



DANGOTE CEMENT PLC

**ANNUAL REPORT &
FINANCIAL STATEMENTS**

31 DECEMBER 2025

DANGOTE CEMENT PLC

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

CONTENTS	PAGE
Directors' report	2
Report of the Statutory Audit Committee	7
Statement of Directors' responsibilities for the preparation and approval of the financial statements	8
Statement of corporate responsibility for the consolidated and separate financial statements	9
Certification of management's assessment of Internal Control over Financial Reporting - Group Chief Executive Officer	10
Certification of management's assessment of Internal Control over Financial Reporting - Group Chief Finance Officer	11
Management's report on the effectiveness of Internal Control over Financial Reporting	12
Independent auditor's limited assurance report on Internal Control over Financial Reporting	13
Independent auditor's report	15
Consolidated and separate statements of profit or loss	20
Consolidated and separate statements of comprehensive income	21
Consolidated and separate statements of financial position	22
Consolidated statement of changes in equity	23
Separate statement of changes in equity	24
Consolidated and separate statements of cash flows	25
Notes to the consolidated and separate financial statements	26
Other National disclosures	
Statement of value added	90
Five-year financial summary (Group)	91
Five-year financial summary (Company)	92

Directors' Report

The Directors of Dangote Cement Plc present the Consolidated and Separate Financial Statements for the year ended 31st December 2025. The Directors have considered all the matters brought before them in the financial year under review and are satisfied that the Directors' Report represents a fair, balanced and realistic view of events.

Legal form

Obajana Cement Plc., subsequently renamed Dangote Cement Plc by virtue of a special resolution dated 7th February 2010, was incorporated in Nigeria as a public limited company on 4th November 1992 and commenced operations in January 2007. Dangote Cement Plc listed its shares on the Nigerian Exchange Limited ("the Exchange") on 26th October 2010, and it has a market capitalisation of ₦10.20 trillion as at 31st December 2025.

Principal activities

The Company was incorporated for the purpose of establishing factories for the preparation, manufacture, sale and distribution of cement and related products. Our operational activities are undertaken at various plants in Nigeria and through our subsidiaries across Africa. Details of our production, grinding and import facilities in Africa can be found in note 18 of the Financial Statements.

Subsequent events

Other than those disclosed in note 37 of the Financial Statements, there were no other events after the reporting date which could have had a material effect on the financial position of the Group as of 31st December 2025, which have not been adequately provided for in the Financial Statements.

Directors' responsibilities

The Directors are responsible for preparing the Financial Statements, which they confirm gives a true and fair view of the Group and Company's state of affairs and the profit or loss for that period. The Financial Statements comply with the provisions of the Companies and Allied Matters Act (CAMA), 2020, International Financial Reporting Standards (IFRS) and Financial Reporting Council of Nigeria Act, 2011 (as amended). In so doing, they ensure that they act in accordance with the Directors' responsibilities outlined below:

1. The Board is charged with ensuring that appropriate values and ethics of the Company are agreed and that appropriate procedures and policies are in place to ensure that these are implemented effectively. The Board ensures leadership through oversight and review. Supported by its Committees, the Board sets the Company's strategic direction and aims to deliver a sustainable increase in shareholder value over the longer term.
2. The Board ensures that proper accounting records are maintained, consistently applied, and appropriate financial statements are prepared on a going concern basis, conforming to applicable laws and standards. This responsibility is delegated to the Board Finance and Investment Committee.
3. The Board ensures that internal control procedures are established to safeguard the Company's assets and detect fraud and other irregularities. It also oversees the implementation of risk assessment processes to identify, manage and mitigate the principal risks of the Company's business. This responsibility is delegated to the Board Audit, Risk and Compliance Committee.
4. The Board reviews the remuneration framework, performance criteria and succession planning at Board and Executive Management level. It also oversees the Group's human resources strategy, including the organisational and compensation structures. This responsibility is delegated to the Board Remuneration, Governance and Nomination Committee.
5. The Board reviews the structure of the Board and develops governance policies in line with regulatory requirements and international best practices. This responsibility is delegated to the Board Remuneration, Governance and Nomination Committee.

Directors' Report continued

6. The Board ensures that the technical and operational aspects of the business are conducted in line with global best practices. It assesses the feasibility of proposed new projects and ensures that plant operations comply with local and international laws and align with our business goals. Also, it is responsible for overseeing new technology and development programmes of the business. This responsibility is delegated to the Board Sustainability and Technical Committee.

Board Committees

The Board Committees do not assume the functions of Management, which remain the responsibility of the Group Managing Director and Executive Management. Members of Senior Management are invited to attend meetings of Board Committees as required, while the Committee Chairmen hold further meetings with certain members of Executive Management to better review areas of concern. The reports of the Committees are presented at Board meetings. As part of the review of the effectiveness of its Committees, the Board considered the qualifications and experience of members and is satisfied that all Committee members bring a wide range of knowledge and skill and will effectively discharge their duties. The Company Secretary is the Secretary to each Committee.

Results for The Year

- Group revenue increased by 20% to ₦4.307 Trillion (2024: ₦3.581 Trillion).
- Company revenue increased by 35% to ₦2.957 Trillion (2024: ₦2.193 Trillion)
- Group net profit increased by 102% to ₦1.015 Trillion (2024: ₦503 Billion).
- Company net profit decreased by 31% to ₦709 Billion (2024: ₦1.027 Trillion).
- Group earnings per share increased by 101% to ₦59.86 (2024: ₦29.74).
- Company earnings per share decreased by 31% to ₦42.31 (2024: ₦61.32).

Dividends

The Directors pursue a dividend policy that reflects the Company's earnings and cash flow, while maintaining appropriate levels of dividend cover. They consider the capital needed to fund the Company's operations and expansion plans. For the 2025 financial year, the Directors are pleased to recommend a dividend of ₦45.00 per ordinary 50 kobo share (2024: ₦30.00). The Board considers that the proposed dividend is appropriate and is in line with the Company's strategic growth objectives. If the shareholders approve this dividend at the Annual General Meeting, dividends will be paid to the shareholders whose names are registered in the Company's Register of Members at the close of business on the Qualification Date.

Unclaimed dividends

The total unclaimed dividends outstanding as of 31st December 2025 is ₦ 4.0 billion (2024: ₦5.2 billion). A list of unclaimed dividends is available on the Company's website at www.dangotecement.com. The Company notes that some dividend warrants remain unclaimed. Shareholders with unclaimed share certificates or dividends should address their claims to Coronation Registrars Ltd registrars at eforms@coronationregistrars.com or 9, Amodu Ojikutu Street, Victoria Island, Lagos, Nigeria. Members are encouraged to notify the Registrars of any changes in their details.

Directors

As of 18th February 2026, Dangote Cement Plc had 13 Directors, all of whom held office as of the 31st December 2025. The appointment, removal or reappointment of Directors is governed by the Company's Articles of Association, the Companies and Allied Matters Act (CAMA), 2020, and board and governance policies. These documents also set out the rights and obligations of Directors. In accordance with the Articles of Association of Dangote Cement Plc, prevailing legislation and any directions via resolution, the business of the Company is managed by the Directors, who in good faith, exercise all such powers on behalf of the Company.

Directors' Report continued

Directors' interests

In accordance with the Companies and Allied Matters Act (CAMA), 2020, the Directors' interests in the issued share capital of the Company are recorded in the Register of Members and stated below:

S/N	Shareholder	As at 31 December 2025	As at 31 December 2024
1	Emmanuel Ikazoboh	600,000	600,000
2	Olakunle Alake	12,000,000	10,000,000
3	Abdu Dantata	8,680	8,680
4	Devakumar V. G. Edwin	11,000,000	9,000,000
5	Ernest Ebi	100,000	100,000
6a	Douraid Zaghouni	-	-
6b	(Indirect: Douraid Zaghouni) Investment Corporation of Dubai	243,540,000	243,540,000
7a	Viswanathan Shankar	-	-
7b	(Indirect: Viswanathan Shankar) GW Grey, Pte Ltd	128,560,764	128,560,764
8	Halima Aliko-Dangote	500,000	500,000
9	Cherie Blair	-	-
10	Berlina Moroole	-	-
11	Alvaro Ponciano Merian	-	-
12	Arvind Pathak	-	-
13	Mariya Aliko-Dangote	-	-

Conflicts of interest

The Company maintains a Register of Directors' interest in accordance with the requirements of the Companies and Allied Act (CAMA), 2020. The Company also applies a conflict of interest Policy developed in accordance with international best practices and Corporate Governance Codes, as well as the Investment and Securities Act, 2025.

Supplier payment policy

It is the practice of the Company to agree on the terms of payment negotiated with suppliers and pay according to those terms based upon receipt of accurate invoices. Trade creditor days for the year ended 31st December 2025 were 89 days on average for the Group (2024: 90 days) and 72 days for the Company (2024: 95 days).

Property, plant and equipment

Information relating to changes in property, plant and equipment is disclosed in note 15 of the Financial Statements.

Donations

Sponsorship and charitable donations amounted to ₦19.4 billion (2024: ₦12.4 billion) for Dangote Cement Plc (Group) and ₦17.9 billion (2024: ₦9.6 billion) for Dangote Cement Plc (Nigeria). In accordance with Section 43(2) of the Companies and Allied Matters Act, 2020 ("CAMA"), the Company did not make any donation or give gifts to any political party, political association or for any political purpose during the year (2024: Nil).

Sustainability

Dangote Cement Plc is committed to complying with all applicable legislation, regulations and codes of practice. We integrate sustainability considerations into all our business decisions and ensure our stakeholders are aware of our Sustainability Policy.

Corporate governance and investor relations

During the financial year under review, the Company complied with the NGX Rules and has not been fined by the FRC, SEC, nor NGX for any infringements. The Board conducted an internal corporate governance and board evaluation. The result indicated that the Corporate Governance framework in Dangote Cement Plc complies with extant Codes of Corporate Governance provisions. The Company pursues an active investor relations programme with investor meetings and earnings calls throughout the year. Our website contains information about the Company's performance and strategy.

Directors' Report continued**Employees**

Dangote Cement Plc operates a policy of non-discrimination and considers all employment applications equitably. Efforts are made to ensure that the most qualified person is recruited for the position, irrespective of religion, ethnic group, physical condition or state of origin. The Company employed seven (7) persons with disabilities during the year under review, and it is the policy of the Company that where existing employees become disabled to provide continuing employment under similar or, if possible, adjusted conditions. We review our employment policies in line with the strategic objectives of our business and ensure that information is disseminated to employees through various means, including through notice boards and company emails. We consult employees regularly to ensure that their views are considered when making decisions that are likely to affect their interests and to achieve a shared awareness of the factors affecting the Company.

Health, safety at work and welfare of employees

Dangote Cement Plc recognises the importance of health, safety and well-being of its employees. To continue to enhance the safety culture at workplace, toolbox talks and various HSE trainings are organised to further improve awareness and competencies. Visible leadership rounds, inspections and inter departmental health and safety audits are conducted. To deal with fire emergency, heat and smoke detectors are strategically installed. Firefighting equipment are available at strategic locations and employees are trained regularly and mock drills are conducted. Workshops on job safety analysis, hazard identification and risk control, healthy lifestyle for healthy living, visible leadership etc. are conducted. Employees are encouraged to report unsafe acts and unsafe conditions and are empowered to stop any unsafe act. Various H&S standards, procedures are developed for the safety of DCP employees. A Personal Protective Equipment (PPE) policy is in place and all employees are provided with required PPE. Team of competent HSE officers are available at all locations to assist line managers in working safely.

Training and development

Dangote Cement Plc is committed to supporting the development of all its employees. The fundamental purpose is to facilitate personal and professional development enabling individuals to achieve their full potential at work. Our robust Learning Management System gives employees access to learning resources anytime, anywhere to improve their skills and competencies. The Dangote Academy offers training programmes for employees across the Group, with facilitation from professionals and other training experts. The courses are designed to help employees in the performance of their designated roles and to help them to fulfil their potential. Our policy is that all employees have at least one annual performance review a year, with their head of department or line manager. Training and development needs will be assessed, and ways of meeting these will be identified, and an appropriate timescale agreed.

Retirement benefits

The Company operates a group life policy and a contributory pension scheme for its employees in Nigeria, in line with the provisions of the Pension Reform Act 2014. The scheme is funded through employees' and employers' contributions as prescribed by the Act.

Research and innovation

Against the backdrop of rapid urbanisation and population growth across Africa, the Company recognises the critical role of cement and building materials in meeting the continent's housing and infrastructure needs. Through targeted research and innovation, we focus on developing high-quality, cost-effective, and sustainable cement products, optimising production processes, and improving material performance to support durable construction, operational efficiency, and long-term value creation across our markets.

Capital structure

The Company has one class of ordinary shares, which reflect the total value of the share capital. Each ordinary share carries the right to one vote at the Company's Annual General Meeting. The shareholding and transfer of shares are governed by the Company's Articles of Association and relevant regulations. There are no restrictions with respect thereto. The Articles of Association may be amended by a special resolution approved by the shareholders.

Directors' Report continued

Substantial interest in shares

All shares other than treasury shares and shares held by Dangote Industries Limited (86.65%) and Aliko Dangote (0.17%) are considered free-float shares. Aliko Dangote is the ultimate owner of Dangote Industries Limited. All issued shares are fully paid, and no additional shares were issued during the year under review. As of 31st December 2025, and 18th February 2026, Dangote Industries Limited and Stanbic IBTC Nominees Nigeria Ltd held more than 5% of the Company's issued share capital detailed below. Aside from Dangote Industries Limited and Stanbic IBTC Nominees Nigeria Limited, no other individual(s) or entity(s) hold(s) 5% and above of the Company's shares.

Date	Details	Dangote Industries Ltd.	Stanbic IBTC Nominees Ltd
As of 31st December 2024	Units	14,621,387,610	955,392,741
	%	86.67	5.61
As of 31st December 2025	Units	14,621,387,610	923,074,610
	%	86.65	5.47
As of 18th February 2026	Units	14,621,387,610	924,064,815
	%	86.65	5.48

Share Buy-Back Programme

The Company's shareholders approved the execution of the initial Share Buy-Back Programme at the Extraordinary General Meeting held on 13 December 2022. Under this programme, the Company repurchased 166,948,153 ordinary shares, which were fully cancelled with the CAC in 2024. The public was formally notified of this cancellation on 19 February 2025 through the NGX.

In July 2023, the Company launched Tranche I of its second Share Buy Back Programme, successfully repurchasing 0.71% of its outstanding shares. These shares are currently undergoing cancellation. Details are as follows:

Share Capital Analysis	Units	Remarks
Pre-buyback number of shares	17,040,507,404	
Programme I		
Shares bought back from 30 to 31 December 2020 (Tranche I)	(40,200,000)	Treasury shares - Cancelled
Shares bought back from 19 to 20 January 2022 (Tranche II)	(126,748,153)	Treasury shares - Cancelled
Programme II		
Shares bought back from 17 to 18 July 2023 (Tranche I)	(121,404,714)	Treasury shares
Total number of residual issued and fully paid outstanding shares	16,752,154,537	

Share Capital

Following the cancellation of treasury shares from the first buy-back programme, the current share capital of the Company is ₦8,436,779,625.50, and the number of shares is 16,873,559,251.

Independent auditors

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA), 2020, therefore, the independent auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed. A resolution will however be proposed authorising the Directors to fix their remuneration.

By the Order of the Board of Directors.



