

Lafarge Africa Plc
Unaudited Condensed Financial Statements
30 June 2021

Lafarge Africa Plc

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Lafarge Africa Plc

Directors' and Other Corporate Information

Company registration number

RC 1858

Directors

Mr. Adebode Adefioye
Mr. Khaled Abdel Aziz El Dokani (Egyptian)
Mr. Lolu Alade-Akinyemi
Mrs. Elenda Giwa-Amu
Mrs. Adenike Ogunlesi
Mr. Grant Earnshaw (British)
Mrs. Karine Uzan Mercie (French)
Mr. Marco Licata (Italian)
Mr. Gbenga Oyebode, MFR
Mrs. Oyinkan Adewale
Mrs. Virginie Darbo (French)

Chairman
Group Managing Director/CEO
Executive Director/CFO
Non-Executive Director
Independent Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Non-Executive Director

Company Secretary

Mrs. Adewunmi Alode

Company Registered Office

Lafarge Africa Plc
27B, Gerrard Road,
Ikoyi,
Lagos

Registrar

Cardinal Stone (Registrars) Limited
[formerly City Securities (Registrars) Limited]
No 358, Herbert Macaulay Road,
Yaba,
Lagos

Independent Auditors

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

Principal Bankers

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

Lafarge Africa Plc

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income for the period ended 30 June, 2021

| | Notes | Group | | | | Company | | | |
|---|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | 3months ended 30/06/2021 | 3months ended 30/06/2020 | 6months ended 30/06/2021 | 6months ended 30/06/2020 | 3months ended 30/06/2021 | 3months ended 30/06/2020 | 6months ended 30/06/2021 | 6months ended 30/06/2020 |
| | | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Revenue | 3 | 73,545,715 | 56,844,579 | 145,015,963 | 120,540,345 | 66,310,317 | 49,427,576 | 130,018,524 | 105,532,362 |
| Cost of sales | 4 | (44,597,258) | (32,762,022) | (96,974,484) | (78,830,845) | (38,207,464) | (26,915,688) | (83,972,332) | (66,364,081) |
| Gross profit | | 28,948,457 | 24,082,557 | 48,041,479 | 41,709,500 | 28,102,853 | 22,511,888 | 46,046,192 | 39,168,281 |
| Selling and marketing expenses | 5 | (703,743) | (711,163) | (1,453,418) | (1,549,556) | (703,737) | (711,163) | (1,453,418) | (1,549,373) |
| Administrative expenses | 6 | (4,867,720) | (3,237,568) | (9,170,147) | (7,829,659) | (4,796,355) | (3,500,374) | (8,796,434) | (7,789,588) |
| Other income | 7 | 145,415 | 1,082,527 | 293,384 | 554,035 | 47,386 | 997,341 | 152,704 | 554,035 |
| Impairment reversal/(charge) on receivables | 8.1 | 6,363 | 7,730 | 521,459 | (19,315) | 6,080 | 3,280 | 522,382 | (20,908) |
| Other operating expenses | 8 | (13,970) | (55,853) | (13,970) | (55,853) | (13,970) | - | (13,970) | - |
| Operating profit | | 23,514,802 | 21,168,230 | 38,218,787 | 32,809,152 | 22,642,257 | 19,300,972 | 36,457,456 | 30,362,447 |
| Finance income | 9 (a) | 191,142 | 155,905 | 362,845 | 377,049 | 186,690 | 244,867 | 350,990 | 350,141 |
| Finance costs | 9 (b) | (556,328) | (1,949,238) | (2,660,438) | (4,429,025) | (367,287) | (1,998,027) | (2,414,176) | (4,723,243) |
| Gain on disposal of investment in Joint venture | 22.1 | 826,879 | - | 826,879 | - | 826,879 | - | 826,879 | - |
| Profit before tax | | 23,976,495 | 19,374,897 | 36,748,073 | 28,757,176 | 23,288,539 | 17,547,812 | 35,221,149 | 25,989,345 |
| Income tax (expense) | 10.1 | (4,790,284) | (4,112,529) | (8,425,488) | (5,427,919) | (4,952,951) | (3,431,574) | (8,298,558) | (4,461,692) |
| Profit after tax for the period | | 19,186,211 | 15,262,368 | 28,322,585 | 23,329,257 | 18,335,588 | 14,116,238 | 26,922,591 | 21,527,653 |
| Other comprehensive income: | | | | | | | | | |
| Other comprehensive (loss)/income for the period, net of tax | | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | | 19,186,211 | 15,262,368 | 28,322,585 | 23,329,257 | 18,335,588 | 14,116,238 | 26,922,591 | 21,527,653 |
| Profit attributable to : | | | | | | | | | |
| - Owners | | 19,186,211 | 15,262,368 | 28,322,585 | 23,329,257 | 18,335,588 | 14,116,238 | 26,922,591 | 21,527,653 |
| - Non-controlling interests | | - | - | - | - | - | - | - | - |
| | | 19,186,211 | 15,262,368 | 28,322,585 | 23,329,257 | 18,335,588 | 14,116,238 | 26,922,591 | 21,527,653 |
| Total comprehensive income for the period is attributable to: | | | | | | | | | |
| - Owners | | 19,186,211 | 15,262,368 | 28,322,585 | 23,329,257 | 18,335,588 | 14,116,238 | 26,922,591 | 21,527,653 |
| - Non-controlling interests | | - | - | - | - | - | - | - | - |
| | | 19,186,211 | 15,262,368 | 28,322,585 | 23,329,257 | 18,335,588 | 14,116,238 | 26,922,591 | 21,527,653 |
| Earnings per share attributable to the | | | | | | | | | |
| Basic earnings per share (Kobo) | 21 | 119 | 95 | 176 | 145 | 114 | 88 | 167 | 134 |

Consolidated and Separate Statement of Financial Position as at 30 June, 2021

| Notes | Group | | Company | | |
|---|---------|--------------------|--------------------|--------------------|--------------------|
| | 30 June | 31 December | 30 June | 31 December | |
| | 2021 | 2020 | 2021 | 2020 | |
| | N'000 | N'000 | N'000 | N'000 | |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 11 | 345,444,217 | 348,328,150 | 284,439,731 | 287,447,215 |
| Intangible assets | 12 | 1,322,471 | 1,939,210 | 1,047,681 | 1,524,264 |
| Investments in subsidiaries | 13.1 | - | - | 63,906,867 | 63,906,867 |
| Investment in joint ventures | | - | 379,432 | - | 379,432 |
| Other financial assets | 14 | - | 964,796 | - | 964,796 |
| Other assets | 16 | 32,898,333 | 29,127,048 | 31,160,511 | 28,657,973 |
| Deferred tax assets | | 15,519,606 | 23,404,073 | 15,519,606 | 23,404,073 |
| Total non-current assets | | 395,184,627 | 404,142,709 | 396,074,396 | 406,284,620 |
| Current assets | | | | | |
| Inventories | 17 | 38,417,291 | 31,052,596 | 27,354,624 | 22,466,615 |
| Trade and other receivables | 18 | 5,398,118 | 5,028,913 | 27,358,594 | 26,255,784 |
| Other assets | 16 | 14,630,834 | 11,916,440 | 13,760,593 | 8,846,892 |
| Other financial assets | 14 | 242,295 | 1,731,432 | 182,258 | 1,729,090 |
| Derivative assets | | - | 18,905 | - | - |
| Cash and cash equivalents | 19 | 57,844,451 | 53,322,980 | 46,321,588 | 39,749,715 |
| Total current assets | | 116,532,989 | 103,071,266 | 114,977,657 | 99,048,096 |
| Total assets | | 511,717,616 | 507,213,975 | 511,052,053 | 505,332,716 |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Loans and borrowings | 23 | 3,522,173 | 5,139,600 | 1,258,770 | 2,774,394 |
| Employee benefit obligations | 26 | 2,400,947 | 2,284,688 | 2,078,404 | 2,009,182 |
| Deferred income | 25 | 1,583,850 | 1,683,008 | 1,206,625 | 1,234,307 |
| Provisions | 24 | 1,833,881 | 1,510,577 | 995,240 | 817,124 |
| Deferred tax liabilities | | 9,201,732 | 9,401,523 | - | - |
| Total non-current liabilities | | 18,542,583 | 20,019,396 | 5,539,039 | 6,835,007 |
| Current liabilities | | | | | |
| Loans and borrowings | 23 | 16,229,384 | 44,593,230 | 16,148,015 | 44,458,963 |
| Deferred income | 25 | 381,647 | 381,646 | 110,732 | 110,732 |
| Trade and other payables | 27 | 100,982,734 | 76,857,775 | 101,461,583 | 76,438,447 |
| Provisions | 24 | 2,009,734 | 2,644,965 | 1,883,898 | 2,405,497 |
| Current tax liabilities | | 1,718,243 | 3,078,461 | 1,119,058 | 1,109,137 |
| Total current liabilities | | 121,321,742 | 127,556,077 | 120,723,286 | 124,522,776 |
| Total liabilities | | 139,864,325 | 147,575,473 | 126,262,325 | 131,357,783 |
| EQUITY | | | | | |
| Share capital | 20.1 | 8,053,899 | 8,053,899 | 8,053,899 | 8,053,899 |
| Share premium | 20.2 | 435,148,731 | 435,148,731 | 435,148,731 | 435,148,731 |
| Retained earnings | | 182,779,718 | 170,579,540 | 135,265,077 | 124,464,893 |
| Foreign currency translation reserve | | - | (14,611) | - | (14,611) |
| Other reserves arising on business combination and re-organisations | | (254,129,057) | (254,129,057) | (193,677,979) | (193,677,979) |
| Capital and reserves attributable to owners | | 371,853,291 | 359,638,502 | 384,789,728 | 373,974,933 |
| Total equity | | 371,853,291 | 359,638,502 | 384,789,728 | 373,974,933 |
| Total equity and liabilities | | 511,717,616 | 507,213,975 | 511,052,053 | 505,332,716 |

