant and equipment	**(1,425,289)**	**(2,834,287)**	**5,818,717**	**-**	**1,559,141**
Provisions and other liabilities	**(6,695,493)**	**2,803,626**	**(222,426)**	**-**	**(4,114,293)**
Unutilised tax losses	**(1,613,179)**	**-**	**1,613,179**	**-**	**-**
Employment benefit obligation	**101,530**	**-**	**-**	**51,259**	**152,789**
Unrealised exchange differences	**(4,370,119)**	**30,661**	**566,105**	**-**	**(3,773,354)**
Total deferred tax (assets)/ liabilities	**(14,002,550)**	**-**	**7,775,575**	**51,259**	**(6,175,717)**

Deferred tax liabilities/(assets):

Group	At 1 January 2020 ₦'000	Reclassification ₦'000	(Credit)/ charge to P/L ₦'000	(Credit)/ charge to OCI ₦'000	At 31 December 2020 ₦'000
Property, plant and equipment	3,694,454	-	(5,119,743)	-	(1,425,289)
Provisions and other liabilities	(6,413,064)	-	(282,429)	-	(6,695,493)
Unutilised tax losses	(11,138,916)	-	9,525,737	-	(1,613,179)
Employment benefit obligation	101,530	-	-	-	101,530
Unrealised exchange differences	(4,271,458)	-	(98,661)	-	(4,370,119)
Total deferred tax (assets)/liabilities	(18,027,455)	-	4,024,905	-	(14,002,550)

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Deferred tax assets/(liabilities):

Company	At 1 January 2021 ₦'000	Reclassification ₦'000	(Credit)/ charge to P/L ₦'000	(Credit)/ charge to OCI ₦'000	At 31 December 2021 ₦'000
Property, plant and equipment	**(11,668,254)**	**(2,834,287)**	**6,135,438**	**-**	**(8,367,104)**
Unutilised tax losses	**(1,613,181)**	**-**	**1,613,181**	**-**	**-**
Provisions and other liabilities	**(5,862,892)**	**2,803,626**	**(188,224)**	**-**	**(3,247,490)**
Unrealised exchange differences	**(4,259,746)**	**30,661**	**500,002**	**-**	**(3,729,082)**
Post employment benefit obligation	**-**	**-**	**-**	**51,259**	**51,259**
Total deferred tax (assets)/liabilities	**(23,404,073)**	**-**	**8,060,397**	**51,259**	**(15,292,417)**

Deferred tax liabilities/ (assets):

Company	At 1 January 2020 ₦'000	Reclassification ₦'000	(Credit)/ charge to P/L ₦'000	(Credit)/ charge to OCI ₦'000	At 31 December 2020 ₦'000
Property, plant and equipment	(6,924,764)	-	(4,743,490)	-	(11,668,254)
Unutilised tax losses	(11,138,918)	-	9,525,737	-	(1,613,181)
Provisions and other liabilities	(5,659,317)	-	(203,575)	-	(5,862,892)
Unrealised exchange differences	(4,271,155)	-	11,409	-	4,259,746)
Total deferred tax liabilities/(assets)	(27,994,154)	-	4,590,081	-	(23,404,073)

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unutilised tax losses can be utilised. There are no unrecognised deferred tax assets.

14 Profit before minimum tax

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Profit before minimum tax is stated after charging/(crediting):	**62,254,478**	37,572,131	**63,649,528**	34,319,046
Depreciation of property, plant and equipment (Note 15)	**31,431,791**	28,526,415	**28,738,637**	26,132,270
Amortisation and impairment of intangible assets (Note 16)	**1,225,464**	1,262,858	**945,942**	982,546
Impairment of property, plant and equipment (Note 15)	**4,802,130**	1,193,025	**4,802,130**	1,193,025
Write off of assets (Note 11)	**-**	41,026	**-**	41,026
Directors' emoluments (Note 38)	**81,669**	117,320	**81,669**	117,320
Audit fees (Note 9)	**107,500**	100,000	**91,375**	85,000
Technical service fees (Note 9)	**4,542,142**	3,576,134	**4,239,457**	3,547,875
Gain on disposal of PPE (Note 10)	**(89,742)**	(237,369)	**(89,742)**	(224,949)
Foreign exchange (gain)/loss (Note 12)	**(1,185,888)**	888,922	**(1,387,683)**	604,661
Interest income on current account (Note 12.1)	**(527,487)**	(766,445)	**(485,883)**	(690,051)

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Group	Leasehold Land ₦'000	Buildings ₦'000	Production Plant ₦'000	Capitalised Spares ₦'000	Furniture ₦'000	Motor Vehicles ₦'000	Computer Equipment ₦'000	Ancillary Plant & Machinery ₦'000	Exploration and evaluation assets ₦'000	Construction Work in Progress ₦'000	**Right of use assets ₦'000	Total ₦'000
Cost:												
As at 1 January 2020	14,866,389	113,852,454	319,958,721	3,340,504	1,303,956	4,060,169	1,721,317	-	1,959,013	51,204,885	30,244,156	542,511,564
Capital expenditure	-	-	-	-	-	-	-	-	-	8,969,756	-	8,969,756
Reclassification from CWIP	-	2,284,621	13,815,445	65,225	171	425,301	229,799	-		(16,820,562)	-	-
Addition to right of use assets	-	-	-	-	-	-	-	-	-	-	3,353,747	3,353,747
Impairment	-	-	(38,489)	-	-	-	-	-	-	(1,154,536)	-	(1,193,025)
Reclassification (to)/from inventories	-	-	-	(228,381)	-	-	-	-	-	-	-	(228,381)
Reclassification	-	-	(290,434)	(220,299)	-	218,217	-	-	-	72,217	-	(220,298)
Reclassification from advance payment to supplier	-	-	28,355	-	-	-	-	-	-	686,669	-	715,024
Disposals	-	-	(416,014)	-	-	(629,852)	-	-	-	-	-	(1,045,866)
Write-offs	-	-	(43,569)	-	-	-	-	-	-	-	-	(43,569)
Modification of right of use assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,060,771)**	**(4,060,771)**
As at 31 December 2020	**14,866,389**	**116,137,075**	**333,014,015**	**2,957,049**	**1,304,127**	**4,073,835**	**1,951,116**	**-**	**1,959,013**	**42,958,430**	**29,537,132**	**548,758,181**
Cost:												
As at 1 January 2021	**14,866,389**	**116,137,075**	**333,014,015**	**2,957,049**	**1,304,127**	**4,073,835**	**1,951,116**	**-**	**1,959,013**	**42,958,430**	**29,537,132**	**548,758,181**
Capital expenditure	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**23,493,625**	**-**	**23,493,625**
Reclassification from CWIP	**-**	**184,079**	**12,806,006**	**-**	**92,924**	**1,117,371**	**-**	**-**		**(14,200,380)**	**-**	**-**
Addition to right of use assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,593,745**	**2,593,745**
Reclassification (to)/from inventories	**-**	**-**	**-**	**(1,595)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,595)**
Reclassification from advance payment to supplier	**-**	**-**	**(25,558)**	**-**	**-**	**-**	**-**	**-**	**-**	**673,979**	**-**	**648,421**
Disposals	**-**	**-**	**(27,229)**	**-**	**-**	**(94,330)**	**-**	**-**	**-**	**-**	**-**	**(121,559)**
Modification of right of use assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(54,704)**	**(54,704)**
As at 31 December 2021	**14,866,389**	**116,321,154**	**345,767,234**	**2,955,454**	**1,397,051**	**5,096,876**	**1,951,116**	**-**	**1,959,013**	**52,925,654**	**32,076,173**	**575,316,114**

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Group(cont'd)	Leasehold Land ₦'000	Buildings ₦'000	Production Plant ₦'000	Capitalised Spares ₦'000	Furniture ₦'000	Motor Vehicles ₦'000	Computer Equipment ₦'000	Ancillary Plant & Machinery ₦'000	Exploration and evaluation assets ₦'000	Construction Work in Progress ₦'000	**Right of use assets ₦'000	Total ₦'000
Accumulated depreciation and impairment losses:												
As at 1 January 2020	4,678,264	28,540,844	105,832,601	1,213,112	999,487	3,049,917	1,389,067	-	145,343	16,144,134	10,721,565	172,714,335
Charge for the year	173,941	3,925,314	14,603,231	93,323	71,453	480,528	143,033	-	43,195	-	8,992,398	28,526,415
Reclassification	-	-	50,453	-	-	(50,453)	-	-	-	-	-	-
On disposals	-	-	(411,258)	-	-	(396,918)	-	-	-	-	-	(808,176)
Impairment	-	-	(2,543)	-	-	-	-	-	-	-	-	(2,543)
As at 31 December 2020	4,852,205	32,466,158	120,072,484	1,306,435	1,070,940	3,083,074	1,532,100	-	188,538	16,144,134	19,713,963	200,430,031
As at 1 January 2021	**4,852,205**	**32,466,158**	**120,072,484**	**1,306,435**	**1,070,940**	**3,083,074**	**1,532,100**	**-**	**188,538**	**16,144,134**	**19,713,963**	**200,430,031**
Charge for the year	**72,435**	**3,927,588**	**17,627,005**	**309,273**	**86,977**	**328,656**	**202,403**	**43,702**	**-**	**-**	**8,833,751**	**31,431,791**
On disposals	**-**	**-**	**(27,229)**	**-**	**-**	**(42,355)**	**-**	**-**	**-**	**-**	**-**	**(69,584)**
Impairment loss	**-**	**13,969**	**4,788,161**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,802,130**
												-
As at 31 December 2021	**4,924,640**	**36,407,715**	**142,460,421**	**1,615,708**	**1,157,917**	**3,369,375**	**1,734,503**	**43,702**	**188,538**	**16,144,134**	**28,547,714**	**236,594,367**
Carrying amount												
As at 31 December 2021	**9,941,749**	**79,913,439**	**203,306,813**	**1,339,746**	**239,134**	**1,727,501**	**216,613**	**(43,702)**	**1,770,475**	**36,781,519**	**3,528,459**	**338,721,747**
At 31 December 2020	10,014,184	83,670,917	212,941,530	1,650,614	233,187	990,761	419,016	-	1,770,475	26,814,296	9,823,169	348,328,150

**See note 15.8 for details on right of use assets

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Company	Leasehold Land ₦'000	Buildings ₦'000	Production Plant ₦'000	Capitalised Spares ₦'000	Furniture ₦'000	Motor Vehicles ₦'000	Computer Equipment ₦'000	Ancillary Plant & Machinery ₦'000	Exploration and evaluation assets ₦'000	Construction Work in Progress ₦'000	**Right of use assets ₦'000	Total ₦'000
As at 1 January 2020	7,719,084	95,216,480	287,350,011	2,432,409	753,578	3,477,446	1,327,213	-	-	30,302,611	30,227,132	458,805,966
Capital expenditure	-	-	-	-	-	-	-	-	-	6,619,660	-	6,619,660
Reclassification from CWIP	-	2,204,621	13,404,050	-	171	250,238	229,799	-	-	(16,088,879)	-	-
Addition to right of use assets	-	-	-	-	-	-	-	-	-	-	3,353,747	3,353,747
Disposals	-	-	(288,209)	-	-	(629,851)	-	-	-	-	-	(918,060)
Impairment	-	-	(38,489)	-	-	-	-	-	-	(1,154,536)	-	(1,193,026)
Reclassification	-	-	(260,409)	-	-	188,192	-	-	-	72,217	-	-
Reclassification (to)/from inventories	-	-	-	(228,381)	-	-	-	-	-	-	-	(228,381)
Reclassification from advance payment to supplier	-	-	25,556	-	-	-	-	-	-	686,669	-	712,225
Write-offs	-	-	(43,569)	-	-	-	-	-	-	-	-	(43,569)
Modification of right of use assets	-	-	-	-	-	-	-	-	-	-	(4,060,771)	(4,060,771)
As at 31 December 2020	**7,719,084**	**97,421,101**	**300,148,941**	**2,204,028**	**753,749**	**3,286,025**	**1,557,012**	**-**	**-**	**20,437,742**	**29,520,108**	**463,047,791**
Cost:												
As at 1 January 2021	**7,719,084**	**97,421,101**	**300,148,941**	**2,204,028**	**753,749**	**3,286,025**	**1,557,012**	**-**	**-**	**20,437,742**	**29,520,108**	**463,047,791**
Capital expenditure	-	-	-	-	-	-	-	-	-	**17,309,398**	-	**17,309,398**
Reclassification from CWIP	-	**133,211**	**12,049,179**	-	**59,594**	**1,019,546**	-	-	-	**(13,261,530)**	-	-
Addition to right of use assets	-	-	-	-	-	-	-	-	-	-	**1,948,657**	**1,948,657**
Disposal	-	-	**(27,229)**	-	-	**(94,330)**	-	-	-	-	-	**(121,559)**
Reclassification (to)/from inventories	-	-	-	**(1,595)**	-	-	-	-	-	-	-	**(1,595)**
Reclassification from advance payment to supplier	-	-	**(25,556)**	-	-	-	-	-	-	**673,977**	-	**648,421**
Modification of right of use assets	-	-	-	-	-	-	-	-	-	-	**(54,704)**	**(54,704)**
As at 31 December 2021	**7,719,084**	**97,554,312**	**312,145,335**	**2,202,433**	**813,343**	**4,211,241**	**1,557,012**	**-**	**-**	**25,159,587**	**31,414,061**	**482,776,409**

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Company(cont'd)	Leasehold Land ₦'000	Buildings ₦'000	Production Plant ₦'000	Capitalised Spares ₦'000	Furniture ₦'000	Motor Vehicles ₦'000	Computer Equipment ₦'000	Ancillary Plant & Machinery ₦'000	Exploration and evaluation assets ₦'000	Construction Work in Progress ₦'000	**Right of use assets ₦'000	Total ₦'000
Accumulated depreciation and impairment losses:												
As at 1 January 2020	4,662,265	23,061,446	93,981,623	1,093,927	634,656	2,571,022	1,049,660	-	-	12,394,270	10,706,327	150,155,196
Charge for the year	173,941	3,174,135	13,245,721	-	20,788	407,603	119,470	-	-	-	8,990,612	26,132,270
Impairment loss	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(287,429)	-	-	(396,918)	-	-	-	-	-	(684,347)
Reclassification	-	-	50,453	-	-	(50,453)	-	-	-	-	-	-
Write-offs	-	-	(2,543)	-	-	-	-	-	-	-	-	(2,543)
As at 31 December 2020	4,836,206	26,235,581	106,987,825	1,093,927	655,444	2,531,254	1,169,130	-	-	12,394,270	19,696,939	175,600,576
As at 1 January 2021	**4,836,206**	**26,235,581**	**106,987,825**	**1,093,927**	**655,444**	**2,531,254**	**1,169,130**	**-**	**-**	**12,394,270**	**19,696,939**	**175,600,576**
Charge for the year	**72,435**	**3,166,980**	**16,276,154**	**209,097**	**28,608**	**309,167**	**112,850**	**-**	**-**	**-**	**8,563,345**	**28,738,637**
Impairment loss	**-**	**13,969**	**4,788,161**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,802,130**
Disposals	**-**	**-**	**(27,229)**	**-**	**-**	**(42,355)**	**-**	**-**	**-**	**-**	**-**	**(69,584)**
As at 31 December 2021	**4,908,641**	**29,416,530**	**128,024,911**	**1,303,024**	**684,052**	**2,798,066**	**1,281,980**	**-**	**-**	**12,394,270**	**28,260,284**	**209,071,758**
Carrying amount												
As at 31 December 2021	**2,810,443**	**68,137,782**	**184,120,424**	**899,409**	**129,291**	**1,413,175**	**275,032**	**-**	**-**	**12,765,317**	**3,153,777**	**273,704,651**
At 31 December 2020	2,882,878	71,185,520	193,161,116	1,110,101	98,305	754,771	387,882	-	-	8,043,472	9,823,169	287,447,215

**See note 15.8 for details on right of use assets.

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

15.1 Reconciliation of acquisition of property. plant and equipment in the statements of cash flows:

	Group		Company	
	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Acquisition of property, plant and equipment	**23,562,215**	8,969,756	**17,309,398**	6,619,660
Property, plant and equipment accrual	**(986,405)**	966,090	**(178,105)**	966,090
Property, plant and equipment paid in the statement of cash flows	**22,575,810**	9,935,846	**17,131,293**	7,585,750

15.2 Impairment of property, plant and equipment

In 2021, management has recognised an impairment loss of ₦4.7 billion to reflect the recoverable value of its Shagamu plant. An impairment of ₦1.2billion was recognised in 2020 to reflect the recoverable value of two of its capital projects.

15.3 Assets pledged as security

The Group has no assets pledged as security as at 31 December 2021 (2020: Nil).