Edward Imoedemhe

Company Secretary

FRC/2021/002/00000022594

Leadway Marble House,

1, Alfred Rewane Road,

P. O. Box 40032,

Falomo, Ikoyi, Lagos.

Dated 26th February 2026

DANGOTE CEMENT PLC

REPORT OF THE STATUTORY AUDIT COMMITTEE

In accordance with Section 404 (7) of the Companies and Allied Matters Act (CAMA), 2020 and Section 30.4 of the SEC Code, the members of the Statutory Audit Committee of Dangote Cement Plc hereby report as follows:

"We have exercised our statutory functions under Section 404 (7) of the Companies and Allied Matters Act (CAMA), 2020 and we acknowledge the cooperation of the Board, management and staff in the conduct of these responsibilities. After careful consideration of the report of the external auditors, we accepted the report that the Financial Statements give a true and fair view of the state of the Group and Company's financial affairs as at 31 December 2025.

We confirm that:

- I. The accounting and reporting policies of the Group and Company are in accordance with legal and regulatory requirements as well as agreed ethical practices.
- II. We reviewed the scope and planning of audit requirements and found them adequate.
- III. We reviewed the findings on the management letter prepared by the external auditors and found management responses to the findings satisfactory.
- IV. The accounting and internal controls system is constantly and effectively being monitored through an effective internal audit function.
- V. We made recommendations to the Board on the re-appointment and remuneration of the external auditors and also reviewed the provision made in the Financial Statements for the remuneration of the external auditors; and
- VI. We considered that the external auditors are independent and qualified to perform their duties effectively.

The Committee therefore recommends that the Audited Financial Statements for the year ended 31 December 2025 and the External Auditors' report thereon be presented for adoption at the Annual General Meeting."



Robert Ade-Odiachi

Chairman, Statutory Audit Committee
FRC/2013/ICAN/00000004526
26 February 2026

Members of the Statutory Audit Committee:

Robert Ade-Odiachi, Shareholders' Representative
Nicholas Nyamali, Shareholders' Representative
Sheriff Yussuf, Shareholders' Representative
Olakunle Alake, Non-Executive Director
Ernest Ebi, Independent Non-Executive Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors of Dangote Cement Plc are responsible for the preparation of the consolidated and separate financial statements that present fairly the financial position of the Group and Company as at 31 December 2025, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company's financial position and financial performance; and
- making an assessment of the Group and Company's ability to continue as a going concern.

The Directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Group and Company;
- maintaining adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time, the financial position of the Group and Company, and which enable them to ensure that the financial statements of the Group and Company comply with IFRS Accounting Standards;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS Accounting Standards;
- taking such steps as are reasonably available to them to safeguard the assets of the Group and Company; and
- preventing and detecting fraud and other irregularities.
- The Directors have assessed the Group and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain as a going concern in the year ahead.

The consolidated and separate financial statements of the Group and Company for the year ended 31 December 2025 were approved by the Directors on 26 February 2026.

On behalf of the Directors



Emmanuel Ikakoboh

Chairman

FRC/2013/ICAN/00000003157

26 February 2026



Arvind Pathak

Group Chief Executive Officer/GMD

FRC/2023/PRO/DIR/003/236066

26 February 2026

DANGOTE CEMENT PLC

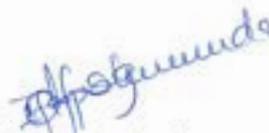
STATEMENT OF CORPORATE RESPONSIBILITY FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Group Chief Executive Officer/GMD and Group Chief Financial Officer, hereby certify the consolidated and separate financial statements of Dangote Cement Plc for the year ended 31 December 2025 as follows:

- a) That we have reviewed the audited consolidated and separate financial statements of Dangote Cement Plc ("the Company") and its subsidiaries (together, "the Group") for the year ended 31 December 2025.
- 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 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 2025.
- 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 us by other officers of the companies, during the year ended 31 December 2025.



Arvind Pathak
Group Chief Executive Officer/GMD
FRC/2023/PRO/DIR/003/236066
26 February 2026



Gbenga Fapohunda
Group Chief Finance Officer
FRC/2019/ICAN/00000019333
26 February 2026

DANGOTE CEMENT PLC, YEAR ENDED 31 DECEMBER 2025

CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING - GROUP CHIEF EXECUTIVE OFFICER

I, Arvind Pathak, certify that:

- a) I have reviewed the Management's Report on the Effectiveness of Internal Control over Financial reporting as of 31 December 2025 of Dangote Cement Plc ("the Company") and its subsidiaries (together "the Group");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The Group's other certifying officer and I:
 - 1) are responsible for establishing and maintaining internal controls;
 - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 - 4) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the statutory audit committee:
 - 1) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and
 - 2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.
- f) The Group's other certifying officer and I have not identified any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Arvind Pathak

Group Chief Executive Officer/GMD

FRC/2023/PRO/DIR/003/236066

26 February 2026

DANGOTE CEMENT PLC, YEAR ENDED 31 DECEMBER 2025

CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING – GROUP CHIEF FINANCIAL OFFICER

I, Gbenga Fapohunda, certify that:

- a) I have reviewed the Management's Report on the Effectiveness of Internal Control over Financial reporting as of 31 December 2025 of Dangote Cement Plc ("the Company") and its subsidiaries (together "the Group");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The Group's other certifying officer and I:
 - 1) are responsible for establishing and maintaining internal controls;
 - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 - 4) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the statutory audit committee:
 - 1) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and
 - 2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.
- f) The Group's other certifying officer and I have not identified any significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.



Gbenga Fapohunda
Group Chief Finance Officer
FRC/2019/ICAN/00000019333
26 February 2026

DANGOTE CEMENT PLC, YEAR ENDED 31 DECEMBER 2025

MANAGEMENT'S REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING AS OF 31 DECEMBER 2025

The management of Dangote Cement Plc ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Investment and Securities Act 2025 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

The management of Dangote Cement Plc assessed the effectiveness of the internal control over financial reporting of the Company and its subsidiaries (together "the Group") as of 31 December 2025 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Internal Control over Financial Reporting.

As of 31 December 2025, the management Dangote Cement Plc did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of 31 December 2025, the Group's internal control over financial reporting was effective.

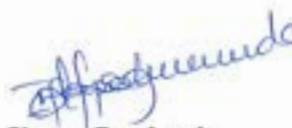
The Company's independent auditor, KPMG Professional Services, who audited the consolidated and separate financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 December 2025, based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report appears on page 13 and 14 of the Annual Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group's internal control over financial reporting



Arvind Pathak
Group Chief Executive Officer/GMD
FRC/2023/PRO/DIR/003/236066
26 February 2026



Gbenga Fapohunda
Group Chief Finance Officer
FRC/2019/ICAN/00000019333
26 February 2026



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Independent Auditor's Limited Assurance Report

To the Shareholders of Dangote Cement Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Dangote Cement Plc ("the Company") and its subsidiaries (together "the Group") as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting.

Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

We have audited the consolidated and separate financial statements of Dangote Cement Plc in accordance with the International Standards on Auditing, and our report dated 28 February 2026 expressed an unmodified opinion of those consolidated and separate financial statements. Our conclusion is not modified in respect of this matter.



Responsibilities for Internal Control over Financial reporting

The Board of Directors of Dangote Cement Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Signed:

Mohammed M Adama, FCA
FRC/2012/PRO/ICAN/004/00000000443
For: KPMG Professional Services
Chartered Accountants
28 February 2026
Lagos, Nigeria





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

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Dangote Cement Plc

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Dangote Cement Plc ("the Group and Company) and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of profit or loss;
- the consolidated and separate statements of comprehensive income;
- the consolidated statement of changes in equity;
- the separate statement of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended, and
- the notes, comprising material 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 Group and Company and its subsidiaries as at 31 December 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

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 Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Nigeria. 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.

1. Impairment assessment of investment in subsidiaries	
Refer to material accounting policies (Note 2.3.1, 2.3.2 and 4.2.6) and related disclosures (Note 18.2 and 31.2) of the separate financial statements	
The key audit matter	How the matter was addressed in our audit
<p>The carrying amounts of the Company's investment in subsidiaries and net investments in the subsidiaries amounting to ₦252 billion and ₦1.7 trillion as disclosed in Notes 18.2 and 31.2, respectively, of the consolidated and separate financial statements are significant. Some of the subsidiaries are currently loss-making and are dependent on financial support mostly in the form of loans and advances from the parent company for their ongoing operations (Note 31).</p> <p>The estimation of recoverable amounts of the investments in subsidiaries involves making judgments and assumptions regarding the future performance of the subsidiaries, inherent uncertainties around macroeconomic factors involved in cash flow projections and determining appropriate discount rates and terminal growth rates.</p> <p>The significance of the amounts involved and the uncertainties inherent in estimating the recoverable amounts make this a key audit matter in the separate financial statements.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We held inquiry sessions with management to understand the process and procedures for the identification of indicators of impairment of investment in subsidiaries. • We evaluated management's assessment of impairment indicators by comparing the carrying amount of the investments to the net asset values of the respective underlying entities as at the reporting date to determine if conclusions regarding impairment were consistent with our knowledge of the business, its operating environment and other information obtained during the audit. • We assessed the reasonableness of the cash flow forecasts presented for the subsidiaries with impairment triggers by comparing them with historical performance. • We challenged management's assumptions, judgement and decisions made in the calculation of the recoverable amounts by comparing them with historical performance, industry trends and future projections, considering the uncertainties around macroeconomic factors and climate change. • We used our own valuation specialist to evaluate the appropriateness of the discount and terminal growth rates used. • We assessed the appropriateness of the classification and disclosure in the financial statements required by relevant accounting standards, including disclosures about sensitivities and major sources of estimation uncertainties.

2. Property, Plant and Equipment	
Refer to material accounting policies (Note 2.13, 2.24.2, 4.2.1, and 4.2.8) and related disclosures (Note 15) of the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in our audit
<p>The carrying amount of Property, Plant and Equipment (PPE) as at 31 December 2025 is ₦3.9 trillion for the Group and ₦869 billion for the Company, representing 65% and 20% of total assets, respectively, as disclosed in Note 15. These balances are significant to the Group and Company's financial statements.</p> <p>We focused on this area due to the following:</p> <p>PPE has a substantial volume of additions and reclassifications of diverse assets, including transfers</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We inspected supporting documentation for a sample of PPE additions, reclassifications, disposals, write offs, transfers and other key PPE movements, and assessed PPE recognition criteria in line with the relevant IFRS Accounting Standards. • We evaluated the accuracy and completeness of the property, plant and equipment register, including reconciliations to the general ledger.

2. Property, Plant and Equipment (continued)	
Refer to material accounting policies (Note 2.13, 2.24.2, 4.2.1, and 4.2.8) and related disclosures (Note 15) of the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in our audit
<p>of trucks and other equipment to related parties, distributors, and customers.</p> <p>PPE also has substantial construction-in-progress and asset-coupling projects, involving multiple cost components, with a significant portion of input costs sourced outside Nigeria and Pan Africa, requiring careful tracking and timing of recognition, reclassification and foreign exchange translation.</p> <p>Judgment is required in determining the appropriate impairment assessment, and depreciation rates of these assets.</p> <p>This is considered a key audit matter in both the consolidated and separate financial statements.</p>	<ul style="list-style-type: none"> • We inspected project documentation and cost tracking for construction-in-progress and asset coupling projects. • We evaluated foreign currency translation calculations and inspected relevant supporting documentation for overseas sourced costs. • We assessed whether any indicators of PPE impairment existed at the reporting date by analyzing internal and external factors to determine if impairment triggers existed that would require a quantitative Step 2 impairment assessment in accordance with the relevant IFRS Accounting Standards. • We assessed the appropriateness of depreciation policies and depreciation calculations applied on property, plant and equipment by benchmarking useful lives against industry standards and corroborating management’s estimates with our observations of physical usage and the asset replacement cycles. • We performed physical inspections of a sample of PPE items to assess their existence and condition. • We assessed the presentation and appropriateness of disclosures of property plant and equipment in the consolidated and separate financial statements.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors Report, Report of the Statutory Audit Committee, Statement of Directors' Responsibilities for the preparation and approval of the financial statements, Statement of Corporate Responsibility for the consolidated and separate Financial Statements, Certification of Management’s Assessment of Internal Control over Financial reporting – Group Chief Financial Officer, Certification of Management’s Assessment of Internal Control over Financial reporting – Group Chief Executive Officer, Management’s Report on the Effectiveness of Internal Control over Financial Reporting and Other National Disclosures which we obtained prior to the date of this auditor’s report, but does not include the consolidated and separate financial statements and our auditor’s report thereon. Other information also includes Strategic report, The Dangote Way, Corporate Governance report and Supplementary information, together the “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 and will 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 identified above 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 auditor’s 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.

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 IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate 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 scepticism 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Statutory 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 Statutory 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 the Statutory 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, statement of profit or loss and statement of comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Group's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with ISAE 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified opinion in our report dated 28 February 2026. That report is included on pages 13 and 14 of the Annual Report.

Signed:

Mohammed M. Adama, FCA
FRC/2012/PRO/ICAN/004/0000000443
For: KPMG Professional Services
Chartered Accountants
28 February 2026
Lagos, Nigeria



DANGOTE CEMENT PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group		Company	
		Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million
Revenue	5	4,306,704	3,580,550	2,956,515	2,192,695
Production cost of sales	7	(1,634,430)	(1,645,651)	(1,169,998)	(988,041)
Gross profit		2,672,274	1,934,899	1,786,517	1,204,654
Administrative expenses	8	(261,761)	(220,537)	(131,682)	(93,385)
Selling and distribution expenses	9	(682,763)	(618,664)	(396,099)	(360,987)
Other income	11	42,251	57,070	25,693	29,627
Impairment of financial assets	30.6.1	(4,724)	(726)	(10,605)	(387)
Profit from operating activities		1,765,277	1,152,042	1,273,824	779,522
Finance income	10.1	109,942	168,572	283,342	775,686
Finance costs	10.2	(351,504)	(700,299)	(484,349)	(378,881)
Gain on net monetary position	35	6,452	109,404	-	-
Share of profit from associate	18.3	2,493	2,818	-	-
Profit before tax		1,532,660	732,537	1,072,817	1,176,327
Income tax expense	14.1	(517,739)	(229,290)	(363,975)	(149,110)
Profit for the year		1,014,921	503,247	708,842	1,027,217
Profit for the year attributable to:					
Owners of the Company		1,002,847	498,192	708,842	1,027,217
Non-controlling Interests		12,074	5,055	-	-
		1,014,921	503,247	708,842	1,027,217
Earnings per share, basic and diluted (Naira)	13	59.86	29.74	42.31	61.32

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

DANGOTE CEMENT PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million
Profit for the year	1,014,921	503,247	708,842	1,027,217
Other comprehensive income, net of tax:				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translating net investments in foreign operations	(57,258)	471,287	-	-
Other comprehensive (loss)/income for the year, net of tax	(57,258)	471,287	-	-
Total comprehensive income for the year	957,663	974,534	708,842	1,027,217
Total comprehensive income for the year attributable to:				
Owners of the Company	936,911	956,124	708,842	1,027,217
Non-controlling Interests	20,752	18,410	-	-
	957,663	974,534	708,842	1,027,217

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

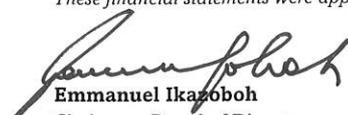
DANGOTE CEMENT PLC

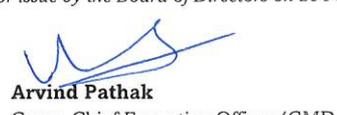
**CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