These financial statements were approved and authorised for issue by the board of directors on 28th July 2021 and were signed on its behalf by:

Adeboye Adefoyo
Chairman
FRC/2017/IODN/00000016512

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

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

Lafarge Africa Plc

Consolidated and Separate Statement of Changes in Equity for the period ended 30 June, 2021

| Group | Attributable to equity holders of the parent | | | | | | |
|---|--|------------------------|----------------------------|---|--|--------------------|-----------------------|
| | Share capital N'000 | Share premium N'000 | Retained earnings N'000 | Foreign currency translation reserve N'000 | Other reserves arising on business combination and re-organisations N'000 | Total N'000 | Total equity N'000 |
| Balance at 1 January 2020 | 8,053,899 | 435,148,731 | 155,801,325 | 39,103 | (254,129,057) | 344,914,001 | 344,914,001 |
| Profit for the period ended 30 June 2020 | - | - | 23,329,257 | - | - | 23,329,257 | 23,329,257 |
| Total comprehensive income for the period | - | - | 23,329,257 | - | - | 23,329,257 | 23,329,257 |
| Transactions with owners: | | | | | | | |
| Dividends declared | - | - | (16,107,796) | - | - | (16,107,796) | (16,107,796) |
| Total transaction with owners | - | - | (16,107,796) | - | - | (16,107,796) | (16,107,796) |
| Balance at 30 June 2020 | 8,053,899 | 435,148,731 | 163,022,786 | 39,103 | (254,129,057) | 352,135,462 | 352,135,462 |
| Balance at 30 June 2020 | 8,053,899 | 435,148,731 | 163,022,786 | 39,103 | (254,129,057) | 352,135,462 | 352,135,462 |
| Profit for the period (July 1 to Dec 31 2020) | - | - | 7,512,881 | - | - | 7,512,881 | 7,512,881 |
| Other comprehensive loss (Net of tax) | - | - | - | (53,714) | - | (53,714) | (53,714) |
| Total comprehensive income for the period | - | - | 7,512,881 | (53,714) | - | 7,459,167 | 7,459,167 |
| Transaction with owners: | | | | | | | |
| Forfeited dividend | - | - | 43,873 | - | - | 43,873 | 43,873 |
| Total transaction with owners | - | - | 43,873 | - | - | 43,873 | 43,873 |
| Balance at 31 December 2020 | 8,053,899 | 435,148,731 | 170,579,540 | (14,611) | (254,129,057) | 359,638,502 | 359,638,502 |
| Balance at 1 January 2021 | 8,053,899 | 435,148,731 | 170,579,540 | (14,611) | (254,129,057) | 359,638,502 | 359,638,502 |
| Profit for the period ended 30 June 2021 | - | - | 28,322,585 | - | - | 28,322,585 | 28,322,585 |
| Total comprehensive income for the period | - | - | 28,322,585 | - | - | 28,322,585 | 28,322,585 |
| Transaction with owners: | | | | | | | |
| Dividends declared | - | - | (16,107,796) | - | - | (16,107,796) | (16,107,796) |
| Elimination of foreign currency translation on disposal of investments in joint venture | - | - | (14,611) | 14,611 | - | - | - |
| Total transaction with owners | - | - | (16,122,407) | 14,611 | - | (16,107,796) | (16,107,796) |
| Balance at 30 June 2021 | 8,053,899 | 435,148,731 | 182,779,718 | - | (254,129,057) | 371,853,291 | 371,853,291 |

Lafarge Africa Plc

Consolidated and Separate Statement of Changes in Equity for the period ended 30 June, 2021

| Company | Attributable to equity holders of the parent | | | | | |
|---|--|------------------------|----------------------------|--|--|-----------------------|
| | Share capital N'000 | Share premium N'000 | Retained earnings N'000 | Foreign currency translation reserve N'000 | Other reserves arising on business combination and re-organisations N'000 | Total equity N'000 |
| Balance at 1 January 2020 | 8,053,899 | 435,148,731 | 111,857,805 | 39,103 | (193,677,979) | 361,421,558 |
| Profit for the period ended 30 June 2020 | - | - | 21,527,653 | - | - | 21,527,653 |
| Total comprehensive income for the period | - | - | 21,527,653 | - | - | 21,527,653 |
| Transaction with owners: | | | | | | |
| Dividends declared | - | - | (16,107,796) | - | - | (16,107,796) |
| Total transaction with owners | - | - | (16,107,796) | - | - | (16,107,796) |
| Balance at 30 June 2020 | 8,053,899 | 435,148,731 | 117,277,662 | 39,103 | (193,677,979) | 366,841,416 |
| Balance at 30 June 2020 | 8,053,899 | 435,148,731 | 117,277,662 | 39,103 | (193,677,979) | 366,841,416 |
| Profit for the period (July 1 to Dec 31 2020) | - | - | 7,187,232 | - | - | 7,187,232 |
| Other comprehensive loss (Net of tax) | - | - | - | (53,714) | - | (53,714) |
| Total comprehensive loss for the period | - | - | 7,187,232 | (53,714) | - | 7,133,518 |
| Total transaction with owners | - | - | - | - | - | - |
| At 31 December 2020 | 8,053,899 | 435,148,731 | 124,464,893 | (14,611) | (193,677,979) | 373,974,933 |
| At 1 January 2021 | 8,053,899 | 435,148,731 | 124,464,893 | (14,611) | (193,677,979) | 373,974,933 |
| Profit for the period ended 30 June 2021 | - | - | 26,922,591 | - | - | 26,922,591 |
| Total comprehensive income for the period | - | - | 26,922,591 | - | - | 26,922,591 |
| Elimination of foreign currency translation on disposal of investments in joint venture | - | - | (14,611) | 14,611 | - | - |
| Dividends declared | - | - | (16,107,796) | - | - | (16,107,796) |
| Total transaction with owners | - | - | (16,122,407) | 14,611 | - | (16,107,796) |
| Balance at 30 June 2021 | 8,053,899 | 435,148,731 | 135,265,077 | - | (193,677,979) | 384,789,728 |