15.4 Construction work in progress and Capital commitments

For capital commitments, refer to Note 35. Construction work in progress are the Group's projects on maintaining and developing plants and the office structure.

15.5 Breakdown of capital work in progress

	Group		Company	
	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Buildings	**24,711,253**	19,470,206	**3,571,892**	1,621,906
Production Plant	**10,651,023**	6,724,761	**8,303,354**	6,028,857
Capitalised Spares	**177,480**	43,030	**131,155**	23,282
Motor Vehicles	**145,889**	123,128	**-**	123,128
Computer Equipment	**818,246**	411,936	**594,512**	234,276
Exploration and evaluation assets	**277,628**	41,235	**164,404**	12,023
	36,781,519	26,814,296	**12,765,317**	8,043,472

15.6 Capitalised borrowing costs

Capitalised borrowing costs during the year was nil (2020:₦221 million), calculated using a capitalisation rate of 5%.

Notes to the Consolidated and Separate Financial Statements
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15.7 Depreciation

Depreciation for the year, including that charged on Right of Use Assets, has been charged as follows:

	Group		Company	
	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Cost of sales (Note 7)	**30,136,307**	27,350,037	**27,937,649**	25,323,726
Administrative expenses (Note 9)	**1,295,484**	1,176,379	**800,988**	808,544
	31,431,791	28,526,415	**28,738,637**	26,132,270

Included in depreciation is a total amount on ₦2.6 billion relating to accelerated depreciation taken on specific assets (plant and machinery).

15.8 Right of Use Assets

Group	Leasehold Land ₦'000	Buildings ₦'000	Production Plant ₦'000	Motor Vehicles ₦'000	Total ₦'000
Cost:					
As at 1 January 2020	112,441	1,413,218	1,330,227	27,388,270	30,244,156
Additions	18,500	655,288	851,878	1,828,081	3,353,747
Modification of leases	-	-	-	(4,060,771)	(4,060,771)
As at 31 December 2020	130,941	2,068,506	2,182,105	25,155,580	29,537,132
As at 1 January 2021	**130,941**	**2,068,506**	**2,182,105**	**25,155,580**	**29,537,132**
Additions	**39,498**	**149,500**	**2,137,477**	**267,270**	**2,593,745**
Modification of leases	**-**	**-**	**-**	**(54,704)**	**(54,704)**
As at 31 December 2021	**170,439**	**2,218,006**	**4,319,582**	**25,368,146**	**32,076,173**
Accumulated depreciation:					
As at 1 January 2020	**23,223**	**740,413**	**1,274,247**	**8,683,682**	**10,721,565**
Charge for the year	**24,937**	**565,245**	**883,548**	**7,518,668**	**8,992,398**
As at 31 December 2020	**48,160**	**1,305,658**	**2,157,795**	**16,202,350**	**19,713,963**
As at 1 January 2021	**48,160**	**1,305,658**	**2,157,795**	**16,202,350**	**19,713,963**
Charge for the year	**37,555**	**486,209**	**1,689,905**	**6,620,081**	**8,833,751**
As at 31 December 2021	**85,715**	**1,791,867**	**3,847,700**	**22,822,431**	**28,547,714**
Carrying amount					
As at 31 December 2021	**84,724**	**426,139**	**471,882**	**2,545,715**	**3,528,459**
As at 31 December 2020	**82,781**	**762,848**	**24,310**	**8,953,230**	**9,823,169**

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Company	Leasehold Land ₦'000	Buildings ₦'000	Production Plant ₦'000	Motor Vehicles ₦'000	Total ₦'000
Cost:					
As at 1 January 2020	112,441	1,396,194	1,330,227	27,388,270	30,227,132
Additions**	18,500	655,288	851,878	1,828,081	3,353,747
Modification of leases	-	-	-	(4,060,771)	(4,060,771)
As at 31 December 2020	130,941	2,051,482	2,182,105	25,155,580	29,520,108
As at 1 January 2021	**130,941**	**2,051,482**	**2,182,105**	**25,155,580**	**29,520,108**
Additions	**39,498**	**149,500**	**1,492,388**	**267,271**	**1,948,657**
Modification of leases	**-**	**-**	**-**	**(54,704)**	**(54,704)**
As at 31 December 2021	**170,439**	**2,200,982**	**3,674,493**	**25,368,147**	**31,414,061**
Accumulated depreciation:					
As at 1 January 2020	**23,223**	**725,175**	**1,274,247**	**8,683,682**	**10,706,327**
Charge for the year	**24,937**	**563,459**	**883,548**	**7,518,668**	**8,990,612**
As at 31 December 2020	**48,160**	**1,288,634**	**2,157,795**	**16,202,350**	**19,696,939**
As at 1 January 2021	**48,160**	**1,288,634**	**2,157,795**	**16,202,350**	**19,696,939**
Charge for the year	**37,555**	**486,210**	**1,419,498**	**6,620,081**	**8,563,345**
As at 31 December 2021	**85,715**	**1,774,844**	**3,577,293**	**22,822,431**	**28,260,284**
Carrying amount					
As at 31 December 2021	**84,724**	**426,138**	**97,200**	**2,545,716**	**3,153,777**
As at 31 December 2020	**82,781**	**762,848**	**24,310**	**8,953,230**	**9,823,169**

The Group and Company lease several assets, including cement depots, residential apartments, and trucks. The average lease term of the contracts is 5years.

**Additions relate to the renewal of existing lease contracts during the year with an option of renewal which management has exercised.

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16 Intangible assets

	Group	
	Intangible Assets ₦'000	Total ₦'000
Cost		
Balance at 1 January 2020	4,823,863	4,823,863
Balance at 31 December 2020	4,823,863	4,823,863
Balance at 1 January 2021	**4,823,863**	**4,823,863**
Balance at 31 December 2021	**4,823,863**	**4,823,863**
Accumulated Amortisation		
Balance at 1 January 2020	1,621,795	1,621,795
Charge for the year	1,262,858	1,262,858
Balance at 31 December 2020	2,884,653	2,884,653
Balance at 1 January 2021	**2,884,653**	**2,884,653**
Charge for the year	**1,225,464**	**1,225,464**
Balance at 31 December 2021	**4,110,117**	**4,110,117**
Carrying amount		
Balance at 31 December 2021	**713,746**	**713,746**
Balance at 31 December 2020	1,939,210	1,939,210

Notes to the Consolidated and Separate Financial Statements

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16 Intangible assets

	Company	
	Intangible Assets ₦'000	Total ₦'000
Cost		
Balance at 1 January 2020	3,323,900	3,323,900
Balance at 31 December 2020	3,323,900	3,323,900
Balance at 1 January 2021	**3,323,900**	**3,323,900**
Balance at 31 December 2021	**3,323,900**	**3,323,900**
Accumulated Amortisation		
Balance at 1 January 2020	817,090	817,090
Charge for the year	982,546	982,546
Balance at 31 December 2020	1,799,636	1,799,636
Balance at 1 January 2021	**1,799,636**	**1,799,636**
Charge for the year	**945,942**	**945,942**
Balance at 31 December 2021	**2,745,578**	**2,745,578**
Carrying amount		
Balance at 31 December 2021	**578,322**	**578,322**
Balance at 31 December 2020	1,524,264	1,524,264

Intangible assets represents mineral rights and computer software in the Group's operations with carrying amount of ₦ 95.8 million and ₦ 482.7 million respectively.

16.1 Amortisation of intangible assets

Amortisation for the year has been charged as follows:

	Group		Company	
	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Cost of sales (Note 7)	**26,876**	33,409	**26,876**	33,409
Administrative expenses (Note 9)	**1,198,588**	1,229,449	**919,066**	949,137
	1,225,464	1,262,858	**945,942**	982,546

Notes to the Consolidated and Separate Financial Statements

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17 Interests in other entities

17.1 Investments in subsidiaries

The Group's principal subsidiaries at 31 December 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The place of incorporation is also their principal place of business.

31 December 2021 Name of entity	Principal activities	Place of Incorporation	Proportion %	Cost ₦'000
Ashaka Cement Limited	Cement	Nigeria	100	63,896,867
Wapsila Nigeria Limited	Power Generation and Sale	Nigeria	100	10,000
				63,906,867

31 December 2020 Name of entity	Principal activities	Place of Incorporation	Proportion %	Cost ₦'000
Ashaka Cement Limited	Cement	Nigeria	100	63,896,867
Wapsila Nigeria Limited	Power Generation and Sale	Nigeria	100	10,000
				63,906,867

17.2 Investment in joint venture - Continental Blue Investment, Ghana

On January 20, 2021, the Board of Directors of Lafarge Africa Plc approved the disposal of the Company's investment in Continental Blue Investment Ghana Ltd (CBI) via a sale of the total equity interest of 35% held by the Company in CBI to a third party, F. Scott AG. The sale was concluded on June 30, 2021.

Until the date of the disposal, the Group had classified its interest in CBI as a joint venture, in accordance with the agreement under which CBI was established. The Group and Company's interest in CBI was accounted for using the equity method in the consolidated and separate financial statements until the date of disposal.

As at 30 June 2021, the carrying amount of the Company's investment in Continental Blue Investment (CBI) was ₦1.08 billion, including the share of profit in 2021 to the date of disposal. Notes on disposal are set out in Note 17.3 below.

Notes to the Consolidated and Separate Financial Statements

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Summarised statement of financial position of Continental Blue Investment, Ghana:

	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Current assets (including cash and cash equivalents and prepayments)	-	5,254,097
Non current assets	-	19,480,479
Current liabilities, including tax payable	-	(6,384,657)
Non-current liabilities	-	(17,265,827)
Net assets/(liabilities) (100%)	-	1,084,092
Group's carrying amount of the investment / share of net liabilities (35%)	-	379,432

Summarised statement of financial position of Continental Blue Investment, Ghana:

	30 June 2021 ₦'000	31 Dec 2020 ₦'000
Revenue	**17,178,365**	20,977,938
Cost of sales	**(11,867,848)**	(14,280,179)
Other operating income	**85,127**	188,689
Operating expenses	**(2,565,705)**	(4,556,601)
Profit before tax	**2,829,939**	2,329,847
Income tax expense	-	-
Profit for the year	**2,829,939**	2,329,847
Other comprehensive (loss)/income, net of tax		
Exchange differences on translation (100%)	**(835,881)**	(153,468)
Other comprehensive (loss)/income, net of tax (100%)	**(835,881)**	(153,468)
Total comprehensive income/(loss) (100%)	**1,994,058**	2,176,379
Share of Profit/(loss) for the year (35%)	**990,479**	815,446
Share of other comprehensive (loss)/income, net of tax for the year (35%)	**(292,558)**	(53,714)
Total comprehensive income/(loss) (35%)	**697,921**	761,732
Company's share of Profit/(loss)	**990,479**	815,446
Previously unrecognised share of loss	-	(382,300)
Reclassification of share of OCI on disposal of joint venture	**(307,169)**	-
Company's recognised share of profit/(loss)	**683,310**	433,146

17.3 Disposal of investment in Joint Venture

The proceeds realized by Lafarge Africa Plc from the transaction amounted to USD 8.2m after repayment of the loan granted by Lafarge Africa Plc to CBI Ghana (USD 5.8m), settlement of earn out obligation by Lafarge Africa Plc (USD 3.6m) and payment for Lafarge Africa Plc's shares by F. Scott AG (USD 6m).

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17.4 Gain on disposal of the investment

	USD'000	Rate	31 Dec 2021 ₦'000
Sales consideration	6,041	505	3,051,608
			3,051,608
Less:			
Derecognition of carrying value of equity accounted investee			(1,077,353)
Earn out obligation paid	(3,643)	505	(1,840,333)
Gain on disposal			133,922

17.5 Cashflow from the disposal of the investment

	USD'000	USD'000	Rate	31 Dec 2021 ₦'000
Proceeds received from sales	-	8,200	505	4,142,066
	-	-	-	4,142,066
Split into:				
Repayment of loan principal	-	3,850	505	1,944,751
Repayment of loan interest	-	1,952	505	985,897
Sales value of investment	6,041			
Earn out obligation paid	(3,643)	2,398	505	1,211,419
	-	-	-	4,142,066

18 Other financial assets

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Non-current:				
Other financial assets (Note 18.1)	-	964,796	-	964,796
	-	964,796	-	964,796
Current:				
Other financial assets (Note 18.2)	19,035,529	1,731,432	18,975,911	1,729,090
	19,035,529	2,696,228	18,975,911	2,693,886

18.1 Other financial assets - Non current

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Loan to CBI Ghana (Note 18.1.1)	-	964,796	-	964,796
Other financial assets (Note 18.1)	-	964,796	-	964,796

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

18.1.1 Loan to CBI Ghana

Included in loan receivable from CBI Ghana is a USD 3.85m loan granted to Continental Blue Investment Ltd in two tranches in October, 2016 and December 2016 respectively for the development of its cement grinding plant and related activities. The loan was given at an interest rate of LIBOR 12Months + 11% (per annum) and was expected to be repaid within a period of seven years and eight years respectively with a moratorium period of two years from draw down date on October 6, 2016 and December 28, 2016 respectively. The loan was fully repaid in June 2021.

18.2 Other financial assets - Current

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Short term receivables	**151,029**	64,738	**91,411**	62,396
Security deposit receivables (Note 18.2.1)	**18,884,500**	-	**18,884,500**	-
Loan to CBI Ghana (Note 18.1.1)	**-**	1,666,694	**-**	1,666,694
	19,035,529	1,731,432	**18,975,911**	1,729,090

18.2.1 Security deposit receivables

Amount represents security deposit on foreign exchange forward contract with a bank in Nigeria. The amount is expected to be received within the next 12 months. Additionally, this amount bears interest at 0.5%per annum.

19 Derivative assets

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Derivative assets	**-**	18,905	**-**	-
	-	18,905	**-**	-

The Group's derivative financial instruments arose from Non-deliverable foreign exchange forward (NDF) contract with commercial bank that was yet to mature as at reporting date.

The Group's derivative asset and liability represents the fair value change on Non-Deliverable Forward (NDF) contract with the intention of hedging against exchange rate volatility of capital expenditure.

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20 Other assets

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Non current	**35,535,403**	29,127,048	**32,699,442**	28,657,973
Current	**15,275,129**	11,916,440	**14,734,768**	8,846,892
	50,810,532	41,043,488	**47,434,210**	37,504,865
Advance payment to suppliers	**7,803,330**	5,158,795	**7,363,914**	3,208,943
Prepayment for Gas (Note 20.1)	**28,714,124**	28,657,973	**28,714,124**	28,657,973
Prepaid rent	**58,473**	88,955	**58,473**	88,955
Prepaid insurance	**1,074,065**	852,775	**973,121**	783,402
Advance payment to transporters	**9,506,239**	3,686,266	**9,506,239**	3,686,266
Advance payment of taxes and levies (Note 9.1)	**818,338**	936,677	**818,338**	936,677
Letters of credit	**2,835,962**	1,519,398	**-**	-
Deposit for imports	**-**	142,649	**-**	142,649
	50,810,531	41,043,488	**47,434,209**	37,504,865

20.1 Prepayment for Gas

The Company has a contract with a vendor for gas supply which has a take or pay clause. The prepayment for gas relates to payment made for unutilised gas as at end of the year. The contract is for a period of 25 years from 2012 to 2037 and the Company is entitled to utilise the amount prepaid anytime within the contract period with an extension of 2years after the expiration of the contract. The Company finalized the contract re-negotiations with the vendor in November 2020 with an effective date of 1 January 2020. The key changes in the new contract are aimed at further ensuring the prepaid gas balance is fully utilised within the contract period.

The Company has performed an assessment to determine whether the prepaid gas asset is recoverable since the amount has continued to increase over the years and has shown a significant increase in the current year due to additional payments made in line with the terms of the re-negotiated contract. This assessment involved a determination of future gas utilization based on assumptions such as future production volumes, forecasted growth rates and utilisation levels as well as the ability of the vendor to fulfil its obligations under the terms of the contract. Based on the assessment performed, including sensitivity analysis around the key judgments and assumptions, the Company expects to fully recover the prepaid gas asset balance within the contract term.

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21 Inventories

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Raw materials	**8,555,834**	2,493,167	**8,257,774**	2,191,227
Work in progress	**1,083,046**	752,973	**831,966**	597,285
Finished goods	**11,233,700**	10,342,883	**8,862,384**	6,708,841
Spare parts	**17,819,245**	12,913,795	**15,663,520**	10,574,637
Other supplies (Note 21.1)	**6,318,302**	4,549,778	**3,040,850**	2,394,625
	45,010,127	31,052,596	**36,656,494**	22,466,615

The cost of inventories recognised as an expense during the year and included in 'cost of sales' was ₦47.7 billion (2020: ₦32.7 billion) and ₦38.9 billion (2020: ₦25.8 billion) for the Group and Company respectively.