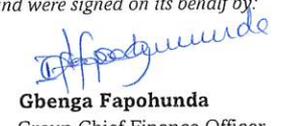
	Notes	Group		Company	
		31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Assets					
Non-current assets					
Property, plant and equipment	15	3,917,363	3,271,322	868,987	675,227
Intangible assets	16	16,383	17,003	102	81
Right-of-use assets	17	62,032	70,429	3,149	3,216
Investments in subsidiaries	18.2	-	-	252,035	249,262
Investment in associate	18.3	3,222	3,005	1,582	1,582
Lease receivables	22	23,044	16,877	23,044	16,877
Deferred tax assets	14.4	17,757	19,426	-	-
Prepayments	19.1	28,969	48,580	50	50
Receivables from related parties	31.2	-	1,045,575	1,713,814	2,733,412
Total non-current assets		4,068,770	4,492,217	2,862,763	3,679,707
Current assets					
Inventories	20	756,835	669,662	370,281	322,792
Trade and other receivables	21	147,472	116,742	61,141	37,237
Prepayments and other current assets	19.2	663,611	665,071	1,001,415	1,014,651
Lease receivables	22	4,897	7,889	4,897	7,889
Current tax assets	14.2	1,573	1,826	924	924
Cash and cash equivalents	32.1	397,569	449,831	143,174	131,614
Total current assets		1,971,957	1,911,021	1,581,832	1,515,107
Total assets		6,040,727	6,403,238	4,444,595	5,194,814
Liabilities					
Current liabilities					
Trade and other payables	25	1,269,622	992,119	397,238	420,169
Lease liabilities	33	6,221	5,860	484	82
Current tax liabilities	14.3	297,021	183,160	235,242	129,623
Financial liabilities	26	799,765	1,245,181	581,104	999,010
Other current liabilities	27.2	231,065	143,264	462,477	197,712
Total current liabilities		2,603,694	2,569,584	1,676,545	1,746,596
Non-current liabilities					
Deferred tax liabilities	14.4	353,245	196,422	182,516	73,243
Financial liabilities	26	359,810	1,386,383	198,275	1,217,896
Lease liabilities	33	24,597	26,317	1,045	1,364
Provisions	28	57,427	31,931	32,391	12,474
Deferred revenue	27.1	708	756	12	2
Employee benefit obligations	29.2	21,110	16,600	19,918	15,623
Total non-current liabilities		816,897	1,658,409	434,157	1,320,602
Total liabilities		3,420,591	4,227,993	2,110,702	3,067,198
Net assets		2,620,136	2,175,245	2,333,893	2,127,616
Equity					
Share capital	23.1	8,437	8,437	8,437	8,437
Share premium	23.2	42,014	42,014	42,014	42,014
Treasury shares	23.5	(41,423)	(41,423)	(41,423)	(41,423)
Capital contribution	23.6	2,877	2,877	2,828	2,828
Currency translation reserve	23.7	1,002,966	1,083,092	-	-
Retained earnings		1,505,365	1,027,046	2,322,037	2,115,760
Equity attributable to owners of the Company		2,520,236	2,122,043	2,333,893	2,127,616
Non-controlling interest		99,900	53,202	-	-
Total equity		2,620,136	2,175,245	2,333,893	2,127,616
Total equity and liabilities		6,040,727	6,403,238	4,444,595	5,194,814

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 26 February 2026 and were signed on its behalf by:


Emmanuel Ikaoboh
 Chairman, Board of Directors
 FRC/2013/ICAN/00000003157


Arvind Pathak
 Group Chief Executive Officer/GMD
 FRC/2023/PRO/DIR/003/236066


Gbenga Fapohunda
 Group Chief Finance Officer
 FRC/2019/ICAN/00000019333

DANGOTE CEMENT PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Group								
	Share capital	Share premium	Treasury Shares	Retained earnings	Currency translation reserve	Capital contribution	Attributable to owners of the Company	Non-controlling interests	Total equity
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Balance as at 1 January 2024	8,520	42,430	(86,579)	1,098,626	625,160	2,877	1,691,034	34,806	1,725,840
Total comprehensive income for the year									
Profit for the year	-	-	-	498,192	-	-	498,192	5,055	503,247
Other comprehensive income for the year, net of tax	-	-	-	-	457,932	-	457,932	13,355	471,287
Total comprehensive income for the year	-	-	-	498,192	457,932	-	956,124	18,410	974,534
Loss on net monetary position (Note 35)				(22,550)			(22,550)	1	(22,549)
Transactions with owners of the Company									
Contributions and distributions									
Dividends	-	-	-	(502,565)	-	-	(502,565)	(15)	(502,580)
Treasury shares cancelled	(83)	(416)	45,156	(44,657)	-	-	-	-	-
Total contributions and distributions	(83)	(416)	45,156	(547,222)	-	-	(502,565)	(15)	(502,580)
Total transactions with owners of the Company	(83)	(416)	45,156	(547,222)	-	-	(502,565)	(15)	(502,580)
Balance as at 31 December 2024	8,437	42,014	(41,423)	1,027,046	1,083,092	2,877	2,122,043	53,202	2,175,245
Balance as at 1 January 2025	8,437	42,014	(41,423)	1,027,046	1,083,092	2,877	2,122,043	53,202	2,175,245
Total comprehensive income for the year									
Profit for the year	-	-	-	1,002,847	-	-	1,002,847	12,074	1,014,921
Other comprehensive income/(loss) for the year, net of tax	-	-	-	-	(65,936)	-	(65,936)	8,678	(57,258)
Total comprehensive income/(loss) for the year	-	-	-	1,002,847	(65,936)	-	936,911	20,752	957,663
Loss on net monetary position (Note 35)	-	-	-	(9,753)	-	-	(9,753)	(77)	(9,830)
Transactions with owners of the Company									
Contributions and distributions									
Transfer of share (Note 18.6)	-	-	-	(12,210)	(14,190)	-	(26,400)	26,400	-
Dividends	-	-	-	(502,565)	-	-	(502,565)	(377)	(502,942)
Total contributions and distributions	-	-	-	(514,775)	(14,190)	-	(528,965)	26,023	(502,942)
Total transactions with owners of the Company	-	-	-	(514,775)	(14,190)	-	(528,965)	26,023	(502,942)
Balance as at 31 December 2025	8,437	42,014	(41,423)	1,505,365	1,002,966	2,877	2,520,236	99,900	2,620,136

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

DANGOTE CEMENT PLC

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Company					
	Share capital ₦'million	Share premium ₦'million	Treasury Shares ₦'million	Capital contribution ₦'million	Retained earnings ₦'million	Total equity ₦'million
Balance as at 1 January 2024	8,520	42,430	(86,579)	2,828	1,635,765	1,602,964
Total comprehensive income for the year						
Profit for the year	-	-	-	-	1,027,217	1,027,217
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	1,027,217	1,027,217
Transactions with owners of the Company						
Contributions and distributions						
Dividends	-	-	-	-	(502,565)	(502,565)
Treasury shares cancelled	(83)	(416)	45,156	-	(44,657)	-
Total contributions and distributions	(83)	(416)	45,156	-	(547,222)	(502,565)
Total transactions with owners of the Company	(83)	(416)	45,156	-	(547,222)	(502,565)
Balance as at 31 December 2024	8,437	42,014	(41,423)	2,828	2,115,760	2,127,616
Balance as at 1 January 2025	8,437	42,014	(41,423)	2,828	2,115,760	2,127,616
Total comprehensive income for the year						
Profit for the year	-	-	-	-	708,842	708,842
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	708,842	708,842
Transactions with owners of the Company						
Contributions and distributions						
Dividends	-	-	-	-	(502,565)	(502,565)
Total contributions and distributions	-	-	-	-	(502,565)	(502,565)
Total transactions with owners of the Company	-	-	-	-	(502,565)	(502,565)
Balance as at 31 December 2025	8,437	42,014	(41,423)	2,828	2,322,037	2,333,893

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

DANGOTE CEMENT PLC
**CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	Group		Company	
		Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million
Cash flows from operating activities					
Profit before tax		1,532,660	732,537	1,072,817	1,176,327
Adjustments for:					
Depreciation & amortisation	15, 16 & 17	215,026	228,959	103,810	64,636
Write off & impairment of property, plant, equipment and intangible assets	12	831	1,015	84	2
Interest expenses	10.2	346,196	448,081	333,243	376,479
Interest & dividend income	10.1	(82,144)	(168,572)	(283,342)	(345,560)
Net exchange loss/(gain) on borrowings and non-operating assets		(13,464)	85,125	146,459	(552,019)
Gain on net monetary position	35	(6,452)	(109,404)	-	-
Share of income from associate	18.3	(2,493)	(2,818)	-	-
Deferred revenue	27.1	(41)	(142)	10	-
Provisions		25,496	9,392	19,917	6,630
Provision for employee benefits obligations		4,510	4,409	4,295	4,308
Gain on disposal of property, plant and equipment & right-of-use assets	11	(627)	(13,031)	(627)	(13,031)
		2,019,498	1,215,551	1,396,666	717,772
Changes in:					
Inventories	32.2.1	(88,406)	(275,135)	(47,489)	(134,489)
Trade and other receivables	32.2.2	(109,043)	(46,762)	(98,012)	(7,396)
Trade and other payables	32.2.3	(57,585)	372,322	(16,674)	199,787
Prepayments and other current assets	32.2.4	1,460	(231,094)	333,209	55,540
Other current liabilities	32.2.5	87,794	(46,865)	91,749	(64,380)
Lease receivables		16,628	7,625	16,628	7,625
		1,870,346	995,642	1,676,077	774,459
Income tax paid	14.3.1	(159,584)	(174,458)	(90,268)	(124,088)
Net cash generated from operating activities		1,710,762	821,184	1,585,809	650,371
Cash flows from investing activities					
Interest received		77,515	128,474	74,436	117,680
Dividend income received		2,276	2,420	66,159	24,096
Acquisition of intangible assets	16	(298)	(305)	(49)	(28)
Disbursements to subsidiaries		-	-	(195,746)	(217,425)
Repayment of loans by subsidiaries		-	-	16,499	51,047
Net loan repaid/(obtained) by parent company		1,037,232	(544,736)	1,037,232	(544,736)
Proceeds from disposal of property, plant and equipment		1,057	2,413	1,057	1,838
Acquisition of property, plant and equipment		(497,428)	(423,149)	(294,151)	(260,415)
Additions to property, plant and equipment	15	(861,089)	(413,777)	(296,856)	(263,571)
Change in non-current prepayments	19.1	19,611	(9,268)	-	161
Suppliers' credit unpaid		344,050	(104)	2,705	2,995
Net cash generated from/(used in) investing activities		620,354	(834,883)	705,437	(827,943)
Cashflows from financing activities					
Interest paid		(397,637)	(341,670)	(388,493)	(289,996)
Principal lease payment	17.2	(5,321)	(4,398)	(932)	(750)
Dividends paid		(502,942)	(502,580)	(502,565)	(502,565)
Loans obtained	26.5	1,097,834	1,817,924	1,092,005	1,774,358
Loans repaid	26.5	(2,268,500)	(1,280,819)	(2,197,743)	(1,204,730)
Net cash used in financing activities		(2,076,566)	(311,543)	(1,997,728)	(223,683)
Increase/(decrease) in cash and cash equivalents		254,550	(325,242)	293,518	(401,255)
Cash and cash equivalents at beginning of year	32.1	131,716	432,151	(178,303)	222,952
Effects of exchange rate movements on cash and cash equivalents		(23,680)	24,807	-	-
Cash and cash equivalents at end of year	32.1	362,586	131,716	115,215	(178,303)

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

1. General Information

Dangote Cement Plc (“the Company”) was incorporated in Nigeria as a public limited liability company on 4 November, 1992 and commenced operations in January 2007 under the name Obajana Cement Plc. The name was changed on 14 July 2010 to Dangote Cement Plc.

Its parent company is Dangote Industries Limited (“DIL” or “the Parent Company”). Its ultimate controlling party is Aliko Dangote.

The registered address of the Company is located at 1 Alfred Rewane Road, Ikoyi, Lagos, Nigeria.

The principal activity of the Company and its subsidiaries (together referred to as “the Group”) is to operate plants for the preparation, manufacture and distribution of cement and related products. The Company’s production activities are currently undertaken at Obajana town in Kogi State, Gboko in Benue State and Ibese in Ogun State; all in Nigeria. Information in respect of the subsidiaries’ locations is disclosed in Note 18.

The financial statements consist of the consolidated and separate financial statements.

The consolidated financial statements for the year ended 31 December 2025 comprise the results and the financial position of the Company and its subsidiaries (together referred to as “the Group” and individually as “Group entities”).

The separate financial statements of the Company for the year ended 31 December 2025 comprise those of the Company only.

2. Material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Statement of compliance

The Group and Company’s financial statements for the year ended 31 December 2025 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

2.2 Basis of preparation

The financial statements have been prepared in accordance with the going concern assumption under the historical cost concept except for the balances for entities in hyper-inflation economies.

2.3 Basis of Consolidation

The Group financial statements incorporate the financial statements of the Company, entities controlled by the Company and their subsidiaries made up to 31 December 2025. Control is achieved where the investor; (i) has power over the investee entity (ii) is exposed, or has rights, to variable returns from the investee entity as a result of its involvement, and (iii) can exercise some power over the investee to affect its returns.

The Company reassesses whether or not it still controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners’ of the Company and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

2. Material accounting policies (continued)**2.3.1 Investments in subsidiaries**

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment that has been recognised in profit or loss. The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

Investments in subsidiaries are eliminated on consolidation in the Group financial statements. Management performs an assessment at the end of each reporting period to determine whether there is any indication that the Investment in the subsidiaries may be impaired.

2.3.2 Receivables from subsidiaries

Receivables from subsidiaries include long term receivables which are deemed to be net investments in subsidiaries. They comprise receivables from foreign operations for which settlement is not planned nor likely to occur in the foreseeable future. They are accounted differently from trade receivables.

2.3.3 Transactions eliminated on consolidation

All intra-group balances and any gain and losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.4 Interest in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

2. Material accounting policies (continued)**2.4 Interest in associates** (continued)

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

In the separate financial statements for the company, investments in associates are recognised at cost less accumulated impairment.

2.5 Non-controlling interest

Non-controlling interest is the equity in a subsidiary or entity controlled by the Company, not attributable, directly or indirectly, to the parent company and is presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Total comprehensive income attributable to non-controlling interests is presented on the line "Non-controlling interests" in the statement of financial position, even if it creates negative non-controlling interests.

2.6 Acquisition of entities under common control

Business combinations arising from transfers of interests in entities that were under the control of the shareholder that controls the Group are accounted for prospectively as at the date that transfer of interest was effected. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The difference between the consideration paid and the net assets acquired is accounted for directly in equity.

2.7 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.8 Revenue

The Group recognises revenue from the sale of cement and related products. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of products to the customers.

2.8.1 Sale of cement and related products

The Group sells cement and related products both to distributors and directly to end user customers through its plants and depots.