Lafarge Africa Plc

Consolidated and Separate Statement of Cash Flows for the period ended 30 June, 2021

| | Notes | Group | | Company | |
|--|-------|---------------------|---------------------|---------------------|--------------------|
| | | 30 June 2021 | 30 June 2020 | 30 June 2021 | 30 June 2020 |
| | | N'000 | N'000 | N'000 | N'000 |
| Cash flows from operating activities: | | | | | |
| Profit after tax | | 28,322,585 | 23,329,257 | 26,922,591 | 21,527,653 |
| Adjustments to reconcile Profit for the period to net cash flows: | | | | | |
| Depreciation | 11.2 | 14,122,941 | 13,527,112 | 12,951,542 | 12,612,238 |
| Amortization of intangible asset | 12 | 616,739 | 544,307 | 476,583 | 476,215 |
| Gain on disposal of Investments in Joint venture | 22.1 | (826,879) | - | (826,879) | - |
| Other non-cash items | 28.3 | 68,837 | (556,039) | 24,343 | (223,316) |
| Net unrealized foreign exchange loss/(gain) | | (82,968) | 580,773 | (180,730) | 506,485 |
| Finance costs | 9(b) | 3,809,386 | 4,225,228 | 3,535,306 | 4,598,840 |
| Finance income | 9(a) | (362,845) | (377,049) | (350,990) | (350,141) |
| Income tax expense | 10.1 | 8,425,488 | 5,427,919 | 8,298,558 | 4,461,692 |
| Provisions and net movement on employee benefits | 28 | (571,757) | 346,610 | (495,371) | 352,483 |
| Change in net working capital | 28.1 | 3,977,442 | (12,991,324) | 6,298,991 | (19,605,283) |
| Cash flow generated from operations | | 57,498,969 | 34,056,794 | 56,653,944 | 24,356,866 |
| Income taxes paid | | (2,674,049) | (1,590,290) | (977,189) | (1,134,042) |
| Net cash flow generated from operating activities | | 54,824,920 | 32,466,504 | 55,676,755 | 23,222,824 |
| Cash flows from investing activities | | | | | |
| Acquisition of property, plant and equipment | 11.1 | (7,953,477) | (5,175,037) | (7,090,035) | (2,898,012) |
| Interest received | | 1,195,372 | 83,027 | 1,183,517 | 56,119 |
| Proceeds from disposal of investment in joint venture, net of earn-out obligation paid | 22.2 | 1,206,311 | - | 1,206,311 | - |
| Loan to related party repaid | 22.2 | 1,936,550 | - | 1,936,550 | - |
| Net cash flow used in investing activities | | (3,615,244) | (5,092,010) | (2,763,657) | (2,841,893) |
| Cash flows from financing activities | | | | | |
| Interest paid | | (3,969,753) | (3,999,666) | (3,910,774) | (3,805,467) |
| Dividend paid to equity holders of the company | 27.1 | (11,135,330) | (2,607,385) | (11,135,330) | (2,607,385) |
| Proceeds from loans and borrowings | 23.1 | 7,260,949 | 982,017 | 7,337,814 | 982,017 |
| Repayment of lease liabilities | 23.1 | (4,087,884) | (3,421,257) | (4,087,884) | (3,421,257) |
| Repayment of loans and borrowings | 23.1 | (34,786,571) | (5,427,666) | (34,570,124) | (1,071,354) |
| Net cash flow used in financing activities | | (46,718,589) | (14,473,957) | (46,366,298) | (9,923,446) |
| Net increase/ (decrease) in cash and cash equivalents | | 4,491,087 | 12,900,537 | 6,546,800 | 10,457,485 |
| Cash and cash equivalents at the beginning of the period | 19.2 | 52,056,686 | 25,700,557 | 38,483,421 | 23,987,650 |
| Effects of exchange rate changes on cash and cash equivalents | | 30,384 | (97,670) | 25,073 | (62,894) |
| Cash and cash equivalents at the end of the period | 19.2 | 56,578,157 | 38,503,424 | 45,055,294 | 34,382,240 |

Lafarge Africa Plc

Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 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), which were disposed of in 2019, United Cement Company of Nigeria Limited (UNICEM), AshakaCem Ltd (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 Group's subsidiaries are as stated below;

| 30 June 2021 | 31 December 2020 | 30 June 2020 |
|--|--|--|
| AshakaCem Limited Wapsila Nigeria Limited | AshakaCem Limited Wapsila Nigeria Limited | AshakaCem Limited Wapsila Nigeria Limited |

These consolidated and separate financial statements cover the financial period from 1 January 2021 to 30 June 2021, with June 2020 and December 2020 as comparative for Income statement and statement of financial position, respectively.

1.1 Shareholding structure

| Description | 30 June 2021 | | 30 June 2020 | |
|---|-----------------------|---------------|-----------------------|---------------|
| | Units | Percentage | Units | Percentage |
| Issued Share Capital | 16,107,795,721 | 100% | 16,107,795,721 | 100% |
| Substantial Shareholdings (5% and above) | | | | |
| Names of Shareholders | | | | |
| Caricement BV | 9,027,365,874 | 56.04% | 9,027,365,874 | 56.04% |
| Associated Intl Cements Ltd U.K | 4,473,044,718 | 27.77% | 4,473,044,718 | 27.77% |
| Total Substantial Shareholdings | 13,500,410,592 | 83.81% | 13,500,410,592 | 83.81% |

| Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests | | | | |
|--|----------------|--------------|----------------|--------------|
| Name(s) of Directors | | | | |
| Mr. Adebode Adefioye | - | - | - | - |
| Mr. Khaled El Dokani | - | - | - | - |
| Mrs. Elenda Giwa-Amu | 203,550 | 0.00% | 203,550 | 0.00% |
| Mrs. Adenike Ogunlesi | - | - | - | - |
| Mr. Grant Earnshaw | - | - | - | - |
| Mrs. Karine Uzan Mercie | - | - | - | - |
| Mr. Marco Licata | - | - | - | - |
| Mr. Lolu Alade-Akinyemi | - | - | - | - |
| Mr. Gbenga Oyebode MFR | - | - | - | - |
| Mrs. Oyinkan Adewale | - | - | - | - |
| Mrs. Virginie Darbo | - | - | - | - |
| Total Directors' Shareholdings | 203,550 | 0.00% | 203,550 | 0.00% |

| Details of Other Influential shareholdings, if any (E.g. Government, Promoters) | | | | |
|---|---------------------------|---------------|---------------------------|---------------|
| Name(s) of Entities/ Government | | | | |
| | - | - | - | - |
| Total Other Influential Shareholdings | - | - | - | - |
| Free Float in Unit and Percentage | 2,607,181,579 | 16.19% | 2,597,181,579 | 16.13% |
| Free Float in Value | N55,402,608,553.75 | | N25,971,815,790.00 | |

Lafarge Africa Plc

Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

Declaration:

- A) Lafarge Africa Plc, with a free float value of N55,402,608,553.75 as at June 30, 2021, is compliant with The Exchange's free float requirements for companies listed on the Premium Board.
- (B) Lafarge Africa Plc, with a free float value of N25,971,815,790.00 as at June 30, 2020, was not compliant with The Exchange's free float requirements for companies listed on the Premium Board.

1.2 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Lafarge Africa Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

2 Summary of significant accounting policies

The Group financial statements of Lafarge Africa Plc for the period ended 30 June 2021 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS and the requirements of the Companies and Allied Matters Act CAP C.20 Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

Lafarge Africa Plc Group has consistently applied the same accounting policies and methods of computation in its interim condensed consolidated and separate financial statements as in its annual financial statements. There were no new standards, interpretations and amendments, effective for the first time from 1st January 2021, which had a material effect on these financial statements.

2.1 Basis of preparation

i) Compliance with IFRS

These interim condensed consolidated and separate financial statements of Lafarge Africa Plc Group have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2020 annual report. The financial statements were prepared on a going concern basis.