Total inventory write down recognised during the year was ₦8.0billion (2020: ₦2.3 billion) and ₦4.4 billion (2020: ₦2.2 billion) for the Group and Company respectively.

The Company employs the services of the following external valuation specialists for the measurement and valuation of inventories (Raw materials and Semi-finished goods): Landata Nigeria Limited; Geofourier Systems Limited; Royal Project International.

21.1 Other supplies

Other supplies consists of safety equipment, packaging materials, traditional fuel and production materials.

22 Trade and other receivables

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Trade receivables:				
Third party sales	**2,793,130**	2,107,502	**2,617,515**	1,997,477
Related party sales (Note 37.4)	**-**	242,224	**4,804,757**	2,710,063
	2,793,130	2,349,726	**7,422,272**	4,707,540
Impairment on trade receivables (Note 22.3)	**(280,495)**	(254,892)	**(269,431)**	(244,970)
Net trade receivables	**2,512,634**	2,094,834	**7,152,841**	4,462,570
Other receivables (Note 22.1)	**4,206,173**	2,675,215	**4,133,505**	2,718,960
Due from related parties (Note 37.5)	**477,947**	258,864	**21,090,806**	19,074,254
	4,684,120	2,934,079	**25,224,311**	21,793,214
Net other receivables	**4,684,120**	2,934,079	**25,224,311**	21,793,214
Total trade and other receivables	**7,196,754**	5,028,913	**32,377,152**	26,255,784

The Group and Company's exposure to credit and foreign exchange risks related to trade and other receivables are disclosed in Note 4.

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22.1 Analysis of other receivables

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Short term receivables (Note 22.2)	**4,202,133**	2,595,849	**4,129,465**	2,642,262
Staff advances	**4,040**	79,366	**4,040**	76,698
	4,206,173	2,675,215	**4,133,505**	2,718,960

See Note 4.1.1 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

22.2 Short term receivables

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
WHT receivable	**970,570**	949,009	**970,570**	949,009
VAT receivable	**504,334**	226	**504,255**	-
Gas receivable	**2,133,150**	1,027,499	**2,133,150**	1,027,499
Other receivables	**594,079**	619,115	**521,490**	665,754
	4,202,133	2,595,849	**4,129,465**	2,642,262

22.3 Impairment loss/reversal

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
At 1 January	**254,892**	275,497	**244,970**	264,284
Impairment loss written back**	**25,603**	(20,605)	**24,461**	(19,314)
At 31 December	**280,495**	254,892	**269,431**	244,970

**Impairment loss written back relate to recoveries made during the year.

23 Cash and cash equivalents

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Restricted cash (Note 23.1)	**1,431,461**	1,266,294	**1,431,461**	1,266,294
Cash in hand and at bank (Note 23.2)	**48,625,884**	52,056,686	**43,696,638**	38,483,421
Cash and cash equivalents in the statement of financial position	**50,057,345**	53,322,980	**45,128,099**	39,749,715

Notes to the Consolidated and Separate Financial Statements

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23.1 Restricted cash

As at year end, cash and cash equivalents included restricted cash, which represents unclaimed dividend amounting to ₦1.43 billion (2020: ₦1.27 billion)

The Group and Company's exposure to credit risk, interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in Note 4.

23.2 Cash and cash equivalents in the statement of cash flows

For the purpose of the cash flow statement, cash and cash equivalents comprises:

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Cash in hand and at bank	**48,625,884**	52,056,686	**43,696,638**	38,483,421
Cash and cash equivalents in the statement of cash flows	**48,625,884**	52,056,686	**43,696,638**	38,483,421

Share capital and Share premium

24 Share capital

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
20,000,000,000 ordinary shares of 50k each (2020: 20,000,000,000 ordinary shares of 50k each)	**10,000,000**	10,000,000	**10,000,000**	10,000,000

Issued and fully paid
Ordinary shares of 50k each

	No of shares	Share capital ₦'000
At 1 January 2021	**16,107,796**	**8,053,899**
Issued during the year	**-**	**-**
At 31 December 2021	**16,107,796**	**8,053,899**
At 1 January 2020	16,107,796	8,053,899
Issued during the year	-	-
At 31 December 2020	16,107,796	8,053,899

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25 Share premium

	No of shares	Share capital ₦'000
At 1 January 2021	**16,107,796**	**435,148,731**
Issued during the year	-	-
Right issue costs	-	-
At 31 December 2021	**16,107,796**	**435,148,731**
At 1 January 2020	**16,107,796**	**435,148,731**
Issued during the year	-	-
Right issue costs	-	-
At 31 December 2020	**16,107,796**	**435,148,731**

26 Earnings per share

Earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Profit attributable to equity holders of the Company from continuing & discontinued operation	**51,003,549**	30,842,138	**53,455,912**	28,714,884
Profit attributable to equity holders of the Company from continuing operation	**51,137,765**	30,788,424	**53,590,128**	28,661,170
Weighted average number of ordinary shares in issue (Basic)	**16,107,796**	16,107,796	**16,107,796**	16,107,796
Weighted average number of ordinary shares in issue (diluted)	**16,107,796**	16,107,796	**16,107,796**	16,107,796
Basic earnings per share (Kobo)	**317**	191	**332**	178
Diluted earnings per share (Kobo)	**317**	191	**332**	178

27 Foreign currency translation reserve

This represents exchange differences arising from the translation of joint venture operation from Continental Blue Investment Ghana to the Group's reporting currency which is Naira. This investment was disposed in June 2021.

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The other reserves arising on business combination and re-organisation is used to recognise the adjustments arising from business combination/re-organisation for entities under common control, when the pooling of interest method has been used.

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29 Loans and borrowings

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Non-current	**2,482,049**	5,139,600	**709,077**	2,774,394
Current	**20,805,272**	44,593,230	**19,846,836**	44,458,963
Total loans and borrowings	**23,287,321**	49,732,830	**20,555,913**	47,233,357
Split into:				
Power fund (Note 29.1)	**3,268,947**	5,341,967	**903,795**	2,381,928
Bond (Note 29.2)	**-**	34,083,978	**-**	34,083,978
Lease liabilities (Note 29.4)	**3,013,586**	7,868,846	**2,615,561**	7,859,810
Bank Loans (Note 29.3)	**17,004,788**	2,438,039	**16,141,855**	2,103,913
Related party loan (Note 29.6)	**-**	-	**894,702**	803,728
Total loans and borrowings	**23,287,321**	49,732,830	**20,555,913**	47,233,357

29.1 Power Fund: Lafarge Africa Plc accessed ₦12.5 billion from the CBN/BOI Power and Aviation Intervention Fund through Guaranty Trust Bank Plc (GTB). Principal and Interest are paid quarterly. Principal repayment commenced in October 2012. The facility has a 10-year tenure with a fixed interest rate of 7% per annum and an effective interest rate of 8.7% per annum.The outstanding balance have been fully repaid as of June 2021.

Lafarge Africa Plc also accessed ₦5.3 billion from the CBN/BOI Power and Aviation Intervention Fund through Guaranty Trust Bank Plc (GTB). Principal and Interest are paid quarterly. The facility has a 10-year tenure with a fixed interest rate of 4% per annum and an effective interest rate of 15.23% per annum. The outstanding balance disclosed in the Company's books amounts to ₦0.9 billion, which is the amortised cost to date.

The Group also assessed an additional N6.4 billion from the CBN/BOI intervention fund in 2019 through Zenith Bank. The loan assessed amounted to ₦6.4 billion. Principal repayment commenced in December 2019. The facility has a 7.5-years tenure and an interest rate of 5% per annum. The outstanding balance, at amortised cost, amounts to ₦2.4 billion.

29.2 Bond: By a resolution dated 17th March 2016, the Board of Directors resolved to raise the sum of ₦60 billion in two tranches of ₦26.38 billion and ₦33.61 billion at interest rates, of 14.25% and 14.75% per annum respectively, maturing in 2019 and 2021 respectively. The effective interest rates are 14.69% and 14.93% respectively. Interest is paid bi-annually and principal is repaid at end of the tenor. The first tranche of bond was paid in 2019 and second tranche fully repaid in 2021.

29.3 Bank Loans: These represent letters of credit facility lines obtained from financial institutions. Interest rate ranges from 9% - 12% p.a and the loans are payable within one year.

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29.4 Lease liabilities

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Maturity analysis				
Less than 1 year	**2,620,298**	5,571,028	**2,280,151**	5,561,992
Between one and two years	**115,572**	1,990,081	**57,694**	1,990,081
Between two and five years	**125,088**	153,805	**125,088**	153,805
Five years and above	**152,628**	153,932	**152,628**	153,932
	3,013,586	7,868,846	**2,615,561**	7,859,810
Analysed as				
Non current	**393,288**	2,297,818	**335,410**	2,297,818
Current	**2,620,298**	5,571,028	**2,280,151**	5,561,992
Total loans and borrowings	**3,013,586**	7,868,846	**2,615,561**	7,859,810

29.5 Movement in loans and borrowings

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
At 1 January	**49,732,830**	64,185,115	**47,233,357**	60,566,525
Additions:				
Finance lease	**2,409,246**	2,387,657	**1,764,158**	2,387,657
Loan received	**14,566,748**	1,834,067	**14,037,942**	1,499,886
	66,708,824	68,406,839	**63,035,457**	64,454,068
Interest expensed (Note 12.2)	**3,763,760**	7,859,989	**3,380,277**	8,418,695
Interest paid on borrowing	**(2,888,751)**	(5,117,850)	**(2,685,207)**	(5,252,701)
Interest paid on leases	**(986,072)**	(1,991,166)	**(986,072)**	(1,991,166)
Principal repaid	**(36,045,934)**	(7,759,060)	**(35,180,135)**	(6,403,645)
Repayment of lease liabilities	**(7,208,823)**	(7,488,596)	**(6,952,724)**	(7,488,596)
Impact of modification of leases	**(55,683)**	(4,503,298)	**(55,683)**	(4,503,298)
Impact of loan restructuring	**-**	325,972	**-**	-
At 31 December	**23,287,321**	49,732,830	**20,555,913**	47,233,357
Less than one year	**20,502,893**	44,593,230	**19,486,578**	44,458,963
Between one and two years	**1,506,229**	2,860,756	**791,620**	1,584,558
Between two to five years	**1,125,571**	2,124,912	**125,088**	1,035,905
After five years	**152,628**	153,932	**152,627**	153,931
	23,287,321	49,732,830	**20,555,913**	47,233,357

29.6 Related Party loans: The balance recorded represents the accrued interest on the loan from AshakaCem Ltd to Lafarge Africa Plc. The principal was settled in March 2019.

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30 Provisions

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Non current (Note 30.1)	**2,103,557**	1,510,577	**1,193,962**	817,124
Current (Note 30.2)	**2,918,962**	2,644,965	**2,571,809**	2,405,497
	5,022,519	4,155,542	**3,765,771**	3,222,621

30.1 Non current

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Site restoration cost				
At 1 January	**1,510,577**	1,011,285	**817,124**	547,403
Provision made during the year	**678,230**	820,447	**351,983**	448,605
Utilised	**(225,710)**	(387,791)	**(50,704)**	(245,520)
Unwinding of discount (Note 12.2)	**140,460**	66,636	**75,559**	66,636
At 31 December	**2,103,557**	1,510,577	**1,193,962**	817,124

The provision for site restoration represents an estimate of the costs involved in restoring production sites at the end of the expected life of the quarries. The cost would be unwound over a period of 5-15 years for the Group and Company. The long term average inflation and discount rates used in the estimate entities within the Group was 10% (2020: 9%) and 12.8% (2020: 10%) respectively.

30.2 Current

Current provisions relates to the provision for productivity bonus which is based on employee performance during the year.

Group	Productivity bonus ₦'000	Total ₦'000
At 1 January 2020	677,349	677,349
Provision made during the year	2,739,977	2,739,977
Payment in the year	(772,361)	(772,361)
At 31 December 2020	2,644,965	2,644,965
At 1 January 2021	**2,644,965**	**2,644,965**
Provision made during the year	**1,741,973**	**1,741,973**
Payment in the year	**(1,467,976)**	**(1,467,976)**
At 31 December 2021	**2,918,962**	**2,918,962**

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Company	Productivity bonus ₦'000	Total ₦'000
At 1 January 2020	604,451	604,451
Provision made during the year	2,458,418	2,458,418
Payment in the year	(657,372)	(657,372)
At 31 December 2020	2,405,497	2,405,497
At 1 January 2021	**2,405,497**	**2,405,497**
Provision made during the year	**1,449,032**	**1,449,032**
Payment in the year	**(1,282,720)**	**(1,282,720)**
At 31 December 2021	**2,571,809**	**2,571,809**

31 Deferred income

The deferred revenue is as a result of the benefit received from a below-market-interest rate government loan (CBN/BOI Intervention Fund loans) disclosed in Note 29.1. The revenue is recognised in profit or loss over the useful life of the asset financed with the loan.

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Non-current	**1,356,534**	1,683,008	**1,123,575**	1,234,307
Current	**326,474**	381,646	**110,732**	110,732
	1,683,008	2,064,654	**1,234,307**	1,345,039

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Opening balance	**2,064,654**	2,846,728	**1,345,039**	1,455,771
Impact of restructuring (Note 29.5)	**-**	(325,972)	**-**	-
Grant Capitalised	**-**	(164,092)	**-**	-
Grant released to profit or loss	**(381,646)**	(292,010)	**(110,732)**	(110,733)
Closing balance	**1,683,008**	2,064,654	**1,234,307**	1,345,039

Notes to the Consolidated and Separate Financial Statements

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32 Employee benefit obligations

Defined contribution plan – Pension

The employees of the Company, (Lafarge Africa Plc, and the subsidiary, AshakaCem Ltd,) are members of a state arranged Pension scheme (Pension Reform Act, 2014) regulated by the Nigerian government but managed by several private sector service providers. The Group is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the defined contribution plan is to make the specified contributions to the third party organizations, which are responsible for the financial and administrative management of the funds.

Defined benefits plan - Gratuity

At 31 December 2015, the Group discontinued the gratuity scheme for all qualifying staff.

The plans had two components: the "Normal" gratuity for all exiting employees with service of 5 years and above, and an additional "In-house" gratuity for employees above 50 years of age and service of above 10 years. The retirement age is 60 years and no other post-retirement benefits are provided to these employees. This is a non-funded benefit scheme as the obligation is paid as and when due. The "in house" gratuity will be paid to qualifying staff on exit. However, no further liability is accrued from 31 December 2015. The actuarial valuations of the present value of the defined benefit obligation were carried out at 31 December 2021 by AON Hewitt ltd. The present value of the defined benefit obligation, and the related current service cost, were measured using the Projected Unit Credit Method.

Below are the details of movements and amounts recognised in the financial statements:

32.1 Non current

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Employee long service award scheme (Note 32.2)	**1,822,894**	1,719,115	**1,479,244**	1,443,609
Staff gratuities (Note 32.3)	**342,698**	565,573	**342,698**	565,573
	2,165,592	2,284,688	**1,821,942**	2,009,182

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32.2 Employee long service award scheme

The amount arising from the Group and Company's obligations in respect of its employee long service award schemes is as follows:

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Opening balance	**1,719,115**	1,309,568	**1,443,609**	1,085,095
Service cost	**186,406**	152,569	**163,537**	133,272
Interest cost (Note12.2)	**122,262**	167,311	**102,680**	138,044
Total amount recognised in profit or loss	**308,668**	319,880	**266,217**	271,316
Remeasurements:				
Plan amendment	**-**	-	**(32,017)**	-
(Gain)/loss from change in assumptions	**(242,845)**	267,659	**(207,014)**	229,273
Experience adjustment gains/(loss)	**131,296**	(40,441)	**83,337**	(23,018)
Total amount recognised in profit or loss	**(111,549)**	227,218	**(155,694)**	206,255
Benefits paid	**(93,340)**	(137,551)	**(74,888)**	(119,057)
Closing balance	**1,822,894**	1,719,115	**1,479,244**	1,443,609

Key assumptions
The key actuarial assumptions used for the purpose of the actuarial valuation are as follows:

Below are key assumptions for Nigerian entities:

	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**
Discount rate- per annum (p.a)	**13.0%**	7.3%
Inflation rate	**12.0%**	11.0%
Salary inflation (p.a)	**12.0%**	8.0%
Benefit escalation rate	**6.0%**	5.5%
Normal retirement age	**60 years**	60 years

A quantitative sensitivity analysis for significant assumptions as at 31 December is as shown below:

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Sensitivity analysis for the Company

	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Base	**1,479,244**	1,443,609
Discount rate		
0.5% increase	**1,429,982**	1,386,263
0.5% decrease	**1,531,371**	1,504,751
Salary increase rate		
0.5% increase	**1,530,568**	1,501,672
0.5% decrease	**1,430,402**	1,388,690
Benefit escalation rate		
0.5% increase	**1,483,958**	1,446,566
0.5% decrease	**1,474,750**	1,440,737
Mortality experience		
Age rated up by 1 year	**1,473,048**	1,437,038
Age rated down by 1 year	**1,484,838**	1,449,541

Sensitivity analysis for the Group

	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Base	**1,822,894**	1,719,115
Discount rate		
0.5% increase	**1,764,847**	1,653,035
0.5% decrease	**1,884,252**	1,789,497
Salary increase rate		
0.5% increase	**1,882,833**	1,785,413
0.5% decrease	**1,765,798**	1,656,349
Benefit escalation rate		
0.5% increase	**1,829,118**	1,722,861
0.5% decrease	**1,816,945**	1,715,472
Mortality experience		
Age rated up by 1 year	**1,815,340**	1,711,323
Age rated down by 1 year	**1,829,717**	1,726,152

The weighted average liability duration for the Plan is 6.01 years. The average weighted duration of the longest Nigerian Government bond as at 31st December 2021 was 6.09 years with a gross redemption yield of 12.9%. We have adopted a discount rate of 12.8% for the current year.