2. Material accounting policies (continued)

For sales of products to the distributors, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the distributor's location if the agreement is for the Group to deliver. In case of self collection by distributors revenue is recognised when the distributor picks the products from the Group's factories or warehouses. Following delivery by the Group or self collection, the distributor has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. For distributors that buy on credit, a receivable is recognised by the Group when the goods are delivered to the distributor as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

For sales of goods to end user customers, revenue is recognised when control of the goods has transferred, being at the point the customer lifts the goods from our factories if it's self collection or at the point at which the goods are delivered if the agreement is for the Group to deliver. Payment for the transaction price is done by the time goods are collected otherwise a receivable is recognised at that point.

2.9 Finance income

Finance income comprises interest income on short-term deposits with banks, interest on leases, dividend income, changes in the fair value of financial instruments at fair value through profit or loss, compensation for time value of money on road infrastructure tax scheme and foreign exchange gains.

Dividend income from investments is recognised in profit and loss when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.10 Production cost of sales

Production cost of sales represents decreases in economic benefits during the accounting period that are directly or indirectly attributable to manufacturing inventory for sale.

2.11 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provision, foreign exchange losses except finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are capitalised as part of the related assets. Interest is recognised in profit or loss using the effective interest method.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

However, borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset. The capitalisation of borrowing costs commences from the date of incurring of expenditure relating to the qualifying asset and ceases when all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. The interest rate used to determine the amount of capitalised interest cost is the actual interest rate when there is a specific borrowing facility related to construction project or the Group's average borrowing interest rate. Borrowing costs relating to the period after acquisition, construction or production are expensed. 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. The borrowing costs capitalised may not exceed the actual interest incurred by the Group.

2.12 Foreign currency**2.12. Functional and presentation currency**

These consolidated and separate financial statements are presented in the Nigerian Naira (₦), which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest million unless where otherwise stated.

2. Material accounting policies (continued)**2.12.2 Foreign currency transactions**

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the subsidiaries.

2.12.3 Foreign operations

In the Group's consolidated financial statements, all assets and liabilities of Group entities with a functional currency other than the Naira are translated into Naira upon consolidation. On consolidation, assets and liabilities have been translated at the closing rate at the reporting date. Income and expenses have been translated into Naira at the average rate over the reporting period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. For hyper-inflation economies, Income and expenses have been translated into Naira at the closing rate at the reporting date.

Exchange differences arising on the translation are taken directly to a separate component of other comprehensive income "Currency translation differences". On the partial or total disposal of a foreign entity with a loss of control, the related share in the cumulative translation differences recognised in equity is recognised in the consolidated statement of profit or loss.

2.13 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and Group and the cost can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the assets. Property, plant and machinery under construction are disclosed as capital work-in-progress. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, including borrowing costs on qualifying assets in accordance with the Group's accounting policy and the estimated costs of dismantling and removing the items and restoring the site on which they are located if the Group has a legal or constructive obligation to do so.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives and are individually significant in relation to total cost of an item, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefit embodied within the component will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The cost of day to day servicing of the property plant and equipment is recognised in profit or loss as incurred.

2. Material accounting policies (continued)

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.

2.13.1 Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value (except for freehold land and assets under construction). Depreciation is recognised within “Cost of sales” and “Administrative expenses and selling and distribution expenses,” depending on the utilisation of the respective assets on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term in which case the assets are depreciated over their useful life on the same basis as owned assets. Strategic spare parts with high value and held for commissioning of a new plant or for infrequent maintenance of plants are capitalised and depreciated over the shorter of their useful life and the remaining life of the plant from the date such strategic spare parts are capable of being used for their intended use.

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life between major overhauls. All other replacement spares and other costs relating to maintenance of plant are charged to profit or loss on consumption or as incurred respectively.

	Useful life (years)
Land & Leasehold improvement	Over the shorter of useful life and lease period
Buildings	40 – 50
Plant and machinery	5 – 40
Power plants	5 – 40
Cement plants	5 – 40
Motor vehicles	4 – 6
Furniture and equipment	5
Computer hardware	3
Aircraft and related components	30

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.14 Intangible assets

In accordance with criteria set out in IAS 38 – “Intangible assets”, intangible assets are recognised only if identifiable; controlled by the entity because of past events; 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 primarily include amortisable items such as software, mineral rights, as well as certain development costs that meet the IAS 38 criteria.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised using the straight-line method over their useful lives ranging from two to seven years. Amortisation expense is recorded in “Cost of sales” and “Selling and distribution expenses” or administrative expenses, based on the function of the underlying assets. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Exploration assets are carried at cost less any impairment losses. All costs, including overhead costs directly associated with the specific project are capitalised. The directors evaluate each project at each period end to determine if the carrying value should be written off. In determining whether expenditure meets the criteria to be capitalised, the directors use information from several sources, depending on the level of exploration.

Purchased exploration and evaluation assets are recognised at the cost of acquisition or at the fair value if purchased as part of a business combination.

Exploration assets are amortised in line with the estimated lives of the mines.

2. Material accounting policies (continued)

2.14.1 Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.14.2 Derecognition of intangible assets

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

2.15 Prepayments

Prepayments are non-financial assets which result when payments are made in advance of the receipt of goods and services. They are recognised when the Group expects to receive future economic benefits equivalent to the value of the prepayments. The receipt or consumption of the services results in a reduction in the prepayment and a corresponding increase in expenses or assets for that reporting period.

2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:

Raw Materials

Raw materials which include purchase cost and other costs incurred to bring the materials to their location and condition are valued using a weighted average cost basis.

Work in progress

Cost of work in progress includes cost of raw material, labour, production and attributable overheads based on normal operating capacity. Work in progress is valued using a weighted average cost basis.

Finished goods

Cost is determined using the weighted average method and includes cost of material, labour, production and attributable overheads based on normal operating capacity.

Spare parts and consumables

Spare parts which are expected to be fully utilised in production within the next operating cycle and other consumables are valued at weighted average cost after making allowance for obsolete and damaged stocks.

Packaging Materials

Packaging materials which include purchase cost and other costs incurred to bring the materials to their location and condition are valued using a weighted average cost basis.

2. Material accounting policies (continued)**2.17 Statement of cash flows**

The statement of cash flows shows the changes in cash and cash equivalents arising during the period from operating, investing and financing activities. The Group applies the indirect method for the preparation of the statement of cash flows. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes and other non-cash items have been adjusted for the purpose of preparing the statement. Dividends paid to ordinary shareholders are included in financing activities. Interest paid is also included in financing activities while interest income is included in investing activities.

2.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised in the consolidated and separate statements of financial position when a member of the Group or the Company becomes a party to the contractual obligations of the instrument. Regular way purchases or sales of financial assets, i.e. purchases or sales under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned, are accounted for at the trade date.

Initially, financial instruments are recognised at their fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount except for financial instruments at fair value through profit or loss. For financial instruments classified as Fair Value Through Profit or Loss (FVTPL) transaction costs incurred are recognised in profit or loss. Subsequently, financial assets and liabilities are measured according to the category to which they are assigned. The Group does not make use of the option to designate financial assets or financial liabilities at fair value through profit or loss at inception (Fair Value Option).

2.18.1 Financial assets

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

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

The Group does not have debt instruments that are measured subsequently at fair value through other comprehensive income (FVTOCI).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch

2.18.2 Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Material accounting policies** (continued)**2.19 Cash and cash equivalents**

The Group considers all highly liquid unrestricted investments with less than three months maturity from the date of acquisition to be cash equivalents. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Term deposit with tenure of 90 days or less are also included in cash and cash equivalents if they are held for short term cash commitments rather than for investment or other purposes.

2.20 Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes. For short term trade receivables, no disclosure of fair value is presented when the carrying amount is a reasonable approximation of fair value due to the insignificant impact of discounting.

2.21 Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item (note 10) in profit or loss.

2.22 Financial liabilities and equity instruments**Classification as debt or equity**

Debt and equity instruments issued by a member of the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.22.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. Equity instruments includes share capital, share premium, currency translation reserve and capital contribution.

2.22.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortised cost:

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

2. Material accounting policies (continued)**2.22.3 De-recognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.22.4 Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.22.5 Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "finance income – interest income" line item (note 10).

2.23 Trade and other payables

Trade and other payables are recognised when the Group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method. The effective interest rate exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability. If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs. Trade and other payables expose the Group and Company to liquidity risk and possibly to interest rate risk.

2. Material accounting policies (continued)**2.24 Impairment****2.24.1 Financial assets**

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts and cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets 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 the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) The financial instrument has a low risk of default,
- (2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

2. Material accounting policies (continued)

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner unless in case where there is sufficient security. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

2. Material accounting policies (continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve.

2.24.2 Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. 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. A reversal of an impairment loss is recognised immediately in the Profit or loss.

2.25 Measurement of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated and separate financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

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 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: 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. 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).

2. Material accounting policies (continued)**2.25.1 Derivative financial assets and liabilities fair value**

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.

2.26 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.26.1 Current tax

The tax currently payable is based on taxable profit for the year and any income tax adjustment in respect of previous years. Taxable profit differs from profit as reported in profit or loss because of items of income or expense that are taxable or deductible in future years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax assets and liabilities are offset only if certain criteria are met.

2.26.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax is not recognised for the following temporary differences: (i) the initial recognition of goodwill, (ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and (iii) differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, 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.

2.26.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.27 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching 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.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

2. Material accounting policies (continued)

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The total of the government grant is recognised as deferred revenue on the statement of financial position and is recognised in profit or loss over the period the related expenditure is incurred.

2.28 Employee benefits**2.28.1 Short term employee benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided by the employee. This includes wages, salaries, bonuses, paid annual leave, sick leave and other contributions. Except when they qualify for capitalisation, 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.

2.28.2 Defined contribution plans

The Group operates a defined contribution retirement benefit scheme for its employees. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The assets of this scheme are held in separate trustee administered funds, which are funded by contributions from both the employee and the Group. Except when they qualify for capitalisation, obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

2.28.3 Defined benefit plans

The Group operates defined benefit plans for certain qualifying employees. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, dependent on, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by using actuarial methods of projected unit credit. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Where there is no deep market in such bonds, the market rates on government bonds are used. The estimated cost of providing such benefits is charged to the statement of profit or loss on a systematic basis over the employees' working lives. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions (remeasurements) are recognised in other comprehensive income in the period in which they arise and accumulated in retained earnings. 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.

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

The Group provides employees with 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.

2.28.5 Termination benefit

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. Benefits are expected to be settled wholly within 12 months of the reporting date.

2. Material accounting policies (continued)**2.29 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 the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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.

2.29.1 Restoration costs

Environmental expenditure related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible is charged to profit or loss. The Group recognises its liability on a site-by-site basis when it can be reliably estimated. This liability includes the Group's portion of the total costs and also a portion of other potentially responsible parties' costs when it is probable that they will not be able to satisfy their respective shares of the clean-up obligation. Recoveries of reimbursements are recorded as assets when virtually certain.

The Group has an obligation to restore quarry sites due to the mining activities in those areas. The provision for the site restoration is determined based on the disturbed areas and is measured at the present value of the expected future cash flows that will be required to perform the site restoration. The estimated future costs for known restoration requirements are determined on a site-by-site basis. The cash flows are discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risk 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, timing of future cash flows, or in the discount rate applied, are accounted for in the profit or loss at each statement of financial position date.

2.30 Contingencies

Contingent liabilities are not recognised in the consolidated and separate statements of financial position but are disclosed unless the possibility of any outflow in settlement is remote. A contingent asset is not recognised in the consolidated statement of financial position but disclosed when an inflow of economic benefits is probable.

2.31 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the period. The weighted average number of ordinary shares outstanding during the period and for all periods presented is adjusted for the issue of bonus shares as if the bonus shares were outstanding at the beginning of earliest period presented.

Diluted earnings per share are computed by dividing adjusted net income available to shareholders of the Company by the weighted average number of common shares outstanding during the year adjusted to include any dilutive potential common shares. The Group does not have any dilutive instruments.

2.32 Leases**Leases – as a lessee**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2. Material accounting policies (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated and separate statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2. Material accounting policies (continued)

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Leases – as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

3 Application of new and revised International Financial Reporting Standards (IFRSs)

3.1 New and revised IFRSs/IFRICs affecting amounts reported and/or disclosures in these financial statements

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards) that are mandatorily effective for accounting periods that begin on or after 1 January 2025.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The amendments to IAS 21 deals with situations when one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency transactions that can be undertaken at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets.

The International Accounting Standards Board (IASB) amended IAS 21 to clarify when a currency is exchangeable into another currency and proposes how companies can best estimate a spot rate when a currency lacks exchangeability.

This has no material impact on the consolidated and separate financial statements.

3. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

3.2 New and revised IFRSs in issue but not yet effective

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
IFRS 1, IFRS 7, IFRS 9, IFRS 10 & IAS 7 (amendment)	Annual improvements of IFRS Accounting Standards - Volume 11

IFRS 10 Consolidated Financial Statements and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent’s profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent’s profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture.

The effective date of the amendments is yet to be set by the IASB; however, earlier application of the amendments is permitted

Directors of the Company anticipate that the application of these amendments will have no impact on the consolidated and separate financial statements.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments

These amendments clarify how to classify and disclose some financial assets with ESG-linked features. The amendments to IFRS 9 include guidance on the classification of financial assets, including those with contingent features while amendments to IFRS 7 now requires Companies to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. The amendments also introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs.

The effective date of the amendment is for years beginning on or after 1 January 2026.

These amendments are not expected to have any material impact on the consolidated and separate financial statements.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

The amendments introduce guidance for determining whether a contract qualifies as “held for own use.” They clarify that an entity may apply the exemption even if it sells unused electricity, provided it remains a net purchaser over the contract term and disposes of the surplus in the same market. Additionally, the amendments allow hedge accounting for contracts referencing nature-dependent electricity as hedging instruments. This includes designating a variable nominal amount of forecast electricity transactions as the hedged item, aligning it with the expected variability in electricity delivery. The new disclosure requirements aim to help financial statement users understand how these contracts affect an entity’s financial performance and cash flows.

The effective date of the amendment is for years beginning on or after 1 January 2026.

These amendments are not expected to have a material impact on the Group Financial Statements.

3. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

IFRS 18 Presentation and Disclosure in Financial Statements

The standard aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. It provides significant changes to how a company presents its income statement and what information needs to be disclosed, and making certain 'non-GAAP' measures part of the audited financial statements. Entities are required to classify income and expenses in the statement of profit or loss into five categories, namely the operating, investing, financing, discontinued operations and income tax

The effective date of the amendment is for years beginning on or after 1 January 2027.

The directors of the Company anticipate that these amendments are not expected to have material impact on the consolidated and separate financial statements presentation.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Standard provides that subsidiaries using IFRS Accounting Standards but that do not have public accountability, and have parents that produce consolidated accounts, can substantially reduce their disclosures and focus more on users' needs. The standard offers eligible subsidiaries a practical way of addressing the problems of over-disclosure while reducing reporting costs by removing the need to either provide disclosures beyond users' needs or to maintain two separate sets of accounting records.

The effective date of the amendment is for years beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of these amendments have no impact on the consolidated financial statements.

IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements & IAS 7 Statement of Cash Flows - Annual Improvements - Volume 11

The annual improvements process is a targeted amendments to improve clarity and internal consistency of IFRS Accounting Standards.

The amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 Financial Instruments by a first time adopter. The amendment in IFRS 7 among others addresses a potential confusion in paragraph B38 arising from an obsolete reference to a paragraph that was deleted from the standard relating to gain or loss on derecognition. The amendment in IFRS 9 among others addresses a potential lack of clarity in the application of the requirements of paragraph 23 to account for a derecognition of a lessee's lease liability. The amendment of IFRS 10 addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf. Lastly, the amendment of IAS 7 addresses a potential confusion in applying paragraph 37 that arises from the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards

The effective date of the amendment is for years beginning on or after 1 January 2026.