The financial statements comprise the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of financial position, the consolidated and separate statement of changes in equity, the consolidated and separate statement of cash flows and the notes to the financial statements.

ii) Basis of measurement

The financial statements have been prepared in accordance with the going concern assumption under the historical cost concepts except for the following:

- 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

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

Lafarge Africa Plc

Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

| | Group | | | | Company | | | |
|---|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 3 Revenue | | | | | | | | |
| Sale of goods | 73,545,715 | 56,844,579 | 145,015,963 | 120,540,345 | 66,310,317 | 49,427,576 | 130,018,524 | 105,532,362 |
| The following is an analysis of revenue by product: | | | | | | | | |
| Cement | 71,506,800 | 56,325,278 | 141,425,730 | 118,583,704 | 64,271,402 | 48,908,275 | 126,428,291 | 103,575,721 |
| Aggregates and concrete | 2,038,915 | 519,301 | 3,590,233 | 1,956,641 | 2,038,915 | 519,301 | 3,590,233 | 1,956,641 |
| | 73,545,715 | 56,844,579 | 145,015,963 | 120,540,345 | 66,310,317 | 49,427,576 | 130,018,524 | 105,532,362 |

| | Group | | | | Company | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 4 Cost of sales by nature | | | | | | | | |
| Production and distribution variable costs | 25,932,516 | 21,144,887 | 61,845,063 | 52,512,240 | 23,418,691 | 18,133,969 | 55,495,674 | 45,554,644 |
| Production fixed costs (Note 4.1) | 7,803,150 | 3,654,374 | 14,093,239 | 9,198,982 | 4,905,939 | 1,679,410 | 9,336,606 | 5,365,422 |
| Maintenance fixed costs | 3,285,236 | 1,651,953 | 6,064,669 | 3,570,271 | 2,972,343 | 1,404,593 | 5,483,042 | 3,111,319 |
| Distribution fixed costs | 882,879 | 126,915 | 1,518,973 | 525,329 | 678,230 | (50,149) | 1,142,254 | 211,721 |
| Depreciation (Note 11.2) | 6,693,477 | 6,183,893 | 13,452,540 | 13,024,023 | 6,232,261 | 5,747,865 | 12,514,756 | 12,120,975 |
| | 44,597,258 | 32,762,022 | 96,974,484 | 78,830,845 | 38,207,464 | 26,915,688 | 83,972,332 | 66,364,081 |

4.1 Production fixed costs

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

| | Group | | | | Company | | | |
|--|----------------|----------------|------------------|------------------|----------------|----------------|------------------|------------------|
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 5 Selling and marketing expenses | | | | | | | | |
| Advertising expenses | 45,064 | 102,692 | 112,960 | 182,473 | (51,555) | 102,692 | 16,341 | 182,473 |
| Campaign and innovation expenses | - | - | 21 | 44,913 | - | - | 21 | 44,913 |
| Marketing staff salaries and other costs | 658,679 | 608,471 | 1,340,437 | 1,322,170 | 755,292 | 608,471 | 1,437,056 | 1,321,987 |
| | 703,743 | 711,163 | 1,453,418 | 1,549,556 | 703,737 | 711,163 | 1,453,418 | 1,549,373 |

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Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

| | Group | | | | Company | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 6 Administrative expenses by nature | | | | | | | | |
| Salaries and other staff related costs | 1,532,359 | 1,322,702 | 3,287,979 | 2,965,769 | 1,532,359 | 1,322,702 | 3,287,979 | 2,964,030 |
| Advance payment of taxes and levies | 453,078 | 456,784 | 906,157 | 913,567 | 453,078 | 456,784 | 906,157 | 913,567 |
| Office and general expenses | 634,436 | 544,113 | 1,515,362 | 1,373,584 | 752,570 | 705,274 | 1,515,420 | 1,415,166 |
| Depreciation (Note 11.2) | 336,734 | 191,715 | 670,401 | 503,085 | 217,313 | 227,975 | 436,786 | 491,263 |
| Amortisation of intangible assets | 311,074 | 229,945 | 616,739 | 544,307 | 240,996 | 164,220 | 476,583 | 476,215 |
| Technical service fees (Note 6.1) | 1,600,039 | 492,310 | 2,173,509 | 1,529,347 | 1,600,039 | 623,420 | 2,173,509 | 1,529,347 |
| | 4,867,720 | 3,237,568 | 9,170,147 | 7,829,659 | 4,796,355 | 3,500,374 | 8,796,434 | 7,789,588 |
| 6.1 Technical service fees | | | | | | | | |
| | Group | | | | Company | | | |
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Provision during the period | 1,600,039 | 492,310 | 2,662,908 | 1,529,347 | 1,600,039 | 623,420 | 2,662,908 | 1,529,347 |
| Write back of over provision no longer required | - | - | (489,399) | - | - | - | (489,399) | - |
| | 1,600,039 | 492,310 | 2,173,509 | 1,529,347 | 1,600,039 | 623,420 | 2,173,509 | 1,529,347 |
| | Group | | | | Company | | | |
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 7 Other income | | | | | | | | |
| Gain on disposal of property, plant and equipment | - | 83,084 | 74,094 | 83,084 | - | 83,084 | 74,094 | 83,084 |
| Government grants | 125,711 | 27,682 | 196,044 | 55,366 | 27,682 | 27,683 | 55,365 | 55,367 |
| Sale of Scraps and other miscellaneous income | 19,704 | 88,759 | 23,246 | 14,202 | 19,704 | 3,572 | 23,245 | 14,201 |
| Write back of provisions no longer required | - | 883,002 | - | 401,383 | - | 883,002 | - | 401,383 |
| | 145,415 | 1,082,527 | 293,384 | 554,035 | 47,386 | 997,341 | 152,704 | 554,035 |
| | Group | | | | Company | | | |
| | 3months ended | 3months ended | 6months ended | 6months ended | 3months ended | 3months ended | 6months ended | 6months ended |
| | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 | 30/06/2021 | 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 8 Other operating expenses | | | | | | | | |
| Write off of assets | 13,970 | 55,853 | 13,970 | 55,853 | 13,970 | - | 13,970 | - |
| | 13,970 | 55,853 | 13,970 | 55,853 | 13,970 | - | 13,970 | - |

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Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

| | Group | | | | Company | | | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | 3months ended 30/06/2021 N'000 | 3months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 | 3months ended 30/06/2021 N'000 | 3months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 |
| 8.1 Impairment of receivables | | | | | | | | |
| Impairment reversal/(charge) on trade receivables | (6,363) | (7,730) | 1,702 | 19,315 | (6,080) | (3,280) | 2,625 | 20,908 |
| Write back of other receivables over provision | - | - | 519,757 | - | - | - | 519,757 | - |
| | (6,363) | (7,730) | 521,459 | 19,315 | (6,080) | (3,280) | 522,382 | 20,908 |
| | | | | | | | | |
| | Group | | | | Company | | | |
| | 3months ended 30/06/2021 N'000 | 3months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 | 3months ended 30/06/2021 N'000 | 3months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 |
| 9 Finance income and costs | | | | | | | | |
| a) Interest income under the effective interest method and other finance | | | | | | | | |
| Interest income on current accounts | 131,539 | 117,555 | 213,633 | 302,444 | 127,087 | 206,517 | 201,778 | 275,536 |
| Interest on loan receivable | 59,603 | 38,350 | 149,212 | 74,605 | 59,603 | 38,350 | 149,212 | 74,605 |
| | 191,142 | 155,905 | 362,845 | 377,049 | 186,690 | 244,867 | 350,990 | 350,141 |
| | | | | | | | | |
| | Group | | | | Company | | | |
| | 3months ended 30/06/2021 N'000 | 3months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 | 3months ended 30/06/2021 N'000 | 3months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 |
| b) Finance costs: | | | | | | | | |
| Interest on borrowings (Note 23.1) | (1,377,512) | (1,749,114) | (3,043,486) | (3,905,110) | (1,151,502) | (2,010,999) | (2,794,605) | (4,323,006) |
| Unwinding of discount on provisions | - | (33,318) | - | (66,636) | - | (33,318) | - | (66,636) |
| Interest cost on employees' long service awards | (4,895) | (40,722) | (108,739) | (82,275) | - | (34,323) | (98,948) | (67,641) |
| Interest cost on defined benefit obligations | (33,630) | (14,258) | (41,590) | (28,516) | (33,630) | (14,258) | (41,590) | (28,516) |
| Bank charges** | (482,271) | (62,194) | (615,571) | (142,691) | (470,552) | (54,828) | (600,163) | (113,041) |
| Finance costs per statement of cash flows | (1,898,308) | (1,899,606) | (3,809,386) | (4,225,228) | (1,655,684) | (2,147,726) | (3,535,306) | (4,598,840) |
| Foreign exchange gain/(loss) (net) | 1,341,980 | (49,632) | 1,148,948 | (203,797) | 1,288,397 | 149,699 | 1,121,130 | (124,403) |
| Finance costs | (556,328) | (1,949,238) | (2,660,438) | (4,429,025) | (367,287) | (1,998,027) | (2,414,176) | (4,723,243) |
| | | | | | | | | |
| Net finance costs recognised in the profit or loss | (365,186) | (1,793,333) | (2,297,593) | (4,051,976) | (180,597) | (1,753,160) | (2,063,186) | (4,373,102) |