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32.3 Staff gratuities

The amount arising from the Group and Company's obligations in respect of its employee long service award schemes is as follows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Opening balance	**565,573**	566,556	**565,573**	566,556
Service cost	**-**	-	**-**	-
Interest cost	**29,400**	97,072	**29,400**	97,072
Total amount recognised in profit or loss	**29,400**	97,072	**29,400**	97,072
Remeasurement:				
(Gain) due to financial assumptions	**(83,590)**	-	**(83,590)**	-
(Gain) due to experience	**(87,274)**	-	**(87,274)**	-
Total amount recognised in other comprehensive income	**(170,864)**	-	**(170,864)**	-
Benefits paid (Note 34.1.6)	**(81,411)**	(98,055)	**(81,411)**	(98,055)
Closing balance	**342,698**	565,573	**342,698**	565,573

Below are key assumptions for Nigerian entities:

i) The rates of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK.

Age	Number of deaths in year in the year out of 10,000 lives.
25	**7**
30	**7**
35	**9**
40	**14**
45	**26**

Through its defined benefit plans (pension scheme) the Group is exposed to asset volatility risk.

ii) Withdrawal from Service

Age	Rate
Less than or equal to 30	**4%**
31-39	**3%**
40-44	**1%**
45-54	**1%**
55-59	**0%**

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iii) A quantitative sensitivity analysis for significant assumptions as at 31 December is as shown below:

Sensitivity analysis for the Group and Company

	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Base	**342,698**	565,573
Discount rate:		
0.5% increase	**337,160**	554,573
0.5% decrease	**348,418**	577,006
Mortality experience:		
Age rated up by 1 year	**342,174**	564,675
Age rated down by 1 year	**343,166**	566,374

The weighted average liability duration for the Plan is 4.7 years. The 5-year and 15-year government bond with a yield of 11.65% pa and 12.95% pa have a duration of 3.9 and 6.8 years respectively as at 31 December 2021. By interpolation, a discount rate of 12.01% p.a. was therefore applied

33 Trade and other payables

Trade payables

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Trade payables	**17,817,698**	18,748,553	**15,990,324**	15,365,176
	17,817,698	18,748,553	**15,990,324**	15,365,176
Other payables:				
Related party - technical service fee (Note 33.1, 37.4)	**4,298,825**	3,861,802	**4,298,825**	3,861,802
Customers' deposits	**43,361,653**	22,735,180	**36,414,142**	17,247,193
Related companies (Note 37.5)	**3,882,324**	3,263,740	**22,893,620**	16,690,513
Withholding tax payable	**1,455,980**	875,110	**1,469,805**	920,277
Value added tax payable	**466,345**	87,951	**466,179**	87,785
Accruals (Note 33.2)	**7,873,451**	7,145,326	**7,192,865**	6,279,343
Other liabilities (Note 33.5)	**10,520,709**	11,545,284	**6,890,165**	7,391,529
Dividend payable (Note 33.3)	**13,500,412**	8,594,829	**13,500,412**	8,594,829
	85,359,699	58,109,222	**93,126,013**	61,073,271
	103,177,397	76,857,775	**109,116,337**	76,438,447

33.1 Holcim Technology Ltd Technical service fees

This represents the outstanding liability on the Industrial Franchise Agreement with Holcim Group of Switzerland. The terms of the agreements include:

- The right for Lafarge Africa Plc to use technical research and development information relating to production and distribution of cement products
- The provision by Holcim Group of technical and operational support through the secondment of suitably qualified expatriate personnel, as requested by Lafarge Africa Plc and approved by the Federal Government of Nigeria.
- The guarantee by Holcim Group of the achievement of raw material reserves and production targets by Lafarge Africa Plc.

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33.2 Accruals

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Freight/ logistics	**28,678**	504,599	**28,678**	500,999
Capital expenses	**19,001**	4,779	**-**	-
Quarry/landed cost	**36,199**	8,323	**-**	-
Plant accruals *	**6,300,006**	4,582,070	**6,148,547**	4,238,690
Power	**274,728**	483,300	**1,527**	-
Employee related accrual	**224,442**	62,274	**139,575**	50,931
Others	**990,397**	1,499,981	**874,538**	1,488,723
	7,873,451	7,145,326	**7,192,865**	6,279,343

*Plant accruals relates to accruals on repairs and maintenance and gas consumed for which the payments have not been settled as at year end.

33.3 Dividend paid to equity holders of the company

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
At 1 January	**8,594,829**	-	**8,594,829**	-
Dividend declared	**32,215,591**	16,107,796	**32,215,591**	16,107,796
Payment to the equity holders of the parent	**(27,310,008)**	(7,512,967)	**(27,310,008)**	(7,512,967)
At 31 December	**13,500,412**	8,594,829	**13,500,412**	8,594,829

The outstanding dividend payable as at December 31, 2021 was ₦13.5 billion (2020: ₦8.6 billion).

33.4 Dividend paid

The following dividend were paid during the year:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Caricement B.V	**14,758,199**	3,281,612	**14,758,199**	3,281,612
Associated International Cement Ltd	**7,337,039**	1,623,970	**7,337,039**	1,623,970
Other equity holders	**5,214,770**	2,607,385	**5,214,770**	2,607,385
Total	**27,310,008**	7,512,967	**27,310,008**	7,512,967

33.5 Included in the other liabilities are unclaimed dividend payable, pension fund liability, capital gain tax payable, customers rebate liability, litigation provision, non income tax and capital expenditures payable.

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34 Additional cash flow information

34.1 Working capital adjustments

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
(Increase) /decrease in inventories	**(13,955,936)**	1,616,555	**(14,188,284)**	3,441,287
(Increase) /decrease in trade and other receivables	**(2,193,445)**	3,184,742	**(6,145,830)**	(5,783,784)
(Increase) in other assets	**(10,415,465)**	(15,109,970)	**(10,577,766)**	(14,486,119)
(Increase) in other financial assets	**(18,970,791)**	(923,775)	**(18,913,515)**	(925,047)
Increase/ (decrease) in trade and other payables	**20,427,635**	(488,861)	**27,594,201**	(3,767,938)
	(25,108,002)	(11,721,309)	**(22,231,193)**	(21,521,601)

34.1.1 Reconciliation of changes in inventories included in statement of cash flows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Movement in inventories	**(13,957,531)**	1,388,174	**(14,189,879)**	3,212,906
Reclassification to Property, plant and equipment (Note15)	**1,595**	228,381	**1,595**	228,381
Movement as per the Statement of Cashflows	**(13,955,936)**	1,616,555	**(14,188,284)**	3,441,287

34.1.2 Reconciliation of changes in trade and other receivables included in statement of cash flows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Movement in trade and other receivables	**(2,167,842)**	3,164,137	**(6,121,369)**	(5,803,098)
Reclassification of Impairment loss on trade receivables (Note 22.3)	**(25,603)**	20,605	**(24,461)**	19,314
Movement as per the Statement of Cashflows	**(2,193,445)**	3,184,742	**(6,145,830)**	(5,783,784)

34.1.3 Reconciliation of changes in other assets included in statement of cash flows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Movement in other assets	**(9,767,044)**	(14,394,946)	**(9,929,345)**	(13,773,894)
Reclassification of prepayments for construction expenditure (Note 15)	**(648,421)**	(715,024)	**(648,421)**	(712,225)
Movement as per the Statement of Cashflows	**10,415,465)**	(15,109,970)	**(10,577,766)**	(14,486,119)

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34.1.4 Reconciliation of changes in other financial assets included in statement of cash flows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Movement in other financial assets	**(16,339,301)**	(923,775)	**(16,282,025)**	(925,047)
Reclassification of long term financial Receivables from joint venture (note 18.1 & 18.2)	**(2,631,490)**	-	**(2,631,490)**	-
Movement as per the Statement of Cashflows	**(18,970,791)**	(923,775)	**(18,913,515)**	(925,047)

34.1.5 Reconciliation of changes in trade and other payables included in statement of cash flows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Movement in trade and other payables	**26,319,623**	7,139,878	**32,677,889**	3,860,801
Reclassification of dividend payable (Note 33.3)	**(4,905,583)**	(8,594,829)	**(4,905,583)**	(8,594,829)
Accruals on Property plant and Equipment (Note 15.1)	**(986,405)**	966,090	**(178,105)**	966,090
Movement as per the Statement of Cashflows	**20,427,635**	(488,861)	**27,594,201**	(3,767,938)

34.1.6 Provisions and net movement on employee benefit

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Employee Long Service Award – service cost (Note 32.2)	**186,406**	152,569	**163,537**	133,272
Productivity bonus payment	**(1,467,976)**	(772,361)	**(1,282,719)**	(657,372)
Staff gratuity benefits paid (Note 32.3)	**(81,411)**	(98,055)	**(81,411)**	(98,055)
Employee Long service award benefits paid	**(93,340)**	(137,551)	**(74,888)**	(119,057)
Remeasurement (gains)/losses – Long service awards	**(111,549)**	227,218	**(123,677)**	206,255
Provision for productivity bonus for the year	**1,741,973**	2,739,977	**1,449,032**	2,458,418
	174,103	2,111,797	**49,874**	1,923,461

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34.2 In the statement of cash flows, profit on sale of property, plant and equipment (PPE) comprise:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Proceeds from sale of property, plant and equipment- (cash)	**15,647**	475,059	**15,647**	458,662
Proceeds from sale of property, plant and equipment- (non cash)	**126,070**	-	**126,070**	-
Net book value of property, plant and equipment disposed	**(51,975)**	(237,690)	**(51,975)**	(233,713)
Gain on sale of property, plant and equipment (Note 10)	**89,742**	237,369	**89,742**	224,949

34.3 Other non cash items

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Write offs for Property, plant and equipment	**-**	41,026	**-**	41,026
Gain on sale of property plant and equipment (Note 10)	**(89,742)**	(237,369)	**(89,742)**	(224,949)
Impairment loss on trade and other receivables (Note 22.3)	**25,603**	(20,605)	**24,461**	(19,314)
Movement in site restoration cost	**452,520**	432,656	**301,279**	203,085
Gain on disposal of investment in joint venture (Note 10)	**(133,922)**	-	**(133,922)**	-
Government grants (Note 10)	**(381,646)**	(292,010)	**(110,732)**	(110,733)
	(127,187)	(76,302)	**(8,656)**	(110,885)

35 Commitments for expenditure

Capital expenditure contracted for at the reporting period end but not recognised in the financial statements is as follows:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Capital expenditure commitments				
Approved and contracted for	**4,960,805**	3,829,612	**4,960,805**	3,829,612
	4,960,805	3,829,612	**4,960,805**	3,829,612
Operating expenditure commitments				
Commitments for the supply of gas (Note 35.1)	**160,351,137**	150,854,700	**160,351,137**	150,854,700
Commitments for the supply of power (Note 35.2)	**9,253,083**	5,963,349	**9,253,083**	5,963,349
Guarantee for gas commitment (Mfamosing project	**1,654,596**	1,450,000	**1,654,596**	1,450,000
Income tax risk	**-**	1,335,750	**-**	1,335,750
Guarantee for power services	**654,395**	1,250,904	**654,395**	1,250,904
Guarantee for truck financing	**16,676,847**	7,747,344	**16,676,847**	7,747,344
Share Holder's Guarantee	**-**	3,579,296	**-**	3,579,296
Additional Subscription of Shares in CBI Ghana	**-**	1,645,000	**-**	1,645,000
	188,590,058	173,826,343	**188,590,058**	173,826,343

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

35.1 This represents the total commitments with respect to termination payment clause on gas contracts. This amount is made up of ₦59.4 billion relating to gas supply contract with a vendor for the supply of gas to Mfamosing Plant, ₦100.9 billion relating to another gas supply contract with a vendor for the supply of gas to Ewekoro and Shagamu Plants.

35.2 Commitments for the supply of power represents the fixed cost commitment on a monthly basis for the supply of power to the Ewekoro and Mfamosing plant for period of ten years from the effective date of the contract (₦5.1 billion). Also included is the additional fixed cost commitment for the supply of power to Ewekoro plant for the period of five years (₦4.1 billion).

36 Contingent liabilities

	Group		Company	
	31 Dec 2021 ₦'000	**31 Dec 2020 ₦'000**	**31 Dec 2021 ₦'000**	**31 Dec 2020 ₦'000**
Lafarge Africa Plc				
Various litigations and claims (Note 36.1)	**3,445,842**	4,870,310	**3,445,842**	4,870,310
Letters of credit (Note 36.2)	**13,262,483**	11,698,881	**13,262,483**	7,776,040
Pension audit (Note 36.3)	**1,700,797**	-	**1,700,797**	-
	18,409,122	16,569,191	**18,409,122**	12,646,350

36.1 The Group and Company are engaged in law suits that have arisen in the normal course of business. The contingent liabilities in respect of pending litigations and other claims amounted to ₦3.4 billion (2020: ₦4.9 billion), amongst other claims for the Group and Company respectively. The Directors are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Thus the possible obligation has not been provided for in the financial statements.

36.2 This represents letters of credit which have been opened but shipment of items has not been initiated and as such risks and rewards have not been transferred to the Group and Company as at year end.

36.3 This represents ongoing reconciliation and disputed liability from the pension audit in Mfamosing plant.

37 Related party transactions

37.1 Ultimate parent entity

The ultimate parent entity of the Group is Holcim, incorporated in Switzerland.

In the normal course of business, Lafarge Africa Plc sells cement to other subsidiaries of the ultimate shareholder.

The Company receives technical assistance from the majority shareholder which is paid for under the Industrial Franchise Agreement (see Note 9.4).

37.2 Subsidiaries

Subsidiaries are set out in Note 17.1.