The directors of the Company anticipate that these amendments are expected to have no material impact on the consolidated and separate financial statements.

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The management of the Group revises its estimates and assumptions on a regular basis to ensure that they are relevant regarding the past experience and the current economic and political environment. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The accounting for certain provisions, certain financial instruments and the disclosure of financial assets, contingent assets and liabilities at the date of the consolidated and separate financial statements is judgmental. The items, subject to judgment, are detailed in the corresponding notes to the consolidated and separate financial statements.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are discussed below:

4. Critical accounting judgements and key sources of estimation uncertainty (continued)**4.1 Critical accounting judgements****4.1.1 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 36.

4.2 Key sources of estimation uncertainty**4.2.1 Impairment of property, plant and equipment**

Assumptions underlying the estimation of value in use in respect of cash-generating units for impairment testing purposes require the use of estimates such as long-term discount rates and growth rates.

4.2.2 Provision for site restoration

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. 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. 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 28

4.2.3 Uncertain tax treatments

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4.2.4 Measurement of ECL allowance on 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 21.

4.2.5 Employee benefit obligations

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. Further information is provided in Note 29.

4.2.6 Impairment of investments and receivables from subsidiaries

Management estimates the recoverable amount of the Investment in subsidiaries and receivables from subsidiaries by assessing the value in use and estimated cash flows for the receivables. Estimating the recoverable amount and cash flows involve a number of assumptions, judgements and estimates regarding various inputs.

4.2.7 Deferred tax asset

Recognition of deferred tax asset: assumptions about the availability of future taxable profit against which tax losses carried forward can be utilised.

4.2.8 Useful lives of property, plant and equipment

The useful lives, residual values and depreciation methods are reviewed at the end of each reporting period with the effect of any changes in estimates accounted for on a prospective basis. This review resulted in the useful lives of some items of the plant and buildings being revised from 25 years to 40 years leading to an annual decrease in depreciation by ₦63.0 billion and ₦9.5 billion for Group and Company respectively for the remaining useful lives of the assets.

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

5 Revenue

5.1 Volumes	Group		Company	
	2025 '000 tonnes	2024 '000 tonnes	2025 '000 tonnes	2024 '000 tonnes
Cement production and bagging capacity (for the year)	55,000	52,000	29,250	29,250
Production volume*	26,790	26,951	13,127	13,228
Trade cement purchase*	81	185	3,668	3,495
Decrease in stocks**	598	572	889	960
Sales volume*	27,469	27,708	17,684	17,683

* includes both cement and clinker volumes

** Decrease/(increase) in stocks refers to the difference between the opening and closing stocks for the year.

An analysis of revenue in naira is as follows:

5.2 Revenue from contracts with customers	Group		Company	
	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million
Revenue from sales of cement and clinker	4,306,341	3,580,535	2,956,515	2,192,695
Revenue from sales of other products	363	15	-	-
	4,306,704	3,580,550	2,956,515	2,192,695

Group revenue after adjusting intra-group sales as shown above are from external customers

5.3 Information about major customers

Included in revenue arising from direct sales of cement of ₦4,307 billion (2024: ₦3,580.5 billion) is revenue of ₦69.49 billion (2024: ₦60.18 billion) which arose from sales to the Group's largest customer.

No single customer contributed 10% or more to the Group's revenue for both 2025 and 2024 financial years.

5.4 Disaggregation of revenue from contracts with customers

The table below shows the revenue from contracts with customers disaggregated by domestic sales vis-à-vis export sales. It also shows a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Nigeria		Pan Africa		Total	
	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million
Domestic sales	2,791,649	2,064,407	1,288,217	1,339,737	4,079,866	3,404,144
Export sales	164,866	128,288	167,753	141,651	332,619	269,939
	2,956,515	2,192,695	1,455,970	1,481,388	4,412,485	3,674,083
Inter-segment sales	-	-	-	-	(105,781)	(93,533)
	2,956,515	2,192,695	1,455,970	1,481,388	4,306,704	3,580,550

6 Segment information

6.1 Products and services from which reportable segments derive their revenue

The Executive Management Committee is the Company's Chief Operating Decision Maker. Management has determined operating segments based on the information reported and reviewed by the Executive Management Committee for the purposes of allocating resources and assessing performance. The Executive Management Committee reviews internal management reports on at least a quarterly basis. These internal reports are prepared on the same basis as the accompanying consolidated and separate financial statements.

Segment information is presented in respect of the Group's reportable segments. For management purposes, the Group is organised into business units by geographical areas in which the Company operates. The Group has 2 reportable segments based on location of the principal operations as follows:

- Nigeria (includes Company and all subsidiaries operating in Nigeria. See Note 18.1)
- Pan Africa (includes entities operating outside Nigeria. See Note 18.1)

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

6 Segment information (continued)

6.2 Segment revenue and results

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable segment. Performance is measured based on segment sales revenue, earnings before interest, tax, depreciation and amortisation (EBITDA) and profit from operating activities, as included in the internal management reports that are reviewed by the Executive Management Committee. Segment revenue and operating profit are used to measure performance as management believes that such information is the most relevant in evaluating results of certain segments relative to other entities that operate within the industry.

Profit is measured from the sales of cement and clinker excluding cost of sales, Selling, Distribution and administrative expense together with other operating income and expenses directly attributable to the segment

For the year ended 31 December 2025

Segment Results	Nigeria	Pan Africa	Central Administra- tive costs	Eliminations	Total
	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue	2,956,515	1,455,970	-	(105,781)	4,306,704
EBITDA*	1,763,535	294,080	(82,838)	6,357	1,981,134
Depreciation, amortisation, write off and Impairment	116,039	100,697	-	(879)	215,857
Other income	24,688	17,643	-	(80)	42,251
Profit from operating activities	1,647,496	193,383	(82,838)	7,236	1,765,277
Finance income	150,450	209,358	-	(249,866)	109,942
Finance costs	341,033	51,417	-	(40,946)	351,504
Gain on net monetary assets	-	6,452	-	-	6,452
Income tax expense	465,877	51,862	-	-	517,739
Profit/(loss) after tax	991,036	305,914	(82,838)	(199,191)	1,014,921
Segment Assets & Liabilities					
Non-current assets	3,480,978	2,469,286	-	(1,881,494)	4,068,770
Current assets	1,727,967	752,636	-	(508,646)	1,971,957
Total Assets	5,208,945	3,221,922	-	(2,390,140)	6,040,727
Total liabilities	2,416,474	4,223,941	-	(3,219,824)	3,420,591
Net additions to non-current assets, excluding deferred tax	(542,430)	102,101	-	18,551	(421,778)

* Represents earnings before interest, taxes, share of profit from associate, depreciation, amortisation & impairment.

For the year ended 31 December 2024

Segment Results	Nigeria	Pan Africa	Central Administra- tive costs	Eliminations	Total
	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue	2,192,695	1,481,388	-	(93,533)	3,580,550
EBITDA*	1,087,251	345,289	(49,831)	(693)	1,382,016
Depreciation, amortisation, write off and Impairment	81,708	149,325	-	(1,059)	229,974
Other Income	28,306	28,831	-	(67)	57,070
Profit from operating activities	1,005,543	195,964	(49,831)	366	1,152,042
Finance income	775,686	13,334	-	(620,448)	168,572
Finance costs	417,736	292,971	-	(10,408)	700,299
Gain on net monetary assets	-	109,404	-	-	109,404
Income tax expense	179,187	50,103	-	-	229,290
Profit/(loss) after tax	1,184,306	(24,372)	(49,831)	(606,856)	503,247
Segment Assets & Liabilities					
Non-current assets	3,959,731	2,432,531	-	(1,900,045)	4,492,217
Current assets	1,521,262	814,230	-	(424,471)	1,911,021
Total Assets	5,480,993	3,246,761	-	(2,324,516)	6,403,238
Total liabilities	3,093,526	4,306,193	-	(3,171,726)	4,227,993
Net additions to non-current assets, excluding deferred tax	2,035,117	687,431	-	(753,535)	1,969,013

* Represents earnings before interest, taxes, share of profit from associate, depreciation, amortisation & impairment.

6 Segment information (continued)

6.3 Eliminations and Adjustments

Elimination and Adjustments relate to the following:

- Profit/(loss) after tax of ₦199.2 billion (2024: ₦606.9 billion) is due to elimination of interest on inter-company loan, trading activities and exchange differences on net investment reclassified to other comprehensive income.
- Non-current assets of ₦1,881.5 billion (2024: ₦1,900.0 billion) is due to the elimination of investment in subsidiaries with the parent's share of their equity and non current inter-company payable and receivable balances.
- Current assets of ₦508.6 billion (2024: ₦424.5 billion) is due to the elimination of current inter-company payable and receivable balances.
- Total liabilities of ₦3,219.8 billion (2024: ₦3,171.6 billion) are due to the elimination of inter-company due to and due from subsidiaries.
- Finance income of ₦249.9 billion (2024: ₦620.4 billion) and finance cost of ₦40.9 billion (2024: ₦10.4 billion) is due to the elimination of interest on inter-company loan and exchange differences reclassified to other comprehensive income.
- Revenue of ₦105.8 billion (2024: ₦93.5 billion) represents sales of cement and clinker by the Nigeria region to the Pan Africa regions.

In addition to the depreciation and amortisation reported, a sum of ₦831 million (2024: ₦1.0 billion) in the financial statements represents write off in respect of property, plant and equipment in Pan Africa.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Each segment bears its administrative costs and there are no allocations from central administration. This is the measure reported to the Chief Operating Decision Maker for the purposes of resource allocation and assessment of segment performance. Group financing (including finance income and finance costs) and income taxes are managed at an individual company level.

A reconciliation of Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is presented below:

	Group	
	Year ended 31/12/2025	Year ended 31/12/2024
	₦'million	₦'million
EBITDA	1,981,134	1,382,016
Depreciation and amortisation, write off and impairment	(215,857)	(229,974)
Profit from operating activities	1,765,277	1,152,042
Finance income	109,942	168,572
Finance costs	(351,504)	(700,299)
Gain on net monetary position	6,452	109,404
Share of profit from associate	2,493	2,818
Profit before tax	1,532,660	732,537
Income tax expense	(517,739)	(229,290)
Profit after tax	1,014,921	503,247
	2,025	2024
	₦'million	₦'million
Non current assets by country excluding deferred tax		
Nigeria	3,755,893	3,956,268
South Africa	191,550	187,285
Senegal	275,203	265,422
Zambia	146,201	123,171
Ethiopia	254,904	337,297
Tanzania	506,173	540,668
Congo	261,841	257,673
Cameroon	145,787	141,065
Ghana	110,334	85,349
Sierra Leone	81,260	89,009
Cote d'Ivoire	458,175	370,275
Significant revenue by country (external customers)		
Nigeria	2,850,734	2,099,162
Ghana	77,483	80,012
South Africa	223,543	222,523
Ethiopia	213,250	252,567
Zambia	135,705	115,900
Tanzania	304,257	259,702
Senegal	151,043	192,166
Cameroon	199,514	236,222
Congo	141,037	121,147
Cote D'Ivoire	10,138	-

Revenues are attributed to individual countries based on the geographical location of where the cement and clinker originated.

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

7. Production cost of sales

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Material consumed	385,471	411,397	606,754	467,857
Fuel & power consumed	681,931	679,941	323,120	339,428
Royalty*	10,243	5,885	6,152	3,312
Salaries and related staff costs	145,389	133,091	58,547	49,538
Depreciation & amortisation	145,341	189,507	57,431	50,802
Plant maintenance	165,933	157,309	79,192	72,740
Other production expenses**	100,910	108,139	27,190	30,207
(Increase)/decrease in finished goods and work in progress	(788)	(39,618)	11,612	(25,843)
	1,634,430	1,645,651	1,169,998	988,041

* Royalty payable is charged based on volume of extraction made during the year.

** Other production expenses include expenses such as insurance cost on plant and machinery, site restoration cost, equipment rental among others.

8. Administrative expenses

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Salaries and related staff costs	70,100	62,283	33,492	28,156
Corporate social responsibility	20,409	13,190	17,944	9,814
Management fee (refer to (a) below)	13,998	9,331	13,998	9,331
Depreciation and amortisation	20,442	21,689	3,262	2,287
Auditors' remuneration (refer to (b) below)	1,827	1,694	605	535
Directors' remuneration	4,577	4,235	4,556	4,204
Rent, rate and insurance	22,945	15,715	8,609	3,473
Repairs and maintenance	7,058	5,854	5,330	3,596
Travel expenses	13,459	13,289	5,981	5,528
Bank charges	11,593	10,220	3,273	4,606
Professional and consultancy fees	6,967	10,379	1,735	4,320
Security expenses	7,024	7,274	1,161	1,259
Janitorial and Office Cleaning	3,417	2,846	1,906	1,312
General administrative expenses	33,108	24,014	26,028	11,938
Others	24,006	17,509	3,718	3,024
Impairment of non financial assets	831	1,015	84	2
	261,761	220,537	131,682	93,385

(a) The management fee is charged by Dangote Industries Limited (DIL) for management and corporate services provided to Dangote Cement Plc. (DCP) It is an apportionment of DIL shared-service cost to DCP plus mark-up.

(b) Auditors' remuneration is detailed in the table below:

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Audit fees	1,451	1,352	488	434
<i>Non-audit fees:</i>				
Audit related services*	376	342	117	101
	1,827	1,694	605	535

* Included in audit-related services are fees for assurance services provided in connection with attestation of the internal control over financial reporting and ESG Assurance.