**Bank charges represent Letter of credit charges and other bank account operational charges

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Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

10 Income tax expense

This note provides an analysis of the Group and Company's income tax expense.

10.1 Income tax expense recognised in profit or loss

| | Group | | | | Company | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 3months ended 30/06/2021 | 3months ended 30/06/2020 | 6months ended 30/06/2021 | 6months ended 30/06/2020 | 3months ended 30/06/2021 | 3months ended 30/06/2020 | 6months ended 30/06/2021 | 6months ended 30/06/2020 |
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Current taxation | | | | | | | | |
| Company income tax | 554,648 | 994,830 | 982,942 | 1,427,256 | 548,814 | 389,731 | 709,760 | 389,731 |
| Education tax | 1,562 | 305,747 | 330,890 | 484,147 | (28,453) | 257,345 | 277,350 | 396,882 |
| Total current tax expense | 556,210 | 1,300,577 | 1,313,832 | 1,911,403 | 520,361 | 647,076 | 987,110 | 786,613 |
| Deferred taxation | | | | | | | | |
| Deferred income tax expense to profit or loss | 4,234,074 | 2,811,952 | 7,111,656 | 3,516,516 | 4,432,590 | 2,784,498 | 7,311,448 | 3,675,079 |
| Income tax expense | 4,790,284 | 4,112,529 | 8,425,488 | 5,427,919 | 4,952,951 | 3,431,574 | 8,298,558 | 4,461,692 |

10.2 Effective tax rate

The effective tax rate is as follows:

| | Group | | Company | |
|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 6months ended 30/06/2021 | 6months ended 30/06/2020 | 6months ended 30/06/2021 | 6months ended 30/06/2020 |
| Effective tax rate | 23% | 16% | 24% | 16% |

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Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

11 Property, plant and equipment

| Group | Leasehold Land | Buildings | Production Plant | Capitalised Spares | Furniture | Motor Vehicles | Computer Equipment | Exploration and evaluation assets | Construction Work in Progress | **Right of use assets | Total |
|--------------------------------------|----------------|-------------|------------------|--------------------|-----------|----------------|--------------------|-----------------------------------|-------------------------------|-----------------------|-------------|
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 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 | - | - | - | - | - | - | - | - | 9,673,301 | - | 9,673,301 |
| Construction expenditure capitalised | - | - | 2,324,130 | - | - | 11,000 | - | - | (2,335,130) | - | - |
| Addition to right of use assets | - | - | - | - | - | - | - | - | - | 1,645,622 | 1,645,622 |
| Write-offs | - | (56,034) | - | - | - | (12,557) | - | - | - | - | (68,591) |
| Disposals | - | - | - | - | - | (94,331) | - | - | - | - | (94,331) |
| As at 30 June 2021 | 14,866,389 | 116,025,007 | 335,338,145 | 2,957,049 | 1,304,127 | 3,965,390 | 1,951,116 | 1,959,013 | 50,296,601 | 31,182,754 | 559,845,591 |

| Group | Leasehold Land | Buildings | Production Plant | Capitalised Spares | Furniture | Motor Vehicles | Computer Equipment | Exploration and evaluation assets | Construction Work in Progress | **Right of use assets | Total |
|-----------------------------|----------------|------------|------------------|--------------------|-----------|----------------|--------------------|-----------------------------------|-------------------------------|-----------------------|-------------|
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 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 | 61,223 | 1,966,268 | 7,430,024 | 149,305 | 33,210 | 205,672 | 73,073 | - | - | 4,204,166 | 14,122,941 |
| Write-offs | - | (42,065) | - | - | - | (12,557) | - | - | - | - | (54,622) |
| On disposals | - | - | - | - | - | (42,355) | - | - | - | - | (42,355) |
| As at 30 June 2021 | 4,913,428 | 34,348,297 | 127,502,508 | 1,455,740 | 1,104,150 | 3,221,277 | 1,605,173 | 188,538 | 16,144,134 | 23,918,129 | 214,401,373 |

Carrying amount

| | | | | | | | | | | | |
|----------------------------|------------|------------|-------------|-----------|---------|---------|---------|-----------|------------|-----------|-------------|
| As at 30 June 2021 | 9,952,961 | 81,676,710 | 207,835,636 | 1,501,309 | 199,977 | 744,114 | 345,943 | 1,770,475 | 34,152,466 | 7,264,625 | 345,444,217 |
| 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 | 26,814,295 | 9,823,169 | 348,328,150 |

**See note 11.3 for details on right of use assets

| Company | Leasehold Land | Buildings | Production Plant | Capitalised Spares | Furniture | Motor Vehicles | Computer Equipment | Exploration and evaluation assets | Construction Work in Progress | **Right of use assets | Total |
|--------------------------------------|----------------|------------|------------------|--------------------|-----------|----------------|--------------------|-----------------------------------|-------------------------------|-----------------------|-------------|
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 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 | 463,047,792 |
| Capital expenditure | - | - | - | - | - | - | - | - | 8,309,759 | - | 8,309,759 |
| Construction expenditure capitalised | - | - | 2,131,247 | - | - | 11,000 | - | - | (2,142,247) | - | - |
| Addition to right of use assets | - | - | - | - | - | - | - | - | - | 1,645,622 | 1,645,622 |
| Disposal | - | - | - | - | - | (94,331) | - | - | - | - | (94,331) |
| Write-offs | - | (56,034) | - | - | - | (12,557) | - | - | - | - | (68,591) |
| As at 30 June 2021 | 7,719,084 | 97,365,067 | 302,280,188 | 2,204,028 | 753,749 | 3,190,137 | 1,557,012 | - | 26,605,254 | 31,165,730 | 472,840,251 |

Accumulated depreciation and impairment losses:

| | | | | | | | | | | | |
|-----------------------------|-----------|------------|-------------|-----------|---------|-----------|-----------|---|------------|------------|-------------|
| 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 | 61,223 | 1,584,870 | 6,756,687 | 104,549 | 8,030 | 169,209 | 62,808 | - | - | 4,204,166 | 12,951,542 |
| Write-offs | - | (42,065) | - | - | - | (12,557) | - | - | - | - | (54,622) |
| Disposals | - | - | - | - | - | (42,355) | - | - | - | - | (42,355) |
| As at 30 June 2021 | 4,897,429 | 27,736,321 | 113,744,512 | 1,198,476 | 663,474 | 2,632,994 | 1,231,938 | - | 12,394,270 | 23,901,105 | 188,400,520 |
| Carrying amount | | | | | | | | | | | |
| As at 30 June 2021 | 2,821,655 | 69,628,746 | 188,535,676 | 1,005,552 | 90,275 | 557,143 | 325,074 | - | 14,210,984 | 7,264,625 | 284,439,731 |
| 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 11.3 for details on right of use assets.