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

37.3 Transactions with related parties

The following transactions occurred with related parties during the year:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
AshakaCem Limited	-	-	2,094,694	2,067,466
Total transaction value	-	-	2,094,694	2,067,466

Purchase of goods and services

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Lafarge Holcim Trading	8,223,888	2,647,000	8,223,888	2,647,000
Total transaction value	8,223,888	2,647,000	8,223,888	2,647,000

Goods were sold to related parties during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

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		Group		Company	
	Nature of transaction	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Others					
AshakaCem Limited	Recharges	**-**	-	**6,140,681**	-
Holcim Group Services Ltd	Services Related	**-**	411,137	**-**	259,748
Lafargeholcim Middle East & Africa It Service Center	IT Services	**-**	953,616	**-**	953,616
Technical Center Europe-Africa	Services Related	**-**	290	**-**	290
Lafargetechnical Center Vienna Gmbh	Services Related	**-**	2,663	**-**	2,663
Holcim Trading S.A.	Fuel	**112,107**	36,192	**112,107**	36,192
Lafarge Cement Egypt Sae	Payroll and other personnel recharges	**-**	154,066	**-**	154,066
Lafarge Cement Egypt S.A.E.	Employee Related	**275,756**	-	**265,897**	-
Lafarge (Beijing) Building Materials Technical Service Co, Ltd	Employee Related	**-**	20,920	**-**	-
Holcim Technology Ltd	Technical Fees	**2,883,862**	2,989,050	**2,883,862**	2,989,050
Holcim (Maroc) S.A.	Fuel	**13,695**	60,446	**13,695**	60,446
Lafarge Mea Building Materials S.A.E	Employee Related	**-**	313,533	**-**	307,096
Lafarge Industries S.A. (Pty)	Employee Related	**-**	196	**-**	196
Lafargeholcim Energy Solutions	Employee Related	**-**	172,048	**-**	172,048
Hima Cement Rwanda Ltd	Employee Related	**-**	24,543	**-**	24,543
Lafarge Intern Serv Singapore	Employee Related	**691,662**	266,744	**618,193**	179,222
Lafargeholcim España, S.A.U.	Payroll and other personnel recharges	**818,689**	-	**818,689**	-
LafargeHolcim Investment Ltd	Payroll and other personnel recharges	**5,692**	-	**5,692**	-
Associated Pan Malaysia Cement Sdn	Payroll, personnel costs recharges	**-**	107,851	**-**	-
Total transaction value		**4,801,463**	5,513,295	**10,858,816**	5,139,176

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

37.4 Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Trade receivables:				
AshakaCem Limited	**-**	-	**4,804,757**	2,467,839
Lafarge Holcim Trading	**-**	242,224	**-**	242,224
	-	242,224	**4,804,757**	2,710,063
Technical fees:				
Lafarge S.A Paris	**418,016**	418,016	**418,016**	418,016
Holcim Technology Ltd	**3,880,809**	3,443,786	**3,880,809**	3,443,786
	4,298,825	3,861,802	**4,298,825**	3,861,802

The sale of goods to/from related parties were carried out on commercial terms and conditions and hence the Directors are of the opinion that there is no conflict of interests. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

37.5 Other receivables from and payables to related parties

			Group		Company	
			31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Other receivables						
AshakaCem Plc	Subsidiary	Back end expenses and System, application & support cost	**-**	-	**20,650,067**	18,815,390
Lafarge S.A.	Fellow subsidiary	Back end expenses.	**100,909**	-	**72,381**	-
Holcim Energy Solutions	Fellow subsidiary	Back end expenses.	**-**	97,028	**-**	97,028
Holcim Middle East & Africa IT Service Center	Fellow subsidiary	Back end expenses.	**-**	333	**-**	333
Holcim Group Services Ltd	Fellow subsidiary	Back end expenses.	**329,152**	138,160	**329,152**	138,160
Holcim Technology Ltd	Fellow subsidiary	Back end expenses.	**8,681**	23,343	**-**	23,343
Lafarge Industries South Africa (PTY) Ltd	Fellow subsidiary	Back end expenses.	**39,206**	-	**39,206**	-
			477,948	258,864	**21,090,806**	19,074,254

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for the year ended 31 December 2021

			Group		Company	
			31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Other payables						
Lafarge S.A	Fellow subsidiary	Back end expenses.	**12,705**	74,678	**12,705**	97,302
Holcim technology limited	Fellow subsidiary	Back end expenses.	**698,742**	-	**572,162**	-
Ashakacem PLC	Subsidiary	Back end expenses.	**-**	-	**19,518,325**	13,928,118
Holcim Group Services Ltd	Fellow subsidiary	Back end expenses.	**12,142**	9,273	**-**	-
Lafarge MEA Building Materials S.A.E	Fellow subsidiary	Back end expenses.	**345,778**	525,384	**332,703**	516,522
Holcim Trading S.A.	Fellow subsidiary	Back end expenses.	**-**	264,740	**-**	264,740
Technical Center Europe-Africa	Fellow subsidiary	Back end expenses.	**8,815**	13,985	**8,815**	13,985
Holcim Middle East & Africa IT Service Center	Fellow subsidiary	Back end expenses.	**1,081,200**	1,089,054	**1,081,200**	953,283
Lafarge International Services Singapore Pte Ltd	Fellow subsidiary	Back end expenses.	**669,955**	380,617	**487,849**	179,222
Lafarge Industries South Africa (PTY) Ltd	Fellow subsidiary	Back end expenses.	**-**	1,019	**-**	1,019
Holcim España, S.A.U.	Fellow subsidiary	Back end expenses.	**21,891**	33,805	**21,891**	33,805
Holcim Building Materials (China) Co., Ltd	Fellow subsidiary	Back end expenses.	**7,586**	-	**-**	-
LH Trading Ltd	Fellow subsidiary	Back end expenses.	**634,278**	374,205	**634,278**	374,205
Holcim Maroc	Fellow subsidiary	Back end expenses.	**48,074**	65,378	**48,074**	65,378
Lafarge Cement Technical Center Vienna Gmbh	Fellow subsidiary	Back end expenses.	**2,382**	3,780	**2,382**	3,780
Lafarge Cement Egypt S.A.E.	Fellow subsidiary	Back end expenses.	**170,452**	249,154	**169,788**	249,154
Lafarge A&C Technical Service (Beijing) Co Ltd	Fellow subsidiary	Back end expenses.	**-**	20,920	**-**	-
Lafarge Asia Sdn Bhd (Asia Technical Center)	Fellow subsidiary	Back end expenses.	**115,589**	107,851	**-**	-
Holcim Investment Ltd	Fellow subsidiary	Back end expenses.	**52,735**	49,897	**3,448**	-
Wapsila Nigeria Limited	Fellow subsidiary	Investment	**-**	-	**-**	10,000
			3,882,324	3,263,740	**22,893,620**	16,690,513

***Back end expenses relates to charge back of employee related costs, IT services and other administrative expenses.

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

37.6 Loans from related parties

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
AshakaCem Plc	-	-	894,702	803,729
	-	-	894,702	803,729

37.7 Loans to related party

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Loan to CBI Ghana	-	2,631,490	-	2,631,490

37.8 Key management personnel compensation

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Key management personnel				
Salaries and other short term employee benefits	1,452,250	1,428,759	1,452,250	1,428,759
Post-employment benefits	90,468	87,353	90,468	87,353
Total	1,542,718	1,516,112	1,542,718	1,516,112

38 Directors and employees

Directors

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Directors' emolument comprise:				
Salaries/fees	418,431	343,420	418,431	343,420
Sitting allowance and other benefits	159,576	206,086	159,576	206,086
	578,007	549,506	578,007	549,506

Fees and other emoluments disclosed above include amount paid to:

38.1 Executive Director

	Salaries/Fees		Sitting allowance		Other benefits		Total	
	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Khaled Abdel Aziz El Dokani	288,613	221,223	-	-	102,815	113,675	391,428	334,897
Lolu Alade-Akinyemi	95,818	88,197	-	-	9,091	9,091	104,909	97,289
Total Executive Directors cost	384,431	309,420	-	-	111,906	122,766	496,337	432,186

Notes to the Consolidated and Separate Financial Statements

for the year ended 31 December 2021

38.2 Non- Executive Directors

	'Salaries/Fees'		Sitting allowance		Other benefits		Total	
	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Mobolaji Balogun	-	10,000	-	12,400	-	-	-	22,400
Adebode Adefioye	**10,000**	8,000	**11,604**	17,120	-	-	**21,604**	25,120
Adenike Ogunlesi	**8,000**	8,000	**7,222**	14,720	-	-	**15,222**	22,720
Elenda Giwa- Amu	-	8,000	**12,640**	17,900	-	-	**12,640**	25,900
Karine Uzan Mercie	-	-	-	-	-	-	-	-
Marco Licata	-	-	-	-	-	-	-	-
Adebayo Adeleke	-	-	-	2,480	-	-	-	2,480
Grant Earnshaw	-	-	-	-	-	-	-	-
Adekanmbi David Ademola	-	-	-	2,000	-	-	-	2,000
Gbenga Oyebode MFR	**8,000**	-	**8,843**	8,720	-	-	**16,843**	8,720
Adejuwon Timothy Ademola	-	-	-	2,000	-	-	-	2,000
Oyinkan Adewale	**8,000**	-	**7,360**	5,980	-	-	**15,361**	5,980
Virginie Darbo	-	-	-	-	-	-	-	-
Total Non- Executive Directors cost	**34,000**	34,000	**47,669**	83,320	-	-	**81,670**	117,320
Total	**418,431**	343,420	**47,669**	83,320	**111,906**	122,766	**578,006**	549,506

Salaries/Fees represent annual remuneration, bonus paid, long term benefits and pensions, while other benefits are related to Benefits in Nigeria

Employees

The average number of employees employed during the year was:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Managerial staff	**1,066**	111	**895**	103
Senior staff	**109**	1,094	**102**	898
Junior staff	**176**	174	**73**	73
	1,351	1,379	**1,070**	1,074

The aggregate payroll costs were:

	Group		Company	
	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000	31 Dec 2021 ₦'000	31 Dec 2020 ₦'000
Wages, salaries, allowances and other benefits	**23,697,739**	20,296,295	**21,134,236**	17,884,996
Pension and social benefits	**1,334,693**	1,159,159	**1,144,046**	998,331
Staff training	**365,329**	208,531	**355,796**	207,832
	25,397,761	21,663,985	**22,634,078**	19,091,159

The number of higher paid employees with gross emoluments within the ranges below were:

	Group		Company	
	31 Dec 2021 ₦'000 Number	31 Dec 2020 ₦'000 Number	31 Dec 2021 ₦'000 Number	31 Dec 2020 ₦'000 Number
Range (N)				
Up to 1,000,000	**19**	15	**14**	7
1,000,001 - 3,000,000	**90**	279	**74**	158
3,000,001 - 5,000,000	**163**	511	**71**	385
5,000,001 - 7,000,000	**373**	236	**271**	205
7,000,001 - 10,000,000	**349**	156	**311**	145
Above 10,000,000	**357**	182	**329**	174
	1,351	1,379	**1,070**	1,074

39 Events after the reporting period

There are no events which could have had a material effect on the financial position of the Group as at 31 December 2021 and its financial performance for the year then ended that have not been adequately provided for or disclosed in these financial statements.

Other National Disclosures

Consolidated and Separate Statements of Value Added

for the year ended 31 December 2021

Group	31 Dec 2021 ₦'000	%	31 Dec 2020 ₦'000	%
Revenue	**293,086,183**	**256**	230,572,922	278
Bought in materials and services		**-**		-
Local	**(171,173,915)**	**(149)**	(142,934,692)	(172)
Imported	**(9,734,167)**	**(8)**	(6,702,037)	(8)
Other income and finance income	**2,427,345**	**1**	2,152,153	2
Value added	**114,605,446**	**100**	83,088,346	100
Applied as follows:				
To pay employees				
Wages, salaries and other benefits	**25,397,761**	**22**	13,532,309	16
To pay providers of capital:				
Finance costs	**3,763,760**	**3**	7,859,989	9
To pay government:				
Income tax expense	**3,008,585**	**3**	2,327,495	3
Retained in the business				
To maintain and replace:				
Property, plant and equipment				
Intangible assets				
To deplete reserves	**31,431,791**	**26**	28,526,415	35
	51,003,549	**46**	30,842,138	37
Value added	**114,605,446**	**100**	83,088,346	100

Company	31 Dec 2021 ₦'000	%	31 Dec 2020 ₦'000	%
Revenue	**262,299,071**	**239**	202,530,359	269
Bought in materials and services				
Local	**(145,818,794)**	**(133)**	(122,487,377)	(162)
Imported	**(8,920,280)**	**(8)**	(6,701,133)	(9)
		-		-
Other income and finance income	**2,315,357**	**2**	2,063,339	2
Value added	**109,875,354**	**100**	75,405,188	100
Applied as follows:				
To pay employees				
Wages, salaries and other benefits	**22,634,078**	**21**	11,502,849	15
To pay providers of capital:				
Finance costs	**3,380,277**	**3**	8,418,695	11
To pay government:				
Income tax expense	**1,666,450**	**2**	636,490	1
Retained in the business				
To maintain and replace:				
Depreciation of plant, property and equipment	**28,738,637**	**24**	26,132,270	35
To deplete reserves	**53,455,912**	**50**	28,714,884	38
Value added	**109,875,354**	**100**	75,405,188	100

Five year Financial Summary - Group

for the year ended 31 December 2021

Group	IFRS				
	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Financial position					
Capital employed:					
Ordinary share capital	**8,053,899**	8,053,899	8,053,899	4,336,715	2,787,888
Share premium	**435,148,731**	435,148,731	435,148,731	350,945,748	222,272,108
Retained earnings	**189,487,103**	170,579,540	155,801,325	138,272,355	160,257,556
Deposit for shares	**-**	-	-	-	130,416,872
Foreign currency translation reserve	**-**	(14,611)	39,103	9,364,261	9,935,643
Other reserves on business combination and re-organisation	**(254,129,057)**	(254,129,057)	(254,129,057)	(368,683,312)	(368,683,312)
Non-controlling interest	**-**	-	-	305,322	-
Total equity	**378,560,676**	359,638,502	344,914,001	134,541,089	156,986,755
Represented by:					
Property, plant & equipment	**338,721,747**	348,328,150	369,797,229	394,488,764	393,651,934
Intangible assets	**713,746**	1,939,210	3,202,068	6,194,518	2,634,326
Investment in joint ventures	**-**	379,432	-	-	-
Other financial assets	**-**	964,796	767,253	1,301,148	1,582,622
Other assets	**35,535,403**	29,127,048	20,345,783	16,671,760	20,803,113
Deferred tax assets	**15,292,417**	23,404,073	27,994,154	28,720,032	17,514,432
Net current assets/(liabilities)	**5,521,795**	(24,484,811)	(9,366,049)	(119,289,276)	(189,550,565)
	395,785,108	379,657,898	412,740,438	328,086,946	246,635,862
Borrowings	**(2,482,049)**	(5,139,600)	(52,664,863)	(172,373,209)	(68,715,378)
Deferred tax liabilities	**(9,116,700)**	(9,401,523)	(9,966,699)	(10,200,112)	(11,025,943)
Provisions	**(2,103,557)**	(1,510,577)	(1,011,285)	(3,645,751)	(3,472,388)
Deferred revenue	**(1,356,534)**	(1,683,008)	(2,307,466)	(2,597,602)	(1,518,467)
Employee benefits obligation	**(2,165,592)**	(2,284,688)	(1,876,124)	(4,729,183)	(4,916,931)
Net assets	**378,560,676**	359,638,502	344,914,001	134,541,089	156,986,755
Net assets per share (Naira)	**2,350**	2,233	1,551	2,816	4,542

Net assets per share is calculated by dividing net assets of the Group by the number of ordinary shares outstanding at the end of the reporting period.

	IFRS				
	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Financial result					
Revenue	**293,086,183**	230,572,922	212,999,066	308,425,456	299,153,305
Profit/(loss) before minimum tax	**62,254,478**	37,572,131	17,892,285	(19,508,228)	(34,032,277)
Profit/(loss) for the year	**51,003,549**	30,842,138	15,517,786	(8,801,726)	(34,601,409)
Dividend proposed	**32,215,591**	16,107,796	16,107,796	-	13,010,143
Per share data (Kobo)					
Earnings - Basic (continuing operation)	**317**	191	96	(105)	(637)
Earnings - Basic (continuing & discontinued operation)	**317**	191	715	-	-
Dividend proposed (kobo)	**200**	100	100	-	105
Dividend cover (times)	**1.58**	1.91	0.96	-	(6)
Net assets per share (Naira)	**2,350**	2,233	2,141	1,551	2,816

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Five year Financial Summary - Company

for the year ended 31 December 2021

Company	IFRS				
	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Financial position					
Capital employed:					
Ordinary share capital	**8,053,899**	8,053,899	8,053,899	4,336,715	2,787,888
Share premium	**435,148,731**	435,148,731	435,148,731	350,945,748	222,272,108
Retained earnings	**145,824,819**	124,464,893	111,857,805	92,140,223	100,970,988
Deposit for shares	**-**	-	-	-	130,416,872
Foreign currency translation reserve	**-**	(14,611)	39,103	39,103	39,103
Other reserves on business combination and re-organisation	**(193,677,979)**	(193,677,979)	(193,677,979)	(191,718,064)	(191,718,064)
Total equity	**395,349,470**	373,974,933	361,421,559	255,743,725	264,768,895
Represented by:					
Property, plant & equipment	**273,704,651**	287,447,215	308,650,770	291,775,732	292,872,779
Intangible assets	**578,322**	1,524,264	2,506,810	3,204,505	-
Investments in subsidiaries	**63,906,867**	63,906,867	63,906,867	178,923,532	182,088,406
Investment in joint venture	**-**	379,432	-	-	-
Other financial assets	**-**	964,796	767,253	1,134,509	1,556,738
Other assets	**32,699,442**	28,657,973	18,772,032	15,073,457	14,984,747
Deferred tax assets	**15,292,417**	23,404,073	27,994,154	27,950,907	16,333,384
Net current liabilities/assets	**14,016,327**	(25,474,680)	(11,732,271)	(114,241,023)	(174,121,882)
	400,198,026	380,809,940	410,865,615	403,821,619	333,714,172
Borrowings	**(709,077)**	(2,774,394)	(45,899,963)	(144,391,743)	(64,900,757)
Provisions	**(1,193,962)**	(817,124)	(547,403)	(618,970)	(909,320)
Deferred revenue	**(1,123,575)**	(1,234,307)	(1,345,039)	(1,455,770)	(1,518,467)
Employee benefits obligation	**(1,821,942)**	(2,009,182)	(1,651,651)	(1,611,411)	(1,616,733)
Net assets	**395,349,470**	373,974,933	361,421,559	255,743,725	264,768,895
Net assets per share (Naira)	**2,454**	2,322	4,488	2,949	6,205

Net assets per share is calculated by dividing net assets of the Group by the number of ordinary shares outstanding at the end of the reporting period.