DANGOTE CEMENT PLC
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**
8. Administrative expenses (continued)
Other employee related disclosures

	Group		Company	
	Year ended 31/12/2025	Year ended 31/12/2024	Year ended 31/12/2025	Year ended 31/12/2024
	₦million	₦million	₦million	₦million
<i>Aggregate payroll costs:</i>				
Wages, salaries and staff welfare	259,515	232,779	116,100	96,474
Pension costs	9,167	9,122	3,684	2,761
Employee benefits obligation	3,528	2,627	3,269	2,120
	272,210	244,528	123,053	101,355

	Group		Company	
	2025 Number	2024 Number	2025 Number	2024 Number
Full time employees remunerated at higher rate excluding allowances:				
₦ ₦				
Up to 250,000	135	139	-	-
250,001 - 500,000	201	5,268	1	4,909
500,001 - 750,000	521	2,034	220	1,401
750,001 - 1,000,000	2,051	5,032	1,400	4,723
1,000,001 - 1,250,000	8,583	2,404	8,210	1,757
1,250,001 - 1,500,000	1,773	1,446	1,514	1,273
1,500,001 - 2,000,000	2,879	1,410	2,593	1,218
2,000,001 and above	5,275	3,916	3,632	1,696
	21,418	21,649	17,570	16,977

The average number of full time employees employed during the year excluding Directors was as follows:

Management	1,221	1,098	633	782
Non-management	19,393	19,812	16,140	15,605
	20,614	20,910	16,773	16,387

Chairman's and Directors' remuneration

	Group		Company	
	Year ended 31/12/2025	Year ended 31/12/2024	Year ended 31/12/2025	Year ended 31/12/2024
	₦million	₦million	₦million	₦million
Directors' remuneration comprises:				
Emoluments	4,577	4,235	4,556	4,204
	4,577	4,235	4,556	4,204
Chairman*	268	114	262	114
Highest paid Director	1,659	1,583	1,659	1,583

* Remuneration for the tenure for each of the two chairman that served during 2025

Number of Directors whose emoluments were within the following ranges:

	Group		Company	
	2025 Number	2024 Number	2025 Number	2024 Number
₦ ₦				
1 - 20,000,000	-	-	-	-
Above 20,000,000	15	15	15	15
	15	15	15	15

9. Selling and distribution expenses

	Group		Company	
	Year ended 31/12/2025	Year ended 31/12/2024	Year ended 31/12/2025	Year ended 31/12/2024
	₦million	₦million	₦million	₦million
Salaries and related staff costs	56,721	49,154	31,014	23,661
Depreciation	49,243	17,763	43,117	11,547
Advertisement and promotion	23,741	7,974	13,949	5,299
Haulage expenses	540,083	535,695	300,703	317,699
Others	12,975	8,078	7,316	2,781
	682,763	618,664	396,099	360,987

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

10. Finance income and finance costs

	Group		Company	
	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million
10.1 Finance income:				
Interest income	82,144	168,572	123,339	298,306
Dividend income	-	-	160,003	47,254
Net foreign exchange gain	27,798	-	-	430,126
	109,942	168,572	283,342	775,686
10.2 Finance costs:				
Interest expenses*	394,070	453,372	335,692	376,479
Less: amounts included in the cost of qualifying assets (Note 15)	(47,874)	(5,291)	(2,449)	-
	346,196	448,081	333,243	376,479
Net foreign exchange loss	-	249,322	146,279	-
Other finance cost	5,308	2,896	4,827	2,402
	351,504	700,299	484,349	378,881
Net finance cost/(income)	241,562	531,727	201,007	(396,805)

* The average effective interest rate on funds borrowed generally is 21.94% and 23.20% (2024: 25.8% and 26.4%).per annum for Group and Company respectively.

All interest income and interest costs are from financial instrument measured at amortised cost.

The schedule below shows the exchange rates presented in one unit of foreign currency to Naira for the significant currencies used in the group:

Currency	2025		2024	
	Average rate	Year-end rate	Average rate	Year-end rate
South African Rand to Naira	83.9508	86.7200	79.8875	81.2500
Central Africa Franc to Naira	2.6073	2.5784	2.5511	2.4455
Ethiopian Birr to Naira	10.7189	9.2562	19.9061	12.2868
Zambian Kwacha to Naira	60.8125	65.1552	59.6078	55.6066
Tanzanian Shilling to Naira	0.5940	0.5901	0.5944	0.6414
Ghanaian Cedi to Naira	125.9198	137.8609	106.9922	105.7338
Sierra Leonean Leone to Naira	66.7058	63.2122	68.3554	68.2619
United States dollar to Naira	1,510.9717	1,439.9300	1,548.9450	1,549.0000

11. Other income

	Group		Company	
	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million	Year ended 31/12/2025 ₦'million	Year ended 31/12/2024 ₦'million
Insurance claims	9,101	15,339	2,296	864
Government grant	12,439	10,749	12,271	10,595
Sale of scrap	2,374	1,785	2,124	1,735
Gain from disposal of property, plant and equipment	627	13,031	627	13,031
Other miscellaneous income*	17,710	16,166	8,375	3,402
	42,251	57,070	25,693	29,627

*Other miscellaneous income for Group includes ₦4.1 billion (2024: ₦6.6 billion) derived from toll subsidy from government in Congo, paraffin burning; and ₦3.4 billion (2024: ₦4.0 billion) represents sale of electricity to third parties.

12 Profit before tax

Profit before tax includes the following charges/(credits):

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Depreciation of property, plant and equipment and right-of-use asset	214,123	227,816	103,782	64,578
Amortisation of intangible assets	903	1,143	28	58
Auditors' remuneration	1,827	1,694	605	535
Employee benefits expenses	272,210	244,528	123,053	101,355
Gain on disposal of property, plant and equipment	627	13,031	627	13,031
Lease rental expenses	5,088	4,303	1,450	660
Directors emoluments	4,577	4,235	4,556	4,204
Write off & impairment of property, plant, equipment and intangible assets	831	1,015	84	2
Foreign exchange (gain)/loss	(27,798)	249,322	146,279	(430,126)
Management service fee	13,998	9,331	13,998	9,331
Royalty	10,243	5,885	6,152	3,312
Impairment of financial assets	4,724	726	10,605	387

13 Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Profit for the year attributable to owners of the Company	1,002,847	498,192	708,842	1,027,217
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	Units (million)	Units (million)	Units (million)	Units (million)
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	16,752	16,752	16,752	16,752
Basic & diluted earnings per share (Naira)	59.86	29.74	42.31	61.32

14. Income taxes

14.1 Income tax expense recognised in profit or loss

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Current tax				
Current year	(342,727)	(190,838)	(252,295)	(136,971)
Changes in estimates related to prior year	(4,506)	453	(2,407)	(1,905)
	(347,233)	(190,385)	(254,702)	(138,876)
Deferred tax				
Origination and reversal of temporary differences	(160,942)	(38,905)	(99,709)	(10,234)
Change in tax rate	(9,564)	-	(9,564)	-
	(170,506)	(38,905)	(109,273)	(10,234)
Total income tax expense recognised in the current year	(517,739)	(229,290)	(363,975)	(149,110)

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

14. Income taxes (continued)

The income tax expense for the year can be reconciled to the profit before tax as follows:

	Group		Company	
	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million
Profit before tax	1,532,660	732,537	1,072,817	1,176,327
Income tax expense calculated at 30% (2024: 30%)	(459,798)	(219,761)	(321,845)	(352,898)
Education Tax	(34,776)	(19,949)	(26,196)	(16,424)
Effect of tax holiday and income that is exempt from taxation	101,508	49,080	50,115	29,698
Effect of expenses that are not deductible in determining taxable profit	(5,121)	(4,343)	(4,898)	(765)
Effect of previously unrecognised temporary difference now recognised as deferred tax assets.	154	2,306	-	-
Effect of previously recognised temporary difference now derecognised as deferred tax assets.	(6,522)	(1,736)	-	-
Effect of exchange (losses)/gains on net investment	471	27,946	(42,423)	190,714
Effect of prior year over/(under) provision	(4,506)	453	(2,407)	(1,905)
Effect of Investment allowance	-	4,687	-	-
Effect of income taxed at different rates	(927)	3,115	(927)	3,115
Effect of change in tax rate	(9,564)	-	(9,564)	-
Effect of unused tax losses not recognised as deferred tax assets	(89,919)	(67,630)	-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	(481)	2,106	-	-
Others	(8,258)	(5,564)	(5,830)	(645)
Income tax expense recognised in profit or loss	(517,739)	(229,290)	(363,975)	(149,110)

The income tax rate of 30% was used for the company income tax computation as established by the tax legislation of Nigeria effective in 2025 and 2024. Among others, the income tax rate in South Africa is 28%, in Congo, 28%, in Cameroon, 38.5%, 25% in Ghana, 25% in Sierra Leone and 30% in Zambia.

14.2 Current tax assets

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Balance at beginning of the year	1,826	1,944	924	924
Charge for the year	3,938	3,954	-	-
Payments/(receipts) during the year	(4,007)	34	-	-
Tax credit utilised to offset current tax liabilities	-	(4,075)	-	-
Effect of currency exchange difference	(184)	(31)	-	-
Balance at the end of the year	1,573	1,826	924	924

14.3 Current tax liabilities

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Balance at beginning of the year	183,160	174,287	129,623	118,070
Charge for the year	351,171	194,339	254,702	138,876
Payments during the year	(163,591)	(174,424)	(90,268)	(124,088)
Withholding tax credit utilised	(6,718)	(3,235)	(2,513)	(3,235)
Tax credit utilised to offset current tax liabilities	(56,302)	(4,075)	(56,302)	-
Effect of currency exchange difference	(10,699)	(3,732)	-	-
Balance at the end of the year	297,021	183,160	235,242	129,623

14.3.1 Income tax paid

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Current tax assets (Note14.2)	(4,007)	34	-	-
Current tax liabilities (Note14.3)	163,591	174,424	90,268	124,088
Income tax paid as per statement of cash flows	159,584	174,458	90,268	124,088

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

14. Income taxes (continued)

14.4 Deferred tax balance

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Deferred tax assets	17,757	19,426	-	-
Deferred tax liabilities	(353,245)	(196,422)	(182,516)	(73,243)
Net deferred tax liabilities	(335,488)	(176,996)	(182,516)	(73,243)

Group

	31/12/2025					
	Opening balance N'million	Recognised in profit or loss N'million	Effect of currency translation N'million	Net closing balance N'million	Deferred tax assets N'million	Deferred tax liabilities N'million
Deferred tax (liabilities)/assets in relation to:						
Property, plant & equipment	(320,147)	(65,475)	14,360	(371,262)	-	(371,262)
Unrealised exchange gains/losses	63,909	(98,688)	(7,692)	(42,471)	240	(42,711)
Employee benefits	6,927	1,315	(166)	8,076	8,076	-
Provision	14,736	2,971	1,864	19,571	20,068	(497)
Tax losses	59,432	(10,674)	2,830	51,588	51,588	-
Right-of-use assets/lease liabilities	(1,853)	45	818	(990)	-	(990)
Deferred tax (liabilities)/assets before set-off	(176,996)	(170,506)	12,014	(335,488)	79,972	(415,460)
Set-off of tax	-	-	-	-	(62,215)	62,215
Net tax (liabilities)/assets	(176,996)	(170,506)	12,014	(335,488)	17,757	(353,245)

	31/12/2024					
	Opening balance N'million	Recognised in profit or loss N'million	Effect of currency translation N'million	Net closing balance N'million	Deferred tax assets N'million	Deferred tax liabilities N'million
Deferred tax (liabilities)/assets in relation to:						
Property, plant & equipment	(233,637)	(61,389)	(25,121)	(320,147)	-	(324,771)
Unrealised exchange gains/losses	45,942	21,595	(3,628)	63,909	73,343	(3,628)
Employee benefits	4,737	1,513	677	6,927	6,927	-
Provision	6,470	5,797	2,469	14,736	17,318	(2,244)
Tax losses	40,904	(5,447)	23,975	59,432	57,912	-
Right-of-use assets/lease liabilities	34	(974)	(913)	(1,853)	-	(1,853)
Deferred tax (liabilities)/assets before set-off	(135,550)	(38,905)	(2,541)	(176,996)	155,500	(332,496)
Set-off of tax	-	-	-	-	(136,074)	136,074
Net tax (liabilities)/assets	(135,550)	(38,905)	(2,541)	(176,996)	19,426	(196,422)

Company

	31/12/2025		
	Net opening balance N'million	Recognised in profit or loss N'million	Net closing balance N'million
Deferred tax (liabilities)/assets in relation to:			
Property, plant & equipment	(148,769)	(25,792)	(174,561)
Unrealised exchange gains/losses	66,159	(85,456)	(19,297)
Employee benefits obligations	5,156	1,404	6,560
Provision	4,794	549	5,343
Right-of-use assets/lease liabilities	(583)	22	(561)
Deferred tax liabilities	(73,243)	(109,273)	(182,516)

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

14. Income taxes (continued)

Company	Net opening balance ₦'million	31/12/2024 Recognised in profit or loss ₦'million	Net closing balance ₦'million
Deferred tax (liabilities)/assets in relation to:			
Property, plant & equipment	(116,646)	(32,123)	(148,769)
Unrealised exchange gains/losses	46,997	19,162	66,159
Employee benefits obligations	3,734	1,422	5,156
Provision	2,469	2,325	4,794
Right-of-use assets/lease liabilities	437	(1,020)	(583)
Deferred tax liabilities	(63,009)	(10,234)	(73,243)

Tax authorities in various jurisdictions where the Group operates in, reserve the right to audit the tax charges for the financial year ended 31 December 2025 and prior years. In cases where tax audits have been carried out and additional charges levied, the Group has responded to the tax authorities challenging the technical merits and made a provision it considers appropriate in line with the technical merits of issues raised by tax authorities.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised because it is not probable that future taxable profit will be available against which the benefits can be utilised, are attributable to the following:

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
Tax losses	56,871	92,153	-	-
Unused tax credits	-	-	-	-
Deductible temporary differences	12,960	-	-	-
	69,831	92,153	-	-

The unrecognised tax credits will expire as follows:

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
Year 1 - Year 2	10,146	11,200	-	-
Year 3 - Year 4	4,421	30,863	-	-
After Year 4	-	-	-	-
No expiry date	55,264	50,090	-	-
	69,831	92,153	-	-

Deferred tax liability amounting to ₦489.3 billion (2024: ₦261.7 billion) for both Group and Company was not recognised in this financial statements. This relates to foreign exchange differences on inter-company loans classified as part of the net investment in subsidiaries.

DANGOTE CEMENT PLC
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**
15 Property, plant and equipment
15.1 The Group

	Land & leasehold improvements		Plant and machinery	Motor vehicles	Aircraft	Furniture & equipment	Capital work-In-progress	Total
	₦'million	₦'million						
Cost								
At 1 January 2024	84,710	501,389	2,607,751	444,419	4,028	36,345	259,318	3,937,960
Additions	128	1,627	86,936	164,093	-	9,092	151,901	413,777
Reclassifications	113	984	40,234	2,357	-	783	(44,471)	-
Transfers (Note 15.1.1)	-	76	1,352	-	-	183	(776)	835
Disposal	-	-	(107)	(11,877)	-	(1)	-	(11,985)
Write-off	-	-	(2,050)	(11,048)	-	(107)	-	(13,205)
Effect of foreign currency exchange rates differences	(9,483)	228,561	620,954	78,668	-	8,054	121,058	1,047,812
Balance at 31 December 2024	75,468	732,637	3,355,070	666,612	4,028	54,349	487,030	5,375,194
At 1 January 2025	75,468	732,637	3,355,070	666,612	4,028	54,349	487,030	5,375,194
Additions	-	6,607	98,613	102,933	-	2,128	650,808	861,089
Reclassifications	595	6,057	191,171	25,392	-	1,843	(225,058)	-
Transfers (Note 15.1.1)	-	-	1,990	(940)	-	-	-	1,050
Disposal	-	-	(1,214)	(2,245)	-	(5)	-	(3,464)
Write-off	(13)	-	(4,080)	(7,952)	-	(253)	(226)	(12,524)
Effect of foreign currency exchange rates differences	(7,145)	876	(54,405)	29,107	-	(2,402)	20,196	(13,773)
Balance at 31 December 2025	68,905	746,177	3,587,145	812,907	4,028	55,660	932,750	6,207,572
Accumulated depreciation and impairment								
At 1 January 2024	38,099	154,985	944,666	390,095	3,558	23,029	-	1,554,432
Depreciation expense	3,669	29,008	143,821	40,984	23	4,181	-	221,686
Reclassifications	(26)	-	26	-	-	-	-	-
Disposal	-	-	(107)	(11,528)	-	(1)	-	(11,636)
Write-off	-	-	(1,516)	(11,047)	-	(106)	-	(12,669)
Effect of foreign currency exchange rates differences	(7,898)	69,093	218,024	66,415	-	6,425	-	352,059
Balance at 31 December 2024	33,844	253,086	1,304,914	474,919	3,581	33,528	-	2,103,872
At 1 January 2025	33,844	253,086	1,304,914	474,919	3,581	33,528	-	2,103,872
Depreciation expense	387	15,855	114,601	72,073	23	4,563	-	207,502
Transfers (Note 15.1.1)	-	-	(183)	-	-	-	-	(183)
Disposal	-	-	(786)	(2,245)	-	(3)	-	(3,034)
Write-off	-	-	(3,662)	(7,868)	-	(213)	-	(11,743)
Effect of foreign currency exchange rates differences	(7,060)	(1,222)	(24,966)	28,403	-	(1,360)	-	(6,205)
Balance at 31 December 2025	27,171	267,719	1,389,918	565,282	3,604	36,515	-	2,290,209
Carrying amounts:								
At 1 January 2024	46,611	346,404	1,663,085	54,324	470	13,316	259,318	2,383,528
At 31 December 2024	41,624	479,551	2,050,156	191,693	447	20,821	487,030	3,271,322
At 31 December 2025	41,734	478,458	2,197,227	247,625	424	19,145	932,750	3,917,363