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Notes to the Consolidated and Separate Financial Statements for the period ended 30 June, 2021

11.1 Reconciliation of acquisition of property, plant and equipment in the statements of cash flows:

| | Group | | Company | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | 30 June 2021 N'000 | 30 June 2020 N'000 | 30 June 2021 N'000 | 30 June 2020 N'000 |
| Acquisition of property, plant and equipment | 9,673,301 | 3,622,553 | 8,309,759 | 1,729,625 |
| Property, plant and equipment accrual | (1,719,824) | 1,552,484 | (1,219,724) | 1,168,387 |
| Property, plant and equipment paid in the statement of cash flows | 7,953,477 | 5,175,037 | 7,090,035 | 2,898,012 |

11.2 Depreciation

Depreciation for the period, including those charged on Right of Use Assets, has been allocated as follows:

| | Group | | Company | |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 30 June 2021 N'000 | 30 June 2020 N'000 | 30 June 2021 N'000 | 30 June 2020 N'000 |
| Cost of sales (Note 4) | 13,452,540 | 13,024,027 | 12,514,756 | 12,120,975 |
| Administrative expenses (Note 6) | 670,401 | 503,085 | 436,786 | 491,263 |
| | 14,122,941 | 13,527,112 | 12,951,542 | 12,612,238 |

11.3 Right of Use Assets

| Group | Leasehold Land N'000 | Buildings N'000 | Production Plant N'000 | Motor Vehicles N'000 | Total N'000 |
|------------------------------------|-------------------------|--------------------|---------------------------|-------------------------|-------------------|
| Cost: | | | | | |
| As at 1 January 2021 | 130,941 | 2,068,506 | 2,182,105 | 25,155,580 | 29,537,132 |
| Additions | - | 27,500 | 868,799 | 749,323 | 1,645,622 |
| As at 30 June 2021 | 130,941 | 2,096,006 | 3,050,904 | 25,904,903 | 31,182,754 |
| Accumulated depreciation: | | | | | |
| As at 1 January 2021 | 48,160 | 1,305,658 | 2,157,795 | 16,202,350 | 19,713,963 |
| Depreciation charge for the period | 14,470 | 193,910 | 701,109 | 3,294,677 | 4,204,166 |
| As at 30 June 2021 | 62,630 | 1,499,568 | 2,858,904 | 19,497,027 | 23,918,129 |
| Carrying amount | | | | | |
| As at 30 June 2021 | 68,311 | 596,438 | 192,000 | 6,407,876 | 7,264,625 |
| As at 31 December 2020 | 82,781 | 762,848 | 24,310 | 8,953,230 | 9,823,169 |
| Company | | | | | |
| Cost: | | | | | |
| As at 1 January 2021 | 130,941 | 2,051,482 | 2,182,105 | 25,155,580 | 29,520,108 |
| Additions | - | 27,500 | 868,799 | 749,323 | 1,645,622 |
| As at 30 June 2021 | 130,941 | 2,078,982 | 3,050,904 | 25,904,903 | 31,165,730 |
| Accumulated depreciation: | | | | | |
| As at 1 January 2021 | 48,160 | 1,288,634 | 2,157,795 | 16,202,350 | 19,696,939 |
| Depreciation charge for the period | 14,470 | 193,910 | 701,109 | 3,294,677 | 4,204,166 |
| As at 30 June 2021 | 62,630 | 1,482,544 | 2,858,904 | 19,497,027 | 23,901,105 |
| Carrying amount | | | | | |
| As at 30 June 2021 | 68,311 | 596,438 | 192,000 | 6,407,876 | 7,264,625 |
| As at 31 December 2020 | 82,781 | 762,848 | 24,310 | 8,953,230 | 9,823,169 |

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

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12 Intangible assets

| | Group | | Total |
|---------------------------------|-------------------|------------------|------------------|
| | Intangible Assets | Work in progress | |
| | N'000 | N'000 | N'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 |
| Additions | - | - | - |
| Balance at 30 June 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 period | 616,739 | - | 616,739 |
| Balance at 30 June 2021 | 3,501,392 | - | 3,501,392 |
| Carrying amount | | | |
| At 30 June 2021 | 1,322,471 | - | 1,322,471 |
| At 31 December 2020 | 1,939,210 | - | 1,939,210 |
| Company | | | |
| | Intangible Assets | Work in progress | Total |
| | N'000 | N'000 | N'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 |
| Additions | - | - | - |
| Balance at 30 June 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 period | 476,583 | - | 476,583 |
| Balance at 30 June 2021 | 2,276,219 | - | 2,276,219 |
| Carrying amount | | | |
| At 30 June 2021 | 1,047,681 | - | 1,047,681 |
| At 31 December 2020 | 1,524,264 | - | 1,524,264 |

Intangible assets represents mineral rights and computer software in the Group's operations.

13 Interests in other entities

13.1 Investments in subsidiaries

The Group's principal subsidiaries at 30 June 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.

30 June 2021

| Name of entity | Principal activities | Place of Incorporation | Proportion | Cost |
|-------------------------|---------------------------|------------------------|------------|-------------------|
| | | | % | N'000 |
| AshakaCem Limited | Cement | Nigeria | 100 | 63,896,867 |
| Wapsila Nigeria Limited | Power Generation and Sale | Nigeria | 100 | 10,000 |
| | | | | 63,906,867 |

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31 December 2020

| Name of entity | Principal Activities | Place of Incorporation | Proportion | Cost |
|-------------------------|---------------------------|------------------------|------------|-------------------|
| | | | % | N'000 |
| AshakaCem Limited | Cement | Nigeria | 100 | 63,896,867 |
| Wapsila Nigeria Limited | Power Generation and Sale | Nigeria | 100 | 10,000 |
| | | | | 63,906,867 |

| | Group | | Company | |
|------------------------------------|--------------------|------------------------|--------------------|------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| 14 Other financial assets | | | | |
| Non-current: | | | | |
| Other financial assets (Note 14.1) | - | 964,796 | - | 964,796 |
| | - | 964,796 | - | 964,796 |
| Current: | | | | |
| Other financial assets (Note 14.2) | 242,295 | 1,731,432 | 182,258 | 1,729,090 |
| | 242,295 | 2,696,228 | 182,258 | 2,693,886 |

| | Group | | Company | |
|--|--------------------|------------------------|--------------------|------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| 14.1 Other financial assets - Non current | | | | |
| Loan to Related party (Note14.3) | - | 964,796 | - | 964,796 |
| | - | 964,796 | - | 964,796 |

14.2 Other financial assets - Current

| | Group | | Company | |
|----------------------------------|--------------------|------------------------|--------------------|------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Short term receivables | 242,295 | 64,738 | 182,258 | 62,396 |
| Loan to Related party (Note14.3) | - | 1,666,694 | - | 1,666,694 |
| | 242,295 | 1,731,432 | 182,258 | 1,729,090 |

14.3 Loan to Related party (CBI Ghana)

| | Group | | Company | |
|--------------|--------------------|------------------------|--------------------|------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Non-current: | - | 964,796 | - | 964,796 |
| Current: | - | 1,666,694 | - | 1,666,694 |
| | - | 2,631,490 | - | 2,631,490 |

This represents 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 of two years from draw down date on October 6, 2016 and December 28, 2016, respectively. This loan was repaid in June 2021 following the disposal of the investment in CBI Ghana.