	IFRS				
	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Financial result					
Revenue	**262,299,071**	202,530,359	188,407,004	187,043,475	177,170,362
Profit/(loss) before minimum tax	**63,649,528**	34,319,046	24,318,017	(7,408,583)	(7,098,191)
Profit/(loss) for the year	**53,455,912**	28,714,884	22,721,616	4,141,764	(13,223,626)
Dividend proposed	**32,215,591**	16,107,796	16,107,796	-	13,010,143
Per share data (Kobo)					
Earnings - Basic (continuing and discontinued operation)	**332**	178	141	48	(240)
Earnings - Basic (discontinued operation)	**333**	178	141		
Dividend proposed (kobo)	**200**	100	100	-	150
Dividend cover (times)	**1.66**	1.78	1.41	-	(1.02)
Net assets per share (Naira)	**2,454**	2,322	2,244	2,949	4,749

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Share Capital History

	AUTHORIZED		FULLY PAID UP			
YEAR	NUMBER OF SHARES	VALUE (NAIRA)	NOMINAL VALUE	NUMBER ISSUED	VALUE (NAIRA)	REMARKS
1959	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1960	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1961	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1962	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1963	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1964	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1965	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1966	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1967	3,000,000	6,000,000	AT N2.00 EACH	2,000,000	4,000,000	-
1968	12,000,000	6,000,000	AT N0.50 EACH	8,000,000	4,000,000	SHARE SPLIT
1969	14,000,000	7,000,000	AT N0.50 EACH	14,000,000	7,000,000	-
1970	14,000,000	7,000,000	AT N0.50 EACH	14,000,000	7,000,000	-
1971	14,000,000	7,000,000	AT N0.50 EACH	14,000,000	7,000,000	-
1972	14,000,000	7,000,000	AT N0.50 EACH	14,000,000	7,000,000	-
1973	14,000,000	7,000,000	AT N0.50 EACH	14,000,000	7,000,000	-
1974	14,000,000	7,000,000	AT N0.50 EACH	14,000,000	7,000,000	-
1975	36,000,000	18,000,000	AT N0.50 EACH	36,000,000	18,000,000	PREFERENCE SHARE
1976	36,000,000	18,000,000	AT N0.50 EACH	36,000,000	18,000,000	-
1977	72,000,000	36,000,000	AT N0.50 EACH	60,300,000	30,150,000	SPECIAL ALLOTMENT
1978	72,000,000	36,000,000	AT N0.50 EACH	60,300,000	30,150,000	-
1979	72,000,000	36,000,000	AT N0.50 EACH	60,300,000	30,150,000	-
1980	72,000,000	36,000,000	AT N0.50 EACH	60,300,000	30,150,000	-
1981	72,000,000	36,000,000	AT N0.50 EACH	60,300,000	30,150,000	-
1982	72,000,000	36,000,000	AT N0.50 EACH	60,300,000	30,150,000	-
1983	101,450,000	50,725,000	AT N0.50 EACH	90,450,000	45,225,000	BONUS
1984	101,450,000	50,725,000	AT N0.50 EACH	90,450,000	45,225,000	-
1985	101,450,000	50,725,000	AT N0.50 EACH	90,450,000	45,225,000	-
1986	101,450,000	50,725,000	AT N0.50 EACH	90,450,000	45,225,000	-
1987	101,450,000	50,725,000	AT N0.50 EACH	90,450,000	45,225,000	-
1988	120,600,000	60,300,000	AT N0.50 EACH	120,600,000	60,300,000	BONUS
1989	120,600,000	60,300,000	AT N0.50 EACH	120,600,000	60,300,000	-
1990	120,600,000	60,300,000	AT N0.50 EACH	120,600,000	60,300,000	-
1991	120,600,000	60,300,000	AT N0.50 EACH	120,600,000	60,300,000	-
1992	241,200,000	120,600,000	AT N0.50 EACH	241,200,000	120,600,000	BONUS
1993	241,200,000	120,600,000	AT N0.50 EACH	241,200,000	120,600,000	-
1994	321,600,000	160,800,000	AT N0.50 EACH	321,600,000	160,800,000	BONUS
1995	321,600,000	160,800,000	AT N0.50 EACH	321,600,000	160,800,000	-
1996	428,800,000	214,400,000	AT N0.50 EACH	428,800,000	214,400,000	BONUS
1997	428,800,000	214,400,000	AT N0.50 EACH	428,800,000	214,400,000	-

Share Capital History

	AUTHORIZED		FULLY PAID UP			
YEAR	NUMBER OF SHARES	VALUE (NAIRA)	NOMINAL VALUE	NUMBER ISSUED	VALUE (NAIRA)	REMARKS
1998	600,000,000	300,000,000	AT N0.50 EACH	571,733,334	285,866,667	BONUS
1999	600,000,000	300,000,000	AT N0.50 EACH	571,733,334	285,866,667	-
2000	600,000,000	300,000,000	AT N0.50 EACH	571,733,334	285,866,667	-
2001	1,142,806,000	571,403,000	AT N0.50 EACH	1,143,466,668	571,733,334	BONUS
2002	4,573,866,672	2,286,933,336	AT N0.50 EACH	1,715,200,000	857,700,001	BONUS
2003	4,573,866,672	2,286,933,336	AT N0.50 EACH	1,715,200,000	857,700,001	-
2004	4,573,866,672	2,286,933,336	AT N0.50 EACH	1,715,200,000	857,700,001	-
2005	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	RIGHTS ISSUE
2006	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2007	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2008	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2009	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2010	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2011	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2012	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2013	4,573,866,672	2,286,933,336	AT N0.50 EACH	3,001,600,004	1,500,800,002	-
2014	4,573,866,672	2,286,933,336	AT N0.50 EACH	4,404,175,988	2,202,087,994	ALLOTMENT OF SHARES
2015	10,000,000,000	5,000,000,000	AT N0.50 EACH	4,554,902,014	2,277,451,007	ASHAKACEM MTO
2016	10,000,000,000	5,000,000,000	AT N0.50 EACH	4,968,077,723	2,484,038,861	ALLOTMENT OF SHARES TO HOLCIBEL S.A
2016	10,000,000,000	5,000,000,000	AT N0.50 EACH	4,983,926,597	2,491,963,298	ASHAKACEM VTO
2016	10,000,000,000	5,000,000,000	AT N0.50 EACH	5,480,734,369	2,740,367,185	BONUS 2016
2017	10,000,000,000	5,000,000,000	AT N0.50 EACH	5,490,514,222	2,745,257,111	ASHAKA DELISTING TRANSACTION
2017	10,000,000,000	5,000,000,000	AT N0.50 EACH	5,575,775,442	2,787,887,721	ASHAKA DELISTING FINAL
2017	10,000,000,000	5,000,000,000	AT N0.50 EACH	8,673,428,465	4,336,714,233	RIGHTS 2017
2018	20,000,000,000	10,000,000,000	AT N0.50 EACH	16,107,795,721	8,053,897,861	RIGHTS 2018

SUMMARY

INITIAL SHARE CAPITAL	4,404,175,988
ASHAKACEM MTO	150,726,026
ALLOTMENT OF SHARES TO HOLCIBEL S.A	413,175,709
ASHAKACEM VTO	15,848,874
BONUS 2016	496,807,772
ASHAKA DELISTING TRANSACTION	9,779,853
ASHAKA DELISTING FINAL	85,261,220
RIGHTS 2017	3,097,653,023
RIGHTS 2018	7,434,367,256
PAID UP SHARE CAPITAL:	16,107,795,721

Share Capital History

BONUS HISTORY

YEAR	BONUS ISSUES	VALUE	RATIO
1983	30,150,000	15,075,000	1:2
1988	30,150,000	15,075,000	1:3
1992	120,600,000	60,300,000	1:1
1994	80,400,000	40,200,000	1:3
1996	107,200,000	53,600,000	1:3
1998	142,934,000	71,467,000	1:3
2001	571,733,334	285,866,667	1:1
2002	571,733,334	285,866,667	1:2
2016	496,807,772	248,403,886	1:10

REGISTER RANGE ANALYSIS

RANGE			HOLDERS	% HOLDERS	HOLDINGS	% HOLDINGS
1	-	500	47,926	39.11	11,952,165	0.07
501	-	5,000	59,197	48.30	94,577,366	0.59
5,001	-	50,000	12,783	10.43	183,186,936	1.14
50,001	-	500,000	2,255	1.84	328,219,884	2.04
500,001	-	5,000,000	338	0.28	490,198,765	3.04
5,000,001	-	50,000,000	44	0.04	646,713,044	4.02
50,000,001	-	7,434,367,256	6	0.00	5,325,581,687	33.06
7,434,367,257	-	16,107,795,721	1	0.00	9,027,365,874	56.04
Grand-Total			**122,550**	**100.00**	**16,107,795,721**	**100.00**

LIST OF SHAREHOLDERS WITH 5% AND ABOVE

S/NO.	ACCOUNT NO.	NAME	% HOLDINGS	HOLDINGS
1	232806	**CARICEMENT BV** DE LAIRESSESTRAAT 131-135 1075 HJ AMSTERDAM THE NETHERLANDS MUNICIPAL AREA, FOREIGN	56.04	9,027,365,874
2	172406	**ASSOCIATED INTL CEMENTS LTD U.K** THE OLD RECTORY, LUTTER WORTH LEICESTERSHIRE, LE 17 HJT ENGLAND U.K, FOREIGN	27.77	4,473,044,718
	GRAND-TOTAL		**83.81**	**13,500,410,592**

UNCLAIMED DIVIDEND REPORT

	PAYABLE DATE	UNCLAIMED DIVIDEND AMOUNT	AMOUNT RETURNED TO CLIENT (90%)	TOTAL REFUND	CASH BALANCE
LAFARGE AFRICA PLC DIVIDEND 27	26-May-10	6,618,429.43	8,031,460	2,648,590.84	1,235,560.20
LAFARGE AFRICA PLC DIVIDEND 28	20-May-11	17,472,826.60	21,542,326	6,863,560.84	2,794,061.79
LAFARGE AFRICA PLC DIVIDEND 29	23-May-12	50,773,714.33	61,453,002	23,024,544.80	12,345,256.80
LAFARGE AFRICA PLC DIVIDEND 30	30-May-13	79,566,006.96	93,396,174	29,663,511.21	15,833,343.94
LAFARGE AFRICA PLC DIVIDEND 31	10-Jul-14	182,117,343.76	216,110,810	68,549,596.55	34,556,130.14
LAFARGE AFRICA PLC DIVIDEND 32	25-May-15	217,598,191.00	238,429,601	54,267,088.50	33,435,678.94
LAFARGE AFRICA PLC DIVIDEND 33	27-Jun-16	235,076,978.21	268,862,898	87,668,475.70	53,882,555.62
LAFARGE AFRICA PLC DIVIDEND 34	11-May-17	85,113,384.31	84,816,287	18,918,097.27	19,215,194.25
LAFARGE AFRICA PLC DIVIDEND 35	16-May-18	278,105,410.00	319,006,046.25	59,230,737.00	18,330,100.75
LAFARGE AFRICA PLC DIVIDEND 36	03-Jun-20	279,018,959.00	263,208,868.20	-	15,810,090.80
		1,431,461,243.59	**1,574,857,473.05**	**350,834,202.70**	**207,437,973.23**

Complaints Management Policy

1. Preamble

This Complaint Management Policy ("the Policy") has been prepared pursuant to the requirements of the Securities and Exchange Commission's Rules Relating to the Complaints Management Framework of the Nigerian Capital Market ("SEC Rules") issued on 16th February, 2015 and The Nigerian Exchange Directive (NSE/LARD/LRD/CIR6/15/04/22) to all Listed Companies ("the NSE Directive") issued on 22nd April, 2015.

Furthermore, this policy has been prepared in recognition of the importance of effective engagement in promoting shareholder/investor confidence in the company.

This Policy sets out the broad framework by which LAFARGE AFRICA PLC ("the Company") and its Registrar will provide assistance regarding shareholder issues and concerns. It also provides the opportunity for LAFARGE's shareholders to provide feedback to the Company on matters that affect shareholders.

This Policy only relates to the Company's shareholders and does not extend to its customers, suppliers or other stakeholders.

2. Objective

This Policy is designed to ensure that complaints and enquiries from the Company's shareholders are managed in a fair, impartial, efficient and timely manner.

3. LAFARGE's Commitment

The Company is committed to providing high standards of services for shareholders, including:

- Providing a platform for efficient handling of shareholder complaints and enquiries;
- Enabling shareholders to have shareholder related matters acknowledged and addressed;
- Providing sufficient resources to ensure that shareholders' complaints and enquiries are dealt with adequately, and in an efficient and timely manner; and
- Facilitating efficient and easy access to shareholder information.

4. Procedure for Shareholder Complaints/Enquiries

Shareholders can make complaints/enquiries and access relevant information about their shareholdings in the following manner:

a) Contact the Registrar: Shareholders who wish to make a complaint/enquiry shall in the first instance contact the Registrar (see the contact details set out in section 8 of this Policy). The Registrar manages all the registered information relating to all shareholdings, including shareholder name(s), shareholder address and dividend payment instructions amongst others.

Upon receipt of a complaint or an enquiry, the Registrar shall immediately provide the relevant details of such complaint or enquiry to LAFARGE for monitoring, record keeping and reporting purposes.

In resolving complaints or enquiries, the Registrar shall be guided by the timelines stipulated in clause 5 (c-f) of this Policy.

b) Contact LAFARGE's Company Secretary: If the Registrar is unable to satisfactorily address shareholders' enquiries and resolve their complaints then shareholders should contact the office of the Company Secretary (see the contact details set out in section 9 of this policy).

5. Complaints/Enquiries received directly by LAFARGE

Where a complaint or an enquiry is sent to LAFARGE directly, the Company upon receipt of the complaint or enquiry, shall use its best endeavours to ensure that:

a) relevant details of the complaint or enquiry are immediately recorded.
b) a response is provided by the Company or the Registrar within the time frame set out in sub-clauses c-f below.
c) complaints or enquiries received by e-mail are acknowledged within two (2) working days of receipt.
d) complaints or enquiries received by post are responded to within five (5) working days of receipt.
e) complaints or enquiries are resolved within ten (10) working days of receipt.
f) The Nigerian Stock Exchange is notified, within two (2) working days, of the resolution of a complaint or enquiry.
g) where a complaint/enquiry cannot be resolved within the stipulated time frame set out above, the shareholder shall be notified that the matter is being investigated. Delays may be experienced in some situations, including where documents need to be retrieved from storage.
h) the same or similar medium that was used for the initial enquiry is used in providing a response (whether by email, phone, post or fax), unless otherwise notified to or agreed with the shareholder.

Complaints Management Policy

6. Electronic Complaints Register and Quarterly Reporting Obligations

LAFARGE shall maintain an electronic complaints register. The electronic complaints register shall include the following information:

- The date that the enquiry or complaint was received.
- Complainant's information (including name, address. Telephone number, e-mail address).
- Nature and Details of the enquiry or complaint.
- Action Taken/Status.
- Date of the Resolution of the complaint.

LAFARGE shall also provide information on the details and status of complaints to the Securities and Exchange Commission or The Nigerian Stock Exchange on a quarterly basis.

7. Liaison with the Registrar

During the course of investigating a shareholder's enquiry, complaint or feedback, LAFARGE may liaise with the Registrar. LAFARGE's engagement with the Registrar will include:

- Determining the facts;
- Determining what action has been undertaken by the Registrar (if any); and
- Coordinating a response with the assistance of the Registrar.

8. Contact Details of the Registrar

The Registrar may be contacted as follows:
Cardinal Stone Registrars limited
335/337 Herbert Macaulay Road
Yaba, Lagos.
Telephone: +23417120090
Email: registrars@cardinalstone.com
Website: www.cardinalstoneregistrars.com

9. Contact Details of LAFARGE's Company Secretary

Shareholders seeking to escalate unresolved complaints are invited to contact the Company Secretary as follows:
Office of the Company Secretary
27B Gerrard Road
Ikoyi, Lagos
Telephone: +2342713990
Website: www.lafarge.com.ng

10. Shareholder Access to this Policy

Shareholders will have access to this policy through the following avenues:

- LAFARGE's website (www.lafarge.com.ng);
- A copy of the Policy may be requested by contacting the Office of the Company Secretary.
- The Policy shall be made available to shareholders of the Company through the Annual Report and Account.