15.1.1 Represents reclassification from inventories.

15.1.2 Borrowing cost capitalised to property, plant and equipment in the current year amounts to ₦47.9 billion (2024: ₦5.3 billion)

15.1.3 Some borrowings are secured by a debenture on all the fixed and floating assets (Note 26)

DANGOTE CEMENT PLC

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

15. Property, plant and equipment (continued)

15.2 Company

	Land & leasehold improvements	Buildings	Plant and machinery	Motor vehicles	Aircraft	Furniture & equipment	Capital work-in-progress	Total
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Cost								
At 1 January 2024	2,963	88,306	680,638	194,756	4,028	6,403	36,225	1,013,319
Additions	90	902	58,413	162,476	-	1,086	40,604	263,571
Reclassifications	60	23	28,794	1,806	-	324	(31,007)	-
Transfers (Note 15.2.1)	-	-	-	-	-	-	(504)	(504)
Disposal	-	-	(107)	(11,846)	-	(1)	-	(11,954)
Write-off	-	-	-	(7,060)	-	(1)	-	(7,061)
Balance at 31 December 2024	3,113	89,231	767,738	340,132	4,028	7,811	45,318	1,257,371
At 1 January 2025	3,113	89,231	767,738	340,132	4,028	7,811	45,318	1,257,371
Additions	-	1,512	43,214	100,578	-	496	151,056	296,856
Reclassifications	10	1,457	60,466	25,226	-	1,639	(88,798)	-
Disposal	-	-	(1,214)	(2,245)	-	(5)	-	(3,464)
Write-off	-	-	-	(7,934)	-	-	-	(7,934)
Balance at 31 December 2025	3,123	92,200	870,204	455,757	4,028	9,941	107,576	1,542,829
Accumulated depreciation & impairment								
At 1 January 2024	1,017	27,395	330,668	169,164	3,558	5,369	-	537,171
Depreciation expense	30	3,667	40,277	18,902	23	737	-	63,636
Transfers (Note 15.2.1)	-	-	-	-	-	-	-	-
Disposal	-	-	(107)	(11,496)	-	(1)	-	(11,604)
Write-off	-	-	-	(7,059)	-	-	-	(7,059)
Balance at 31 December 2024	1,047	31,062	370,838	169,511	3,581	6,105	-	582,144
At 1 January 2025	1,047	31,062	370,838	169,511	3,581	6,105	-	582,144
Depreciation expense	31	1,957	38,738	60,762	23	1,071	-	102,582
Disposal	-	-	(786)	(2,245)	-	(3)	-	(3,034)
Write-off	-	-	-	(7,850)	-	-	-	(7,850)
Balance at 31 December 2025	1,078	33,019	408,790	220,178	3,604	7,173	-	673,842
Carrying amounts:								
At 1 January 2024	1,946	60,911	349,970	25,592	470	1,034	36,225	476,148
At 31 December 2024	2,066	58,169	396,900	170,621	447	1,706	45,318	675,227
At 31 December 2025	2,045	59,181	461,414	235,579	424	2,768	107,576	868,987

15.2.1 Represents transfers to inventories.

15.2.2 Borrowing cost capitalised to property, plant and equipment in the current year amounts to ₦2.4 billion (2024: nil)

15.2.3 Some borrowings are secured by a debenture on all the fixed and floating assets (Note 26)

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

15. Property, plant and equipment (continued)

15.3 Capital work in progress

Capital work in progress comprises amounts incurred with respect to Leasehold improvements and buildings, Plant and machinery, Motor vehicles as well as Furniture and equipment as at year end.

	Group		Company	
	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million
Closing capital work in progress is analysed as follows:				
Leasehold improvements and buildings	2,033	25,332	780	780
Plant and machinery	908,839	438,360	84,941	22,669
Motor vehicles	21,869	23,152	21,855	21,869
Furniture & equipment	9	186	-	-
	932,750	487,030	107,576	45,318

16 Intangible assets

	Group			Company	
	Computer software N'million	Exploration assets N'million	Total N'million	Computer software N'million	Total N'million
Cost					
At 1 January 2024	12,051	10,977	23,028	1,640	1,640
Additions	232	73	305	28	28
Write off	(96)	-	(96)	-	-
Effect of foreign currency exchange rates differences	4,196	4,651	8,847	-	-
Balance at 31 December 2024	16,383	15,701	32,084	1,668	1,668
At 1 January 2025	16,383	15,701	32,084	1,668	1,668
Additions	250	48	298	49	49
Write off	(50)	-	(50)	-	-
Effect of foreign currency exchange rates differences	(232)	(396)	(628)	-	-
Balance at 31 December 2025	16,351	15,353	31,704	1,717	1,717
Accumulated amortisation and impairment					
At 1 January 2024	9,196	1,476	10,672	1,529	1,529
Amortisation expense	948	195	1,143	58	58
Impairment	383	-	383	-	-
Effect of foreign currency exchange rates differences	2,731	152	2,883	-	-
Balance at 31 December 2024	13,258	1,823	15,081	1,587	1,587
At 1 January 2025	13,258	1,823	15,081	1,587	1,587
Amortisation expense	720	183	903	28	28
Effect of foreign currency exchange rates differences	(451)	(212)	(663)	-	-
Balance at 31 December 2025	13,527	1,794	15,321	1,615	1,615
Carrying amounts:					
At 1 January 2024	2,855	9,501	12,356	111	111
At 31 December 2024	3,125	13,878	17,003	81	81
At 31 December 2025	2,824	13,559	16,383	102	102

Computer software represent software which is amortised on a straight line basis.

Exploration assets are amortised in line with the useful life of the mines.

Amortisation of intangible assets is included in note 7 and note 8.

There are no development expenditure capitalised as internally generated intangible asset.

DANGOTE CEMENT PLC
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**
17 Right-of-use assets
17.1

	Group					Company	
	Land and buildings N'million	Plant and machinery N'million	Motor vehicles N'million	Furniture & equipment N'million	Total N'million	Land and buildings N'million	Total N'million
Cost							
At 1 January 2024	66,421	3,015	563	-	69,999	5,736	5,736
Additions	2,689	860	260	-	3,809	2,288	2,288
Derecognition	(648)	(2,468)	(56)	-	(3,172)	-	-
Effect of foreign currency exchange rates differences	25,430	2,024	386	-	27,840	-	-
Balance at 31 December 2024	93,892	3,431	1,153	-	98,476	8,024	8,024
At 1 January 2025	93,892	3,431	1,153	-	98,476	8,024	8,024
Additions	1,966	801	56	-	2,823	1,169	1,169
Reclassification	(259)	-	-	259	-	-	-
Transfers (Note 17.1.1)	(36)	-	-	-	(36)	(36)	(36)
Write off	-	(249)	(353)	-	(602)	-	-
Effect of foreign currency exchange rates differences	(5,149)	249	68	9	(4,823)	-	-
Balance at 31 December 2025	90,414	4,232	924	268	95,838	9,157	9,157
Accumulated depreciation							
At 1 January 2024	16,111	2,127	442	-	18,680	3,866	3,866
Depreciation expense	5,164	759	207	-	6,130	942	942
Derecognition	(72)	(2,468)	(56)	-	(2,596)	-	-
Effect of foreign currency exchange rates differences	4,112	1,419	302	-	5,833	-	-
Balance at 31 December 2024	25,315	1,837	895	-	28,047	4,808	4,808
At 1 January 2025	25,315	1,837	895	-	28,047	4,808	4,808
Depreciation expense	5,460	1,028	133	-	6,621	1,200	1,200
Reclassification	(138)	-	-	138	-	-	-
Write off	-	(249)	(353)	-	(602)	-	-
Effect of foreign currency exchange rates differences	(467)	149	53	5	(260)	-	-
Balance at 31 December 2025	30,170	2,765	728	143	33,806	6,008	6,008
Carrying amounts:							
At 1 January 2024	50,310	888	121	-	51,319	1,870	1,870
At 31 December 2024	68,577	1,594	258	-	70,429	3,216	3,216
Balance at 31 December 2025	60,244	1,467	196	125	62,032	3,149	3,149

17.1.1 Represents amount of leases reclassified from property, plant and equipment.

The Group leases several assets including cement depots, residential apartments, trucks, trailers, fleet vehicles, forklifts and land. The average lease term is 22 years (2024: 23 years) and 3.3 years (2024: 3.5 years) for Group and Company respectively. The Group lease term ranges from 2 years to 99 years while the Company lease term ranges from 2 years to 21 years.

Approximately 28 (2024: 30) of the leases for the Group expired in the current financial year while approximately 10 (2024: 15) leases for the Company expired in the current financial year. The expired contracts were replaced by new leases for similar underlying assets. This resulted in additions to right-of-use assets of ₦2.8 billion (2024: ₦3.8 billion) for Group and ₦1.2 billion (2024: ₦2.3 billion) for Company respectively.

17.2 Recognised in Profit or Loss

	Group		Company	
	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million	Year ended 31/12/2025 N'million	Year ended 31/12/2024 N'million
Amounts recognised in profit or loss:				
Depreciation expense on right-of-use assets	6,621	6,130	1,200	942
Interest expense on lease liabilities	2,042	2,248	118	320
Expense relating to short-term leases	3,046	2,055	1,332	340

As at 31 December 2025, the Group is committed to ₦2.06 billion (2024: ₦1.9 billion) for short-term leases.

All payments for leases are fixed.

The total lease cash outflows for principal amount to ₦5.3 billion (2024: ₦4.4 billion) and ₦0.9 billion (2024: ₦0.8 billion) for Group and Company respectively while the total lease cash outflows for interest amount to ₦2.0 billion (2024: ₦2.2 billion) and ₦0.1 billion (2024: ₦0.3 billion) for Group and Company respectively.

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

18. Information regarding subsidiaries and associate

18.1 Subsidiaries

Details of the Group's subsidiaries at the end of the reporting year are as follows;

Direct subsidiaries	Principal Activity	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
			31/12/2025	31/12/2024
Dangote Cement South Africa (Pty) Limited	Cement production	South Africa	64.00%	64.00%
Dangote Cement (Ethiopia) Plc	Cement production	Ethiopia	99.97%	99.97%
Dangote Cement Zambia Limited	Cement production	Zambia	99.96%	99.96%
Dangote Cement Senegal S.A *	Cement production	Senegal	89.99%	99.99%
Dangote Cement Cameroun S.A	Cement Grinding	Cameroun	99.97%	99.97%
Dangote Cement Limited, Tanzania	Cement production	Tanzania	99.70%	99.70%
Dangote Cement Congo S.A	Cement production	Congo	100.00%	100.00%
Dangote Cement (Sierra Leone) Limited	Bagging and distribution of cement	Sierra Leone	99.60%	99.60%
Dangote Cement Cote D'Ivoire S.A	Cement Grinding	Cote D'Ivoire	80.00%	80.00%
Dangote Industries Gabon S.A	Cement Grinding	Gabon	80.00%	80.00%
Dangote Cement - Liberia Ltd.	Bagging and distribution of cement	Liberia	100.00%	100.00%
Dangote Cement Burkina Faso S.A	Selling and distribution of cement	Burkina Faso	95.00%	95.00%
Dangote Cement Chad S.A	Selling and distribution of cement	Chad	95.00%	95.00%
Dangote Cement Mali S.A	Selling and distribution of cement	Mali	95.00%	95.00%
Dangote Cement Niger SARL	Selling and distribution of cement	Niger	95.00%	95.00%
Dangote Industries Benin S.A	Selling and distribution of cement	Benin	98.00%	98.00%
Dangote Cement Togo S.A	Selling and distribution of cement	Togo	90.00%	90.00%
Dangote Cement Kenya Limited	Cement production	Kenya	90.00%	90.00%
Dangote Quarries Kenya Limited	Limestone mining	Kenya	90.00%	90.00%
Dangote Cement Madagascar Limited	Cement production	Madagascar	95.00%	95.00%
Dangote Quarries Mozambique Limitada	Cement production	Mozambique	95.00%	95.00%
Dangote Cement Nepal Pvt. Limited	Cement production	Nepal	100.00%	100.00%
Dangote Zimbabwe Holdings (Private) Limited	Investment holding	Zimbabwe	90.00%	90.00%
Dangote Cement Zimbabwe (Private) Limited	Cement production	Zimbabwe	90.00%	90.00%
Dangote Energy Zimbabwe (Private) Limited	Power production	Zimbabwe	90.00%	90.00%
Dangote Mining Zimbabwe (Private) Limited	Coal production	Zimbabwe	90.00%	90.00%
Dangote Cement Guinea SA	Cement production	Guinea	95.00%	95.00%
Cimenterie Obajana Sprl- D.R. Congo	Cement production	D.R. Congo	98.00%	98.00%
Itori Cement Limited	Cement production	Nigeria	99.00%	99.00%
Okpella Cement Limited	Cement production	Nigeria	99.00%	99.00%
Dangote Cement Production Limited **	Cement Grinding	Ghana	99.00%	99.00%
Dangote Cement Yaounde	Cement Grinding	Cameroun	90.00%	90.00%
Dangote Cement Congo D.R. S.A	Cement production	D.R. Congo	99.00%	99.00%
DCP Cement Limited	Cement production	Nigeria	90.00%	90.00%
Dangote Mines Limited, Tanzania	Cement production	Tanzania	99.70%	99.70%
Dangote Contracting Services Limited, Tanzania	Contracting Services	Tanzania	99.70%	99.70%
Dangote Mining Niger S.A	Limestone mining	Niger	88.00%	88.00%
Dangote Ceramics Limited	Manufacturing of ceramics products	Nigeria	99.00%	99.00%
Indirect Subsidiaries				
Dangote Cement South Africa (Pty) Limited Subsidiaries				
Sephaku Development (Pty) Ltd	Mining right holder	South Africa	85.00%	85.00%
Sephaku Delmas Properties (Pty) Ltd	Investment property	South Africa	100.00%	100.00%
Blue Waves Properties 198 (Pty) Ltd	Exploration	South Africa	100.00%	100.00%
Sephaku Enterprise Development (Pty) Ltd	Cement production	South Africa	100.00%	100.00%
Dangote Dwaalboom mining (Pty) Ltd	Investment property	South Africa	100.00%	100.00%
Beneficial Ingenuity (Pty) Limited	Investment holding	South Africa	80.00%	80.00%

* The Company transferred 10% of its shareholding to the government of the Republic of Senegal.