16 Other assets

| | Group | | Company | |
|-------------------------------------|--------------------|------------------------|--------------------|------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Non current | 32,898,333 | 29,127,048 | 31,160,511 | 28,657,973 |
| Current | 14,630,834 | 11,916,440 | 13,760,593 | 8,846,892 |
| | 47,529,167 | 41,043,488 | 44,921,104 | 37,504,865 |
| Advance payment to suppliers | 7,782,556 | 5,158,795 | 7,027,211 | 3,208,943 |
| Prepayment for Gas | 29,805,351 | 28,657,973 | 29,805,351 | 28,657,973 |
| Prepaid rent | 264,626 | 88,955 | 181,435 | 88,955 |
| Prepaid insurance | 508,641 | 852,775 | 476,936 | 783,402 |
| Advance payment to transporters | 4,255,878 | 3,686,266 | 4,255,878 | 3,686,266 |
| Advance payment of taxes and levies | 2,217,733 | 936,677 | 2,217,733 | 936,677 |
| Letters of credit | 1,737,821 | 1,519,398 | - | - |
| Deposit for imports | 956,561 | 142,649 | 956,560 | 142,649 |
| | 47,529,167 | 41,043,488 | 44,921,104 | 37,504,865 |

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17 Inventories

| | Group | | Company | |
|--------------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Raw materials | 7,263,188 | 2,493,167 | 6,776,633 | 2,191,227 |
| Semi finished & finished goods | 10,786,637 | 11,095,856 | 5,985,029 | 7,306,126 |
| Spare parts | 15,195,068 | 12,913,795 | 12,843,588 | 10,574,637 |
| Other supplies (Note 17.1) | 5,172,398 | 4,549,778 | 1,749,374 | 2,394,625 |
| | 38,417,291 | 31,052,596 | 27,354,624 | 22,466,615 |

17.1 Other supplies

Other supplies consists of safety equipment, packaging materials, traditional fuel and production materials.

18 Trade and other receivables

| | Group | | Company | |
|---|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Trade receivables: | | | | |
| Third party sales | 2,907,041 | 2,107,502 | 2,539,977 | 1,997,477 |
| Related party sales | - | 242,224 | 4,923,411 | 2,710,063 |
| | 2,907,041 | 2,349,726 | 7,463,388 | 4,707,540 |
| Impairment on trade receivables (Note 18.2) | (253,189) | (254,892) | (242,345) | (244,970) |
| Net trade receivables | 2,653,852 | 2,094,834 | 7,221,043 | 4,462,570 |
| Other receivables (Note 18.1) | 2,483,902 | 2,675,215 | 2,404,486 | 2,718,960 |
| Due from related parties | 260,364 | 258,864 | 17,733,065 | 19,074,254 |
| Other short term receivables | 2,744,266 | 2,934,079 | 20,137,551 | 21,793,214 |
| Total trade and other receivables | 5,398,118 | 5,028,913 | 27,358,594 | 26,255,784 |

18.1 Other receivables

| | Group | | Company | |
|----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Withholding tax receivable | 858,576 | 949,009 | 858,576 | 949,009 |
| Gas receivable | - | 1,027,499 | - | 1,027,499 |
| Short term receivables | 1,625,326 | 698,707 | 1,545,910 | 742,452 |
| | 2,483,902 | 2,675,215 | 2,404,486 | 2,718,960 |

18.2 Movement in impairment allowance on trade receivables

| | Group | | Company | |
|--|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| At 1 January | 254,892 | 275,494 | 244,970 | 264,284 |
| Impairment losses written back/ (write off) ** | 18,423 | (20,602) | 17,501 | (19,314) |
| At Closing | 253,189 | 254,892 | 242,345 | 244,970 |

**Impairment losses written back relate to recoveries made during the year.

19 Cash and cash equivalents

| | Group | | Company | |
|---|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Restricted cash (Note 19.1) | 1,266,294 | 1,266,294 | 1,266,294 | 1,266,294 |
| Cash in hand and at bank (Note 19.2) | 56,578,157 | 52,056,686 | 45,055,294 | 38,483,421 |
| Cash and cash equivalents in the statement of financial position | 57,844,451 | 53,322,980 | 46,321,588 | 39,749,715 |

19.1 Restricted cash

Restricted cash represents unclaimed dividend.

19.2 Cash and cash equivalents in the statement of cash flows

For the purpose of cash flow statement, cash and cash equivalents comprises:

| | Group | | Company | |
|---|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Cash in hand and at bank | 56,578,157 | 52,056,686 | 45,055,294 | 38,483,421 |
| Less: bank overdrafts | - | - | - | - |
| Cash and cash equivalents in the statement of cash flows | 56,578,157 | 52,056,686 | 45,055,294 | 38,483,421 |

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20 Share capital and Share premium

20.1 Share capital

| | Group | | Company | |
|--|-----------------------|---------------------------|-----------------------|---------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Authorised: | | | | |
| 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 '000 | Share capital N'000 |
|----------------------------|----------------------|------------------------|
| At 1 January 2021 | 16,107,796 | 8,053,899 |
| Issued during the period | - | - |
| At 30 June 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 |

20.2 Share premium

| | Share premium N'000 |
|----------------------------|------------------------|
| At 1 January 2021 | 435,148,731 |
| At 30 June 2021 | 435,148,731 |
| At 1 January 2020 | 435,148,731 |
| At 31 December 2020 | 435,148,731 |

21 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 | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 | 6months ended 30/06/2021 N'000 | 6months ended 30/06/2020 N'000 |
| Profit attributable to equity holders of the Company | 28,322,585 | 23,329,257 | 26,922,591 | 21,527,653 |
| Number of ordinary shares in issue (Basic) | 16,107,796 | 16,107,796 | 16,107,796 | 16,107,796 |
| Basic earnings per share (Kobo) | 176 | 145 | 167 | 134 |

22 Disposal of investment in Joint Venture

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 held by the Company in CBI to a third party, F. Scott AG. The sale was concluded on June 30, 2021. 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).

22.1 Gain on disposal of the investment

| | USD'000 | Rate | 30 June 2021 N'000 |
|--|---------|------|-----------------------|
| Sales value of the investment | 6,041 | 503 | 3,038,740 |
| Less: | | | |
| Derecognition of Investment carrying value | | | (379,432) |
| Earn out obligation paid | (3,643) | 503 | (1,832,429) |
| Gain on disposal | | | 826,879 |

22.2 Cashflow from the disposal of the investment

| | USD'000 | USD'000 | Rate | 30 June 2021 N'000 |
|------------------------------|---------|---------|------|-----------------------|
| Proceeds received from sales | | 8,200 | 503 | 4,124,600 |
| | | | | 4,124,600 |
| Split into: | | | | |
| Repayment of loan principal | | 3,850 | 503 | 1,936,550 |
| Repayment of loan interest | | 1,952 | 503 | 981,739 |
| Sales value of investment | 6,041 | | | |
| Earn out obligation paid | (3,643) | 2,398 | 503 | 1,206,311 |
| | | | | 4,124,600 |

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23 Loans and borrowings

| | Group | | Company | |
|-----------------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Non-current | 3,522,173 | 5,139,600 | 1,258,770 | 2,774,394 |
| Current | 16,229,384 | 44,593,230 | 16,148,015 | 44,458,963 |
| Total loans and borrowings | 19,751,557 | 49,732,830 | 17,406,785 | 47,233,357 |
| Split into: | | | | |
| Power fund | 4,414,204 | 5,341,967 | 1,486,763 | 2,381,928 |
| Bond | - | 34,083,978 | - | 34,083,978 |
| Bank Loans | 9,933,769 | 2,438,039 | 9,676,507 | 2,103,913 |
| Related party loan | - | - | 848,967 | 803,728 |
| Lease liabilities | 5,403,584 | 7,868,846 | 5,394,548 | 7,859,810 |
| Total loans and borrowings | 19,751,557 | 49,732,830 | 17,406,785 | 47,233,357 |

23.1 Movement in loans and borrowings

| | Group N'000 | Company N'000 |
|----------------------------------|-------------------|-------------------|
| At 1 January 2021 | 49,732,830 | 47,233,357 |
| Additions: | | |
| Finance lease | 1,622,622 | 1,622,622 |
| Loan received | 7,260,949 | 7,337,814 |
| | 58,616,401 | 56,193,793 |
| Interest expensed | 3,318,429 | 3,134,453 |
| Interest paid on borrowings | (2,687,728) | (2,642,363) |
| Interest paid on leases | (621,090) | (621,090) |
| Principal repaid | (34,786,571) | (34,570,124) |
| Repayment of lease liabilities | (4,087,884) | (4,087,884) |
| At 30 June 2021 | 19,751,557 | 17,406,785 |
| At 1 January 2020 | 64,185,115 | 60,566,525 |
| Additions: | | |
| Finance lease | 2,387,657 | 2,387,657 |
| Loan received | 1,834,067 | 1,499,886 |
| | 68,406,839 | 64,454,068 |
| Interest expensed | 7,859,989 | 8,418,695 |
| Interest paid on borrowings | (5,117,850) | (5,252,701) |
| Interest paid on leases | (1,991,166) | (1,991,166) |
| Principal repaid | (7,759,060) | (6,403,645) |
| Repayment of lease liabilities | (7,488,596) | (7,488,596) |
| Impact of modification of leases | (4,503,298) | (4,503,298) |
| Impact of loan restructuring | 325,972 | - |
| At 30 December 2020 | 49,732,830 | 47,233,357 |