11. Fees and Charges

Wherever possible, and subject to statutory requirements, LAFARGE will not charge shareholders for making enquiries, giving feedback, providing a response or for any aspect in the course of resolving a shareholder matter.

Shareholders are informed that in some circumstances the Registrar may charge shareholders a fee (for example, to resend previous dividend statements upon request by the shareholder).

12. Amendment/Review of this Policy

LAFARGE may from time to time review this Policy and the procedures concerning shareholder enquiries, complaints and feedback.

Any changes or subsequent versions of this Policy will be published on LAFARGE's website (www.lafarge.com.ng).

Managing Director/CEO

General Counsel & Company Secretary

Corporate Events

Geocycle team at the 1st Swiss-Nigerian Innovation Forum, in collaboration with the Ministry of Science and Technology

The GMD/CEO addressing Logistics Service Providers at the Transporters Summit

Lafarge Africa team at the Head Office in Ikoyi

L-R General Counsel & Company Secretary, Adewunmi Alode; O&HR Director, Gbemiga Owolabi and Head, Corporate Communications, Ginikanwa Frank-Durugbor receiving the prestiguous Award in Corporate Governance by the Institute of Directors (IoD) Nigeria

L-R Non-Executive Director, Lafarge Africa, Mrs. Adenike Ogunlesi; GMD/CEO, Lafarge Africa, Khaled El Dokani; SSA to the President of Nigeria on Sustainable SDGs, Princess Adejoke Orelope-Adefulire and Chairman, Lafarge Africa, Prince Adebode Adefioye

Courtesy visit to His Royal Highness, Muaza Muhammad in Funakaye, Gombe State by the Commercial Director, Gbenga Onimowo accompanied by the Head of Sales North Region & Key Accounts, Binzin Dombin and other members of the Commercial Team.

Corporate Events

Khaled El Dokani, CCEO, Lafarge Africa Plc; Gbemiga Owolabi, O&HR Director and Lolu Alade-Akinyemi, Chief Financial Officer presenting a prize to the Managing Director, Joza Global Logistics, during the 2021 Transporters Summit Awards Night.

Visit to customers during Customer Service Week

Natural Gas Trucks Launched by Lafarge Africa in partnership with Ecologique

World Environment Day with Geocycle & Lafarge Africa's Employee Volunteers

Compliance Week Virtual Engagement with Employees

Cultural Diversity at Lafarge Africa

Corporate Events

Lafarge Beach clean-up

L-R Head Sustainable Development & Corporate Brand, Lafarge Africa, Titilope Oguntuga; CFO, Lafarge Africa, Lolu Alade-Akinyemi and Head, Safety, Health & Environment, Lafarge Africa, Folake Odegbami

Lafarge Africa ExCo with a Transporter during the 2021 Transporters Summit Awards Night

Donation of natural gas-powered trucks in partnership with Ecologique

At the 2021 End of Year Townhall with the CEO

Lafarge Driving Institute Female Drivers' Graduation

Corporate Events

Members of the Board of Lafarge Africa Plc

The Chairman, Prince Adebode Adefioye with the General Counsel and Company Secretary, Adewunmi Alode

Mrs. Oyinkan Adewale, FCA Independent Non-Executive Director

Mrs. Adenike Ogunlesi, Independent Non-Executive Director

Members of the Board during the AGM proceedings

Mr. Ayoola Adeola, MD, Cardinal Stone Registrars addressing the Shareholders

A cross section of Shareholders of Lafarge Africa Plc

Employees of Lafarge Africa Plc

Corporate Events

Shareholders of Lafarge Africa Plc

Shareholders of Lafarge Africa Plc

The CFO, Lafarge Africa Plc, Lolu Alade-Akinyemi with some employees

Mr. Patrick Ajudua making a comment during the AGM

The Chairman, Prince Adebode Adefioye with shareholders of Lafarge Africa Plc

The Chairman, Prince Adebode Adefioye with Sir Sunny Nwosu and Chief Timothy Adesiyan

Shareholders of Lafarge Africa Plc

Shareholders of Lafarge Africa Plc

Corporate Events

The CEO, Khaled El Dokani with employees at the Lafarge Africa Diamond Club launch event

The Lafarge Africa team with a newly inducted Diamond club member; Modupe Oduwole of Vicross Enterprises at the Lafarge Africa Diamond Club launch event

The CEO, Khaled El-Dokani during the Lafarge Africa Diamond Club Launch event

The CEO, Khaled El-Dokani presenting a plaque to Prince Sonny Nwodo of Global Synco Enterprises during the Lafarge Africa Diamond Club Launch event

The Lafarge Africa team receiving the Institute of Directors (IOD) Nigeria Award in Corporate Governance

The General Counsel and Company Secretary, Adewunmi Alode posing with the IOD Nigeria Award in Corporate Governance presented to Lafarge Africa Plc

The Institute of Directors Nigeria Award in Corporate Governance presented to Lafarge Africa Plc

The Lafarge Africa Plc team with the Gold Award for Customer Service Excellence at the West Africa Innovation Awards

Corporate Events

The Lafarge Africa team with the Most Consistent Brand in Sustainability Award at the 2021 Brand Communicator Awards

The Lafarge Africa Team receiving the Recycling Institution of the Year Award by Africa Clean-Up Initiative (ACI)

Pupils at the 7th Lafarge Africa National Literacy Competition

Winners of the Lafarge Africa National Literacy Competition with the Chairman, Lafarge Africa Plc, Prince Adebode Adefioye, the CEO, Khaled El-Dokani and other members of ExCo and the Ovie Brume Foundation

Pupils at the Lafarge Africa National Literacy Competition

The CEO, Khaled El-Dokani with employees and Transporters at the Lafarge Africa 2021 Transporters' Summit Awards Night the 2021

Dinner time at the Lafarge Africa 2021 Transporters' Summit Awards Night

A cross-section of Transporters and Lafarge Africa employees during the 2021 Lafarge Africa Transporters' Summit Awards Night

Affix
Current
Passport

Write your name at the back of
your passport photograph

CARDINALSTONE
REGISTRARS

E-DIVIDEND MANDATE ACTIVATION FORM

Only Clearing Banks are acceptable

Instruction
Please complete all section of this form to make it eligible for processing and return to the address below:

The Registrar,
CardinalStone Registrars Limited
335/337 Herbert Macaulay Road, Sabo, Yaba,
P.O. Box 9117, Marina, Lagos,
Nigeria.

I\We hereby request that henceforth, all my/our Dividend Payment(s) due to me\us from my/our holdings in all the companies ticked at the right hand column be credited directly to my/our bank detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholders Account Information

Surname/Company's Name First Name Other Names

Address:

City State Country

Previous Address (If any)

CHN (If any)

Mobile Telephone 1 Mobile Telephone 2

Email Address

Signature(s) Company Seal (If applicable)

Joint/Company's Signatories

TICK	NAME OF COMPANY	SHAREHOLDER'S ACCOUNT NO.
	LAFARGE AFRICA PLC	

Help Desk Telephone No/Contact Centre Information for
Issues resolution or clarification: 01-7120090

The Registrar
Cardinal Stone (Registrars) Limited
335/337 Herbert Macaulay Road
Yaba, Lagos
P. O. Box 9117
Lagos, Nigeria

LAFARGE

Proxy Form

63RD ANNUAL GENERAL MEETING OF LAFARGE AFRICA PLC ON THURSDAY, 21ST APRIL 2022 AT 10AM.

I/We_____ being member(s) of Lafarge Africa PLC hereby appoint

_____

- Mr. Adebode Adefioye (Chairman);
- Mr. Khaled El-Dokani (GMD/CEO);
- Mr. Lolu Alade-Akinyemi (CFO); or
- Mrs. Adewunmi Alode (Company Secretary)

as my/our proxy to attend and vote on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, 21st April 2022 and at any adjournment thereof.

Dated this ..... day of ..... 2022 Shareholder's Signature: .....

S/N	RESOLUTIONS	FOR	AGAINST	ABSTAIN
1.	**ORDINARY BUSINESS** To lay before the meeting the Audited Financial Statements for the year ended 31st December, 2021, together with the Reports of the Directors, Independent Auditors and Audit Committee thereon.			
2.	To declare a final dividend.			
3.	To re-elect the following Non-Executive Directors, who being eligible now offer themselves for re-election: a) Mr. Grant Earnshaw			
	b) Mrs. Karine Uzan-Mercie			
	c) Mr. Marco Licata			
4.	To authorise the Directors to fix the remuneration of the Independent Auditors.			
5.	To elect members of the Audit Committee.			
6.	To disclose the remuneration of the Managers.			
7.	**SPECIAL BUSINESS** To fix the remuneration of the Directors.			
8.	To approve recurrent related party transactions.			
9.	To authorise the Directors to comply with the Companies and Allied Matters Act 2020 and the Companies Regulation 2021 as it relates to the unissued shares of the Company including the cancellation of the unissued shares.			
10.	To amend Clause 6 of the Share Capital clause of the Memorandum of Association of the Company to give effect to Resolution 9.			

Please indicate "X" in the appropriate space how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

NOTES:

1. In view of the COVID-19 virus, the directives to minimise social contacts by restricting the number of persons at public gatherings and the Corporate Affairs Commission's Guidelines on Holding of Annual General Meetings of public companies by using proxies, all shareholders are hereby advised that attendance for the meeting shall be by PROXY.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her place. A proxy need not be a member of the Company. Consequently, members are required to appoint a proxy of their choice from the list of proposed proxies to represent them at the meeting:
   - Mr. Adebode Adefioye (Chairman);
   - Mr. Khaled El-Dokani (GMD/CEO);
   - Mr. Lolu Alade-Akinyemi (CFO); and
   - Mrs. Adewunmi Alode (Company Secretary).
3. For the instrument of proxy to be valid for the purpose of this meeting, it must be completed and duly stamped in accordance with the provisions of the Stamp Duties Act, CAP S8. Laws of the Federation of Nigeria, 2004. The Company has made arrangements at its cost for the stamping of the duly completed proxy forms which must be deposited at the office of the Registrar, CardinalStone Registrars Limited, 335/337 Herbert Macaulay Street, Sabo, Yaba, Lagos or by email to registrars@cardinalstone.com, not less than 48 hours before the time fixed for the meeting.
4. If the shareholder is a company, this form should be signed by a duly authorised officer of the company.

LAFARGE

LAFARGE AFRICA PLC 63RD ANNUAL GENERAL MEETING

SHAREHOLDERS' ADMISSION CARD

Please admit the shareholder on this form or his/her duly appointed proxy to the Annual General Meeting to be held at the Grand Ballroom, Eko Hotels & Suites, Plot 1415 Adetokunbo Ademola Street, Victoria Island, Lagos on Thursday, 21st April 2022 at 10am.

Name of Shareholder: Number of Shares Held: Signature of Person attending:

The Registrar
Cardinal Stone (Registrars) Limited
335/337 Herbert Macaulay Road,
Yaba, Lagos
P. O. Box 9117
Lagos, Nigeria

List of Distributors

REGION	STATE	CUSTOMERS' NAMES
East Central	Abia	Breg Integrated Services
East Central	Abia	Chinasa Asogwa Ventures
East Central	Abia	David Steven
East Central	Abia	Ezeugo Hycienth
East Central	Abia	Glojoesam Investment Ltd
East Central	Abia	Igwemadu Oguadimma
East Central	Abia	Infor & Bros Nigeria Limited
East Central	Abia	Jude C. Mathias
East Central	Abia	Kabec Nig. Ltd
East Central	Abia	Mcevans Ventures Ltd
East Central	Abia	Rosent Investment Ltd
East Central	Abia	Sylv-M Ventures
East Central	Abia	Vunic Global Connect Services
East Central	Anambra	Angel Onyebuchi Ogu Biz Ventures
East Central	Anambra	Chyke-Cherry Global Resources Ltd
East Central	Anambra	Chy-Kens & Sons Ventures Ltd
East Central	Anambra	Unegbe Ventures Ltd-Nnewi
East Central	Anambra	Gracemekus Enterprise
East Central	Anambra	Henrule Concept Enterprises
East Central	Anambra	Janny & Sons Ventures Limited
East Central	Anambra	Raldavis Business Ventures
East Central	Anambra	Alo Farm Multi-Purpose Ventures
East Central	Anambra	Egeisu Enterprise Nigeria
East Central	Anambra	Danmosco Nig Ltd
East Central	Anambra	Mbaekwe Olisa
East Central	Imo	Benchucks Ventures
East Central	Imo	Chimafid Commercial Limited
East Central	Imo	Davidson Global Nig Ent
East Central	Imo	Revolve Global
East Central	Imo	Ekefire
East Central	Imo	Global 50:50 Concept Nig. Ltd
East Central	Imo	Ivanate Nig Ltd
East Central	Imo	Mega Uchechi & Sons Resources
East Central	Imo	Mekusgamba Nigeria Enterprises
East Central	Imo	Mystan Global Services
East Central	Imo	Obioma Enterprises Nig. Ltd.
East Central	Imo	Vine Lov Ugo Enterprises
Focus Markets	Bayelsa	Christian Ventures
Focus Markets	Bayelsa	Guidedkarissa Enterprise
Focus Markets	Bayelsa	Chris-Sunnynwodo Business Empire
Focus Markets	Bayelsa	Chriskelson Nig Ltd
Focus Markets	Bayelsa	Odilas And Sons Ltd
Focus Markets	Bayelsa	Shamah-Junex
Focus Markets	Bayelsa	Ipun Nig Limited
Focus Markets	Bayelsa	Tam Cement
Focus Markets	Bayelsa	Benasin Resources
Focus Markets	Delta	Cement House Services Ventures
Focus Markets	Delta	F. Joga Nig. Co
Focus Markets	Delta	I.c.o Odigwe & Sons Nig Ltd
Focus Markets	Delta	John Jeff Nig. Ltd
Focus Markets	Delta	Nils Nig Ent.
Focus Markets	Delta	Peters Jitobor
Focus Markets	Delta	Sampo Nig Enterprise
Focus Markets	Delta	Pb Djebah
Focus Markets	Edo	Osasco
Focus Markets	Edo	Blessed Patiosa (Nig) Enterprises
Focus Markets	Edo	Chico Trust (Nig.)
Focus Markets	Edo	Nosajoy Global Venture
Focus Markets	Edo	Honosa
Focus Markets	Edo	U Senco
Focus Markets	Rivers	Alamjess Nig Limited
Focus Markets	Rivers	Favour Global
Focus Markets	Rivers	Ampal Construction Nig Ltd
Focus Markets	Rivers	Chrischap Multiservices
Focus Markets	Rivers	Estra Marks Ventures
Focus Markets	Rivers	Eveca Nig Ltd

REGION	STATE	CUSTOMERS' NAMES
Focus Markets	Rivers	Goodluck O. Nwaneri And Sons
Focus Markets	Rivers	Kellphik Nigeria Limited
Focus Markets	Rivers	Ogechi Ogbuzuru
Focus Markets	Rivers	Ogerose Integrated Services
Focus Markets	Rivers	Tee By Tee
Focus Markets	Rivers	Situ Monisola
Focus Markets	Rivers	Austin-U.g.m. Global Services Limited
Focus Markets	Rivers	Vanef Ltd
Focus Markets	Rivers	Chron International Co. Nig.
Focus Markets	Rivers	Adolf Integrated
Focus Markets	Rivers	Global Synco (Wa) Limited
South East	Akwa Ibom	Mabilco Enterprise
South East	Akwa Ibom	K.e.o Merchandising Company
South East	Akwa Ibom	Nkanta And Sons Ltd
South East	Akwa Ibom	Tamark Nig. Ltd
South East	Akwa Ibom	Ubotex Nig. Ltd.
South East	Akwa Ibom	Buildtex
South East	Akwa Ibom	Festy Base
South East	Akwa Ibom	Emma Bros
South East	Akwa Ibom	Mudak Ent. Nig
South East	Akwa Ibom	Nonea Integrated Services
South East	Akwa Ibom	Roseboom Resorts
South East	Akwa Ibom	Arimae Cement Ventures
South East	Cross Rivers	Chifec Investment Concepts Limited
South East	Cross Rivers	Askon Progressive Nig. Company
South East	Cross Rivers	Batoframoj E. Enterprises
South East	Cross Rivers	Cherubcon Limited
South East	Cross Rivers	Divine Nick & Sons
South East	Cross Rivers	Essenox Contracting Company Ltd
South East	Cross Rivers	Fugle Nigeria Limited
South East	Cross Rivers	Jamin Enterprises Nig.
South East	Cross Rivers	Kpaksbuddy Nigeria Limited
South East	Cross Rivers	Ozoekwu Resources Ltd.
South East	Cross Rivers	Rasine Nig Enterprise
South East	Cross Rivers	Berryl Integrated Services Limited
South East	Cross Rivers	Ifemaco
South East	Ebonyi	Award Communication & Link
South East	Ebonyi	Ebonyi State Government
South East	Ebonyi	Buyuot Gold Nig Ltd
South East	Ebonyi	Oral Trade Intl
South East	Ebonyi	Great-Agala Ventures
South East	Ebonyi	Orbis Resources Ltd
South East	Ebonyi	Global Kenny Nigeria Limited
South East	Ebonyi	Mindmine Engineering Services
South East	Ebonyi	Izu General Merchandise Nig Ltd
South East	Enugu	Avitrade Network Ltd
South East	Enugu	B C Nwabuobi Ent
South East	Enugu	C.c Umeh & Sons Ltd
South East	Enugu	Gask-Chida And Sons Ltd
South East	Enugu	Global Synco (Wa) Limited
South East	Enugu	Joemachine Services
South East	Enugu	Obi Links Enterprise
South East	Enugu	U. Mekason Trading Stores
South East	Enugu	Unegbe Ventures Ltd
South East	Enugu	Miracle Cement Depot Shop
North East	Gombe	A.a Fugu And Sons Nig Limited
North East	Gombe	Al-Amir Enterprises
North East	Gombe	Alh. Umaru Kafiyel
North East	Gombe	Maiyaki General Merchant Ltd
North East	Gombe	Mai-Iyale Nig. Ltd
North East	Gombe	Al-Manas Petro Gas Ltd
North East	Gombe	Umar Na-Burari Mai Kawu
North East	Gombe	Adamu Mohammed Abba
North East	Gombe	Alh. Adamu Gwiwa
North East	Gombe	A. B. Y. Ashaka "&" Sons
North East	Gombe	Aib Jalam Interling Investment Ltd

List of Distributors

REGION	STATE	CUSTOMERS' NAMES
North East	Gombe	Alfat Universal Services
North East	Gombe	Al-Woli General Enterprises Nig Ltd
North East	Gombe	Bappaji Jilaye
North East	Gombe	Hammamu Yusuf Kalifa
North East	Gombe	Hussaini Adamu Alma'u
North East	Gombe	Abdullahi Wuro Jabbi
North East	Gombe	Abubakar Jibrin
North East	Gombe	Ahmad Yusuf Enterprises
North East	Gombe	Alh. Adamu Isa Bajoga
North East	Gombe	Alhaji Moh'd Manu Ashaka
North East	Gombe	Amdash Global Resources Limited
North East	Gombe	Kbjamiu Trading Company
North East	Gombe	Abu-Rahma Enterprises
North East	Gombe	Adamu Bappayo Musa
North East	Gombe	Babayo Abubakar
North West	Gombe	A.a. Umaru "&" Sons
North East	Gombe	Ahmadu Hamidu & Sons
North East	Gombe	Alh. Ali Sharif
North East	Gombe	Alh. Bappayo Jarmari
North West	Gombe	Alh. Muhammadu Na Burari
North East	Gombe	Alh. Shehu I. Shehu Trading Company
North East	Gombe	Alh. Umar Sale
North East	Gombe	Alhaji Muh'd Mai Iyale
North East	Gombe	Ali Mohammad Kabir
North East	Gombe	Alh. Babangida Mohammed Enterprises
North East	Gombe	Bappah Mala
North East	Gombe	Dange U. B. Nig. Ltd
North East	Gombe	Hassan Abubakar
North East	Gombe	I. M. Koree Resources Nig. Ltd
North East	Gombe	Idriss Adamu Sangaruyel
North East	Gombe	Jigarawa Nig. Ltd
North East	Gombe	M.I. Ibrahim Enterprises
North East	Gombe	Mohammed Sales Office
North East	Gombe	Mubarak Usman
North East	Gombe	Ramadan Abba
North East	Gombe	Tasiu Muhammad
North East	Gombe	Taufiq Enterprises
North East	Gombe	Ten Ten General Merchants Ltd
North East	Gombe	Abubakar Sadiq
North East	Gombe	Alkais Ventures
North East	Gombe	M M Auwal
North East	Gombe	Musa Madaki Cement Ventures
North East	Gombe	Alh Moh'd Dogo Adamu Enterprises
North East	Gombe	Al-Khairat Global Resources Ltd
North East	Gombe	Bellzyone Nigeria Limited
North East	Gombe	Ahmed Mai Gyada
North East	Gombe	Umad Multi Networks
North East	Gombe	Abu Muhibbat Enterprises
North East	Gombe	Daulah Bin Umar & Sons
North East	Gombe	Mumas General Merchants
North East	Gombe	A.u Bappa Investment Nig Ltd
North East	Gombe	Auwalu Adamu Cheldu
North East	Gombe	Waziri Sarki
North East	Gombe	Mohammed Ali Katsina
North East	Gombe	A U U Enterprises
North East	Gombe	Aliyu Musa Hafsan
North East	Gombe	Mohammed Muktar
North East	Gombe	Zakari Babaji Usman
North East	Gombe	Shanu Investment Nig. Ltd
North East	Gombe	Alh. Hammana Jangade
North East	Gombe	Akbs Oil & Gas Ltd
North East	Gombe	Maihausawa Global Resources Ltd
North West	Yobe	Green And Blue
North East	Yobe	A. Y Ni'ima Ltd
North East	Yobe	Elegance Construction Ltd
North East	Yobe	Bin-Affan Enterprises

REGION	STATE	CUSTOMERS' NAMES
North East	Yobe	Shembire Global Resources
North East	Bauchi	Benchmark Trading & General Contractors Ltd
North East	Bauchi	A. A. Shafa Nig.ltd.
North East	Bauchi	Boraelis Nigerian Limited
North East	Bauchi	Nahu Maiyadi Nig Ltd
North West	Bauchi	I A Dan Small Block Industry
North West	Bauchi	Loebec Ventures Ltd
North West	Bauchi	Alhaji Muhammadu Buzu And Sons
North West	Bauchi	Khalid Yusuf
North East	Adamawa	Al-Ahmad Global Ventures
North East	Adamawa	Ahmed Goje Enterprises
North East	Adamawa	Hajiya Ramatu Wakili
North East	Adamawa	A. A. Darumpha & Sons
North East	Adamawa	Ethelson Enterprises Nigeria
North East	Adamawa	Gatugel Global Resourses Ltd
North East	Adamawa	Alh Salisu Ajiya
North East	Adamawa	A-Lite Nigeria Limited
North East	Borno	Alhaji Ali Hassan
North East	Borno	B 11 Nig Ltd
North East	Borno	Mamuri Investment Nig Limited
North East	Borno	Moforo Nigeria Limited
North East	Borno	Ahamaham Integrated Ser. Nig. Ltd
North East	Borno	Awana Kole Investment Co. Ltd
North East	Borno	Uthman Emma "&"Co
North East	Borno	Z,S, Commercial Ltd
North East	Borno	Alhaji Adamu Ad
North East	Borno	Rugwa Global Concept Nig Ltd
North East	Borno	Postwak Limited
North West	Kano	Alhaji Muhammad Lawan
North West	Kano	Halimatu Umaru
North West	Plateau	Ibrahim Uba Junior Global
North West	Plateau	Mahmud Ibrahim Enterprise
North West	Plateau	Danladi Bala Ent.
North West	Plateau	Balan Falke
North West	Plateau	Ben Okeke Enterprises
North West	Plateau	Danjuma Datti Enterprice
North West	Plateau	Headima Nigeria Ltd.
North East	Taraba	B. M. Zing Global Ventures
Lagos Island	Lagos	Ifylateef And Sons Ventures
Lagos Island	Lagos	Jf Ventures
Lagos Island	Lagos	Matib Ventures
Lagos Island	Lagos	Wadem Enterprises
Lagos Island	Lagos	Treasured Twain Enterprise
Lagos Island	Lagos	Alhaja Joke Ojogbede
Lagos Island	Lagos	Maseliz Enterprises
Lagos Island	Lagos	Ablettdrive Impact Solutions
Lagos Island	Lagos	Megamound Inv. Ltd.
Lagos Island	Lagos	Enterprises Growth Ltd
Lagos Island	Lagos	Motit Ent.
Lagos Island	Lagos	Moray Unique Enterprises
Lagos Island	Lagos	Tebold Global Enterprise
Lagos Island	Lagos	Tridac Enterprises
Lagos Island	Lagos	Double D. Unique Ventures
Lagos Island	Lagos	Mosebolatan Segun Onasanya
Lagos Island	Lagos	Haladex Construction Limited
Lagos Island	Lagos	Eji-Ade Ent.
Lagos Island	Lagos	Faithful Hand Nigeria Limited
Lagos Island	Lagos	Boatan Ventures
Lagos Island	Lagos	Kessayo International Ltd
Lagos Island	Lagos	Tadop Global Services Ltd
Lagos Island	Lagos	T & T Resources And Tradings Limited
Lagos Island	Lagos	Groveworld Realties Inc
Lagos Island	Lagos	Segson Nigeria Limited
Lagos Island	Lagos	Ifa Global Link
Lagos Island	Lagos	Crystal Clear Global Concept Limited
Lagos Island	Lagos	Okiki Global Ventures Limited

List of Distributors

REGION	STATE	CUSTOMERS' NAMES
Lagos Island	Lagos	Ybi Ventures
Lagos Island	Lagos	Patrick Ogunjobi & Co
Lagos Island	Lagos	Epignosis Ltd.
Lagos Mainland	Lagos	Thomas Adeoye And Sons Nigeria Ltd
Lagos Mainland	Lagos	Ebony "D" Great Ent.
Lagos Mainland	Lagos	Kazab Heritage Ltd
Lagos Mainland	Lagos	Temi Tope Oil Nig. Ltd.
Lagos Mainland	Lagos	Transgeneration Enterprises
Lagos Mainland	Lagos	Olla Adams Ent.
Lagos Mainland	Lagos	Mosdee Stars Enterprises
Lagos Mainland	Lagos	Whumyte Global Ventures
Lagos Mainland	Lagos	Vihano Ventures
Lagos Mainland	Lagos	Liquin Ventures
Lagos Mainland	Lagos	Tai - Dem & Sons
Lagos Mainland	Lagos	Samad Kunle Investment Limited
Lagos Mainland	Lagos	Fell-Ca Ent.
Lagos Mainland	Lagos	Peace And Success Ventures
Lagos Mainland	Lagos	Timpalas Agro Allied Ventures
Lagos Mainland	Lagos	Morash Ventures Nig. Ent.
Lagos Mainland	Lagos	Sj Arise & Shine Services
Lagos Mainland	Lagos	Alabama Global Ventures
Lagos Mainland	Lagos	Twins Faja (Nig.) Ltd.
Lagos Mainland	Lagos	De-Bayus Nigeria Limited
Lagos Mainland	Lagos	Agape Steel Ventures
Lagos Mainland	Lagos	Bashiru & Elizabeth Ltd
Lagos Mainland	Lagos	Fortuna Energy Limited
Lagos Mainland	Lagos	Joan Bola & Howards Ltd
Lagos Mainland	Lagos	Myts Multichoice Solutions Ltd
Lagos Mainland	Lagos	Emmanuel Adebayo Ventures
Lagos Mainland	Lagos	Hibay Resources & Services Limited
Lagos Mainland	Lagos	Zigheight International Limited
Lagos Mainland	Lagos	Infinite Mercy Ltd
Lagos Mainland	Lagos	Omowunmi Amoda Enterprises
Lagos Mainland	Lagos	Hajj - Sulab Limited
Lagos Mainland	Lagos	Evynista Ideal Concept
Lagos Mainland	Lagos	Mafriend Global Ventures
Lagos Mainland	Lagos	Ap-Destiny Nigeria Ltd
Lagos Mainland	Lagos	Aralamo Global Services Ltd
Lagos Mainland	Lagos	Forgive Ayoola Ideal Business Resources
Lagos Mainland	Lagos	Senny & Adeogo Investment Limited
Lagos Mainland	Lagos	Adelani Oil
Lagos Mainland	Lagos	Ibishola Nigeria Enterprise
Lagos Mainland	Lagos	Asnet Industries Ltd
Lagos Mainland	Lagos	Triple T Supermart
Lagos Mainland	Lagos	Loffdeal Enterprises
Ogun	Ogun	Femyok International Venture
Ogun	Ogun	Iya Miliki & Sons
Ogun	Ogun	Vicross Ent.
Ogun	Ogun	Oyinbashy Enterprises
Ogun	Ogun	Skytee Nigeria Limited
Ogun	Ogun	B And S Ventures
Ogun	Ogun	Posu Golden Apple Enterprises
Ogun	Ogun	Walterade Nigeria Enterprises
Ogun	Ogun	Alh. Abbey Adebisi & Co.
Ogun	Ogun	Alhaja Olabisi Abimbola Ventures
Ogun	Ogun	Oke. M. Blocks Nigeria Enterprises
Ogun	Ogun	B-26 Nig. Ltd
Ogun	Ogun	Yusfaith Global Enterprises
Ogun	Ogun	Dep Standard Global Ventures
Ogun	Ogun	Pure Renovation & Services
Ogun	Ogun	Adeshyna Abiola Global Ventures
Ogun	Ogun	Kamilu Oloko & Sons Venture
Ogun	Ogun	Fining Nigeria Limited
Ogun	Ogun	Reg-Esther Chosen Enterprises
Ogun	Ogun	D King Solo Amj Nig Ltd
Oyo	Oyo	Olajide Alade Areo And Sons

REGION	STATE	CUSTOMERS' NAMES
Oyo	Oyo	Raflym Nigeria Limited
Oyo	Oyo	Abiodun Akinleye
Oyo	Oyo	S.o.j Ent.
Oyo	Oyo	Tito Ventures
Oyo	Oyo	Dagunro Ibile Ventures
Oyo	Oyo	Ade- Adewunmi Nig. Ent.
Oyo	Oyo	Madel Glory Ventures
Oyo	Oyo	Arowolo K.k. Nigeria Limited
Oyo	Oyo	Alhaji Ismaila Salako Ismo Nig. Ent
Oyo	Oyo	Wamod Oloye Ent. Ltd
Oyo	Oyo	Great Cent-Basil International
Oyo	Oyo	Keemos Commercial Concept Limited
Oyo	Oyo	Lead City University Investment Limited
Oyo	Oyo	Taokas Multi - Concepts
Oyo	Oyo	Sandra & Smith Enterprises
Oyo	Oyo	Blessed Golden Cement Ventures
Oyo	Oyo	Samba Aremu
Oyo	Oyo	Omo-Akin Megatop Global Ventures
Oyo	Oyo	Rasheed Ishola Ventures Limited
Oyo	Oyo	Renatch Power Limited
Oyo	Oyo	Nokis Noble Company
Oyo	Oyo	L.a. Lawal Nigeria Enterprises
Oyo	Oyo	Tqs Alayo
Oyo	Oyo	Abioye Adenike
South West	Ekiti	Aleemadiat Multiventures Concepts
South West	Ekiti	Ibukun Oluwa Ent.
South West	Ekiti	Funmi Florry
South West	Ondo	Adekunle Oseni
South West	Ondo	Maseliz Enterprises Extension
South West	Ondo	Mrs S. A. Falana
South West	Ondo	Daval Nig. Enterprises
South West	Ondo	Ismaila Awoyinka
South West	Ondo	Lekan Adeyemi
South West	Ondo	Aturu Global Nig. Ltd
South West	Ondo	Olanrewaju Oladapo
South West	Osun	Yaska General Multiservices Limited
South West	Osun	Kazab Heritage Ltd Extension
South West	Osun	Stella Dee Global Services Ltd
South West	Osun	Success Link
South West	Osun	J. B. Okanlawon
South West	Osun	Alhaja H. A. Oluwatobiloba
South West	Osun	Adewoyin Rasheed
South West	Osun	Muzalab&Associate Int'l Network Ltd
South West	Osun	Adewole Ganiyat Nigeria Enterprises
South West	Osun	Sunday Olanrewaju Nig. Ent.
South West	Osun	Afe Babalola University Ltd/Gte
South West	Osun	Tinuoye Olayemi Nig. Ent
South West	Osun	Alade Abimbola
South West	Osun	Saint Augustine Investments Limited
South West	Osun	Tife Global Enterprises
South West	Osun	Bolu International Services Ltd
South West	Osun	Olayemi Amosa General Enterprises (Nig)