24 Provisions

| | Group | | Company | |
|-------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| | 30 June 2021 N'000 | 31 December 2020 N'000 | 30 June 2021 N'000 | 31 December 2020 N'000 |
| Non current (Note 24.1) | 1,833,881 | 1,510,577 | 995,240 | 817,124 |
| Current (Note 24.2) | 2,009,734 | 2,644,965 | 1,883,898 | 2,405,497 |
| | 3,843,615 | 4,155,542 | 2,879,138 | 3,222,621 |

24.1 Non current

| | Group N'000 | Company N'000 |
|------------------------------|------------------|------------------|
| Site restoration cost | | |
| At 1 January 2021 | 1,510,577 | 817,124 |
| Payment / Utilised | (116,581) | (39,840) |
| At 30 June 2021 | 1,833,881 | 995,240 |
| At 1 January 2020 | 1,011,285 | 547,403 |
| Provision made | 887,083 | 515,241 |
| Utilised | (387,791) | (245,520) |
| At 31 December 2020 | 1,510,577 | 817,124 |

24.2 Current

| | N'000 | N'000 |
|----------------------------------|------------------|------------------|
| Productivity bonus | | |
| At 1 January 2021 | 2,644,965 | 2,405,497 |
| Provision made during the period | 975,428 | 903,804 |
| Payment in the period | (1,610,659) | (1,425,403) |
| At 30 June 2021 | 2,009,734 | 1,883,898 |
| At 1 January 2020 | 677,349 | 604,451 |
| Provision made during the year | 2,739,977 | 2,458,418 |
| Payment in the year | (772,361) | (657,372) |
| At 31 December 2020 | 2,644,965 | 2,405,497 |

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| | Group | | Company | |
|---------------------------|------------------|------------------|------------------|------------------|
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| 25 Deferred income | | | | |
| Non-current | 1,583,850 | 1,683,008 | 1,206,625 | 1,234,307 |
| Current | 381,647 | 381,646 | 110,732 | 110,732 |
| | 1,965,497 | 2,064,654 | 1,317,357 | 1,345,039 |

Deferred income results from the benefit received from a below-market-interest rate government loan (CBN/BOI Intervention Fund loans). The revenue is recognised in profit or loss over the useful life of the asset financed with the loan.

26 Employee benefit obligations

| | Group | | Company | |
|------------------------------------|------------------|------------------|------------------|------------------|
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| Non current | | | | |
| Employee long service award scheme | 1,843,720 | 1,719,115 | 1,521,177 | 1,443,609 |
| Staff gratuities | 557,227 | 565,573 | 557,227 | 565,573 |
| | 2,400,947 | 2,284,688 | 2,078,404 | 2,009,182 |

27 Trade and other payables

| | Group | | Company | |
|---------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| Trade payables | 22,033,462 | 18,748,553 | 19,624,368 | 15,365,176 |
| Other payables: | | | | |
| Related party - technical service fee | 2,770,319 | 3,861,802 | 2,770,319 | 3,861,802 |
| Customers' deposits | 35,887,594 | 22,735,180 | 30,708,420 | 17,247,193 |
| Related companies | 3,648,521 | 3,263,740 | 17,389,364 | 16,690,513 |
| Withholding tax payable | 1,325,665 | 875,110 | 1,343,121 | 920,277 |
| Value added tax payable | 87,951 | 87,951 | 87,785 | 87,785 |
| Accruals | 11,900,263 | 7,145,326 | 10,349,066 | 6,279,343 |
| Other payables | 9,761,664 | 11,545,284 | 5,607,234 | 7,391,530 |
| Dividend payable (note 26.1) | 13,567,295 | 8,594,829 | 13,581,906 | 8,594,829 |
| | 78,949,272 | 58,109,222 | 81,837,215 | 61,073,271 |
| | 100,982,734 | 76,857,775 | 101,461,583 | 76,438,447 |

27.1 Dividend payable to equity holders of the Company

| | Group | Company |
|---|-------------------|-------------------|
| | N'000 | N'000 |
| At 1 January 2021 | | |
| Payment to the equity holders of the parent | 8,594,829 | 8,594,829 |
| Dividend declared | (11,135,330) | (11,135,330) |
| At 30 June 2021 | 13,567,295 | 13,581,906 |
| At 1 January 2020 | | |
| Dividend declared | - | - |
| Payment to the equity holders of the parent | 16,107,796 | 16,107,796 |
| At 31 December 2020 | 8,594,829 | 8,594,829 |

The balance on dividend payable is due to Caricement B.V. and Associated International Cement Ltd.

27.2 Dividend paid

The following dividend was paid during the year:

| | Group | | Company | |
|----------------|-------------------|------------------|-------------------|------------------|
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| Equity holders | 11,135,330 | 7,512,967 | 11,135,330 | 7,512,967 |
| Total | 11,135,330 | 7,512,967 | 11,135,330 | 7,512,967 |

Dividend paid to equity holders in current period relates to 2019 and partly 2020 dividend.

28 Additional cash flow information

| | Group | | Company | |
|---|------------------|---------------------|------------------|---------------------|
| | 6 months ended | 6 months ended | 6 months ended | 6 months ended |
| | 30 June | 30 June | 30 June | 30 June |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| 28.1 Working capital with adjustments after adjustment for non-cash movements: | | | | |
| Decrease/(increase) in inventories | (7,364,695) | 717,095 | (4,819,418) | 1,654,558 |
| Decrease/(increase) in trade and other receivables | (370,908) | 875,286 | (1,105,436) | (4,338,678) |
| (Increase) in other assets | (6,485,679) | (149,647) | (7,416,239) | (157,441) |
| (Increase) in other financial assets | 766,054 | (3,226,517) | 823,749 | (3,937,875) |
| (Decrease)/increase in trade and other payables | 17,432,669 | (11,207,541) | 18,816,334 | (12,825,848) |
| | 3,977,442 | (12,991,324) | 6,298,991 | (19,605,283) |

28.2 Provisions and net movement on employee benefits

| | Group | | Company | |
|---|------------------|----------------|------------------|----------------|
| | 6 months ended | 6 months ended | 6 months ended | 6 months ended |
| | 30 June | 30 June | 30 June | 30 June |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| Employee Long Service Award - service cost | 63,474 | 359,231 | 26,228 | 349,582 |
| Productivity bonus payment during the period | (1,610,659) | (957,883) | (1,425,403) | (811,415) |
| Staff gratuity benefits paid | - | (103,999) | - | (103,999) |
| Provision for productivity bonus for the period | 975,428 | 1,049,261 | 903,804 | 918,315 |
| | (571,757) | 346,610 | (495,371) | 352,483 |

28.3 Other non cash items

| | Group | | Company | |
|---|----------------|------------------|----------------|------------------|
| | 6 months ended | 6 months ended | 6 months ended | 6 months ended |
| | 30 June | 30 June | 30 June | 30 June |
| | 2021 | 2020 | 2021 | 2020 |
| | N'000 | N'000 | N'000 | N'000 |
| Write offs for Property, plant and equipment | 13,969 | 55,853 | (54,622) | 55,853 |
| Gain on sale of property, plant and equipment | (74,094) | (83,084) | (74,094) | (83,084) |
| Impairment provision on trade receivables | 1,702 | 19,315 | 2,625 | 20,908 |
| Movement in site restoration provision | 323,304 | (302,580) | 178,116 | (161,627) |
| Government grants (Note 7) | (196,044) | (245,543) | (27,682) | (55,366) |
| | 68,837 | (556,039) | 24,343 | (223,316) |