** Dangote Takoradi Cement Production Limited name was changed to Dangote Cement Production Limited.

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

18 Information regarding subsidiaries and associate (continued)

Indirect Subsidiaries	Principal Activity	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
			31/12/2025	31/12/2024
Beneficial Ingenuity (Pty) Limited Subsidiary				
Sephaku Limestone and Exploration (Pty) Ltd	Exploration	South Africa	52.00%	52.00%
Dangote Cement Zambia Limited				
Dangote Quarries (Zambia) Limited	Limestone mining	Zambia	99.997%	99.997%
Dangote Fuels Zambia Limited	Selling and distribution of fuels	Zambia	99.00%	99.00%
Dangote Cement Nepal Pvt. Limited subsidiary				
Birat Cement Pvt. Limited	Cement production and distribution	Nepal	100.00%	100.00%
18.2 Investments in subsidiaries				
		Group		Company
		31/12/2025	31/12/2024	31/12/2025
		₦'million	₦'million	₦'million
Dangote Cement South Africa (Pty) Limited		-	-	30,695
Dangote Cement (Ethiopia) Plc		-	-	40,036
Dangote Cement Zambia Limited		-	-	106
Dangote Cement Senegal S.A		-	-	64,782
Dangote Cement Cameroun S.A		-	-	15,160
Dangote Cement Production Limited		-	-	276
Dangote Cement Limited, Tanzania		-	-	13,851
Dangote Cement Congo S.A		-	-	86,997
Dangote Cement (Sierra Leone) Limited		-	-	18
Dangote Cement Cote D'Ivoire S.A		-	-	16
Dangote Industries Gabon S.A		-	-	31
Dangote Cement Burkina faso SA		-	-	3
Dangote Cement Chad SA		-	-	3
Dangote Cement Mali SA		-	-	3
Dangote Cement Niger SARL		-	-	7
Dangote Industries Benin S.A.		-	-	3
Dangote Cement Togo S.A.		-	-	5
Dangote Cement Madagascar Limited		-	-	2
Dangote Cement Congo D.R. S.A		-	-	6
Itori Cement Limited		-	-	1
Okpella Cement Limited		-	-	1
DCP Cement Limited		-	-	1
Dangote Ceramics Limited		-	-	10
Dangote Cement Yaounde		-	-	22
Dangote Mining Niger S.A		-	-	-
Dangote Cement - Liberia Ltd.		-	-	-
Dangote Cement Kenya Limited		-	-	-
Dangote Quarries Kenya Limited		-	-	-
Dangote Quarries Mozambique Limitada		-	-	-
Dangote Cement Nepal Pvt. Ltd.		-	-	-
Dangote Zimbabwe Holdings (Private) Limited		-	-	-
Dangote Cement Zimbabwe (Private) Limited		-	-	-
Dangote Energy Zimbabwe (Private) Limited		-	-	-
Dangote Mining Zimbabwe (Private) Limited		-	-	-
Dangote Cement Guinea SA		-	-	-
Cimenterie Obajana Sprl- D.R. Congo		-	-	-
Dangote Mines Limited, Tanzania		-	-	-
Dangote Contracting Services Limited, Tanzania		-	-	-
		-	-	252,035
				249,262

18. Information regarding subsidiaries and associate (continued)

18.3 Investment in associate

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
At 1 January	3,005	2,607	1,582	1,582
Dividend income received during the year	(2,276)	(2,420)	-	-
Current year share of profit	2,493	2,818	-	-
At 31 December	3,222	3,005	1,582	1,582

The Group holds 43% of the voting rights in Societe des Ciments d' Onigbolo, a cement producing company incorporated in the Republic of Benin.

18.4 Composition of the Group

Information about the composition of the Group at the end of the reporting year is as follows:

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		31/12/2025	31/12/2024
Cement production	Congo	1	1
Bagging and distribution of cement	Liberia	1	1
Cement production	Nepal	1	1

Principal activity	Place of incorporation and operation	Number of non- wholly-owned subsidiaries	
		31/12/2025	31/12/2024
Cement production	South Africa	1	1
Cement production	Ethiopia	1	1
Cement production	Zambia	1	1
Cement production	Senegal	1	1
Cement Grinding	Cameroun	2	2
Cement production	Tanzania	2	2
Contracting Services	Tanzania	1	1
Bagging and distribution of cement	Sierra Leone	1	1
Cement Grinding	Cote D'Ivoire	1	1
Cement Grinding	Gabon	1	1
Selling and distribution of cement	Burkina Faso	1	1
Selling and distribution of cement	Chad	1	1
Selling and distribution of cement	Mali	1	1
Selling and distribution of cement	Niger	1	1
Limestone mining	Niger	1	1
Limestone mining	Kenya	1	1
Cement production	Kenya	1	1
Cement production	Madagascar	1	1
Selling and distribution of cement	Benin	1	1
Selling and distribution of cement	Togo	1	1
Cement production	Mozambique	1	1
Holding company	Zimbabwe	1	1
Cement production	Zimbabwe	1	1
Power production	Zimbabwe	1	1
Coal production	Zimbabwe	1	1
Cement production	Guinea	1	1
Cement production	D.R. Congo	2	2
Cement production	Nigeria	3	3
Cement Grinding	Ghana	1	1
Manufacturing of ceramics products	Nigeria	1	1

18. Information regarding subsidiaries and associate (continued)

18.5 Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of the non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		31/12/2025	31/12/2024	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Dangote Cement South Africa (Pty) Limited	South Africa	36.00%	36.00%	739	1,224	58,839	54,347
DCP Cement Limited	Nigeria	10.00%	10.00%	8,679	6,004	25,893	17,215
Dangote Cement Senegal S.A	Senegal	10.0%	0.01%	922	3	25,446	26

18.6 Change in the Company's ownership interest in a subsidiary

The Company transferred 10% of its shareholding to the government of the Republic of Senegal. This is a change in ownership without a loss of control to the Company. Also, no entity was incorporated during the year.

18.7 Significant restrictions

There are no significant restrictions on the Company's or its subsidiaries' ability to access or use its assets to settle the liabilities of the Group.

18.8 Summarised below is the financial information in respect of the Company's subsidiaries that have material non-controlling interests. Information below represent amounts before intragroup eliminations.

	Dangote Cement South Africa (Pty) Limited		DCP Cement Limited		Dangote Cement Senegal S.A	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Information in respect of the financial position of the subsidiaries						
Current assets	87,810	87,041	236,811	121,370	154,086	164,707
Non-current assets	208,321	202,535	115,642	115,673	275,203	265,422
Current liabilities	120,924	129,486	68,470	51,817	81,615	76,151
Non-current liabilities	8,854	6,217	25,053	13,081	93,441	89,948
Equity attributable to owners of the Company	165,945	153,619	258,930	172,145	254,233	264,030
Non-controlling interests	408	254	-	-	-	-
Information in respect of the profit and loss and other comprehensive income						
Revenue	223,543	222,523	206,787	176,991	151,043	192,166
Expenses	(221,067)	(217,886)	(75,172)	(91,624)	(134,713)	(155,087)
Tax expense	(422)	(1,237)	(44,830)	(25,331)	(7,115)	(9,548)
Profit for the year	2,054	3,400	86,785	60,036	9,215	27,531
Profit attributable to owners of the Company	1,315	2,176	78,106	54,032	8,293	27,528
Profit attributable to the non-controlling interests	739	1,224	8,679	6,004	922	3
Profit for the year	2,054	3,400	86,785	60,036	9,215	27,531
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	2,054	3,400	86,785	60,036	9,215	27,531
Total comprehensive income attributable to owners of the Company	1,315	2,176	78,106	54,032	8,293	27,528
Total comprehensive income attributable to the non-controlling interests	739	1,224	8,679	6,004	922	3
Total comprehensive income for the year	2,054	3,400	86,785	60,036	9,215	27,531
Information in respect of the cash flows of the Subsidiary						
Dividends paid to non-controlling interests	-	-	-	-	340	-
Net cash inflow from operating activities	5,225	26,832	5,090	13,919	18,443	51,502
Net cash outflow from investing activities	(1,155)	(4,374)	(5,055)	(7,836)	(32,900)	(25,424)
Net cash outflow from financing activities	(13,810)	(14,884)	(8)	(5,782)	(36,840)	(34,382)
Net cash outflow	(9,740)	7,574	27	301	(51,297)	(8,304)

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

19. Prepayments

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
19.1 Non-current				
Advance to contractors	28,969	48,580	50	50
Total non-current prepayments	28,969	48,580	50	50
19.2 Prepayments and other current assets				
Advance to contractors	57,567	86,017	26,724	44,883
Advance payment to suppliers	129,408	190,435	111,372	153,123
Rent, rates and insurance	27,005	14,701	13,306	3,488
Prepayment for road infrastructure tax credit	212	212	212	212
Total current prepayments and other assets	214,192	291,365	151,614	201,706
Due from related parties - current (Note 31)				
Parent company	-	83,168	-	83,168
Entities controlled by the parent company	449,404	290,521	434,040	271,638
Affiliates and associates of parent company	15	17	-	-
Subsidiaries	-	-	415,761	458,139
Total current receivables from related parties	449,419	373,706	849,801	812,945
Prepayments and other current assets	663,611	665,071	1,001,415	1,014,651

Non-current advances to contractors represent various advances made to contractors for the construction of plants while current advances to contractors represent various advances made for the purchase of AGO, coal and other materials which were not received at the year end.

20 Inventories

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
Finished product	32,874	35,987	16,879	21,050
Work-in-progress	55,674	51,773	9,374	16,815
Raw materials	60,664	45,430	26,704	19,834
Packaging materials	28,705	22,213	13,094	7,238
Consumables	55,724	56,459	34,440	33,204
Fuel	54,507	67,605	14,523	14,951
Spare parts	381,589	310,137	192,318	151,384
Goods in transit	87,098	80,058	62,949	58,316
	756,835	669,662	370,281	322,792

The cost of inventories recognised as an expense during the year was ₦1,217.2 billion and ₦720.5 billion (2024: ₦1,020 billion and ₦543.2 billion) in the consolidated and separate financial statements respectively.

The amount recognised as inventories obsolescence during the year was ₦779.6 million (2024: ₦1.3 billion) for Group and ₦594.9 million (2024: ₦593.3 million) for Company.

The amount recognised as inventories write off during the year was Nil (2024: ₦1.1 billion) for Group and Nil (2024: Nil) for Company.

Some borrowings are secured by a debenture on all the fixed and floating assets (Note 26)

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21. Trade and other receivables

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Trade receivables	57,685	39,671	27,362	16,805
Impairment allowance on trade receivables	(3,789)	(2,983)	(2,413)	(2,059)
	53,896	36,688	24,949	14,746
Staff loans and advances	4,196	2,786	610	290
Value added tax receivables	17,652	10,172	-	-
Receivables from registrar	1,184	1,241	1,184	1,241
Other receivables*	70,544	65,855	34,398	20,960
Total trade and other receivables	147,472	116,742	61,141	37,237

Of the trade receivables balance at the end of the year in the consolidated and separate financial statements, ₦4.8 billion (2024: ₦4.79 billion) and ₦2.31 billion (2024: ₦2.04 billion) represents the largest trade receivable balance due from a single customer at the Group and Company level respectively. There are no customers who represent more than 10% of the total balance of trade receivables of the Group and Company after impairment.

* Included in other receivables as at 31 December 2025 is an amount of ₦29.3 billion (2024: ₦17.1 billion) recognised as export expansion grant for both Group and Company while ₦11.9 billion (2024: ₦9.4 billion) relates to toll subsidy receivables from government in Congo recognised for Group only.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables over 720 days past due, except where there is adequate security, because historical experience has indicated that these receivables are generally not recoverable.

Movement in impairment loss allowance of ₦806 million (2024: ₦757 million) and ₦354 million (2024: ₦418 million) relate to additional provision for Group and Company respectively.

There has been no change in the estimation techniques or significant assumptions made during the current reporting year.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, except where there is adequate security. None of the trade receivables that have been written off is subject to enforcement activities.

Trade receivables are considered to be past due when they exceed the credit period granted.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer segment.

	Group						
	31 December 2025	Not past due N'million	<30 days N'million	31-60 days N'million	61-90 days N'million	>90 days N'million	Total N'million
Expected credit loss rate		0.00%	0.12%	0.65%	15.00%	96.13%	
Estimated total gross carrying amount at default		25,596	26,354	1,452	457	3,826	57,685
Lifetime ECL		1	32	9	69	3,678	3,789
	31 December 2024	Not past due N'million	<30 days N'million	31-60 days N'million	61-90 days N'million	>90 days N'million	Total N'million
Expected credit loss rate		0.01%	0.11%	0.56%	13.99%	92.97%	
Estimated total gross carrying amount at default		17,103	18,124	999	314	3,131	39,671
Lifetime ECL		2	20	6	44	2,911	2,983
	31 December 2025	Not past due N'million	<30 days N'million	31-60 days N'million	61-90 days N'million	>90 days N'million	Total N'million
Expected credit loss rate		0.00%	0.01%	0.03%	8.02%	85.48%	
Estimated total gross carrying amount at default		-	19,846	747	4,358	2,411	27,362
Lifetime ECL		-	2	-	350	2,061	2,413

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21. Trade and other receivables (continued)

31 December 2024	Not past due N'million	<30 days N'million	31-60 days N'million	61-90 days N'million	>90 days N'million	Total N'million
Expected credit loss rate	0.00%	0.01%	0.04%	12.26%	100.00%	
Estimated total gross carrying amount at default	141	11,423	2,674	582	1,985	16,805
Lifetime ECL	-	1	1	72	1,985	2,059

22 Lease receivables

Leasing arrangements

Amounts receivable under finance leases:

	Group & Company			
	Minimum lease payments		Present value of minimum Lease payment	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Year 1	7,538	7,153	4,897	4,590
Year 2	7,462	11,442	5,689	5,191
Year 3	9,264	9,973	6,134	5,779
Year 4	5,817	7,140	5,233	5,403
Year 5	2,539	3,692	2,282	3,464
Year 6	2,190	349	2,050	339
Year 7	1,694	-	1,656	-
	36,504	39,749	27,941	24,766
Less: unearned finance income	(8,563)	(14,983)	-	-
Present value of minimum lease payments receivable	27,941	24,766	27,941	24,766
Allowance for uncollectible lease payments	-	-	-	-
Net investment in the lease	27,941	24,766	27,941	24,766
Analysed as follows:				
Recoverable within 12 months	7,538	7,153	4,897	7,889
Recoverable after 12 months	28,966	32,596	23,044	16,877
	36,504	39,749	27,941	24,766

The Company entered into finance lease arrangements for some of its trucks. All leases are denominated in Naira. The average term of finance leases entered into is 4.2 years (2024: 4.6 years).

During the year, the Group recognised interest income on lease receivables of ₦4.6 billion (2024: ₦2.2 billion).

Unguaranteed residual values of assets leased under finance leases at the end of the reporting year are estimated at nil.

The average effective interest rate implicit in the contracts is 12.8% (2024: 15.8 %) per annum.

The Directors of the Company estimate the loss allowance on finance lease receivables at the end of the reporting year at an amount equal to lifetime ECL. Taking into account the historical default experience and the future prospects of the industries in which the leases operate, together with the value of collateral held over these finance lease receivables, the directors consider a write off of ₦498 million finance lease receivables during the year (2024: ₦31 million write back).

The table below shows the aged analysis of the finance lease receivables.

31 December 2025	Group & Company					
	Not past due N'million	<30 days N'million	31-60 days N'million	61-90 days N'million	>90 days N'million	Total N'million
Estimated total gross carrying amount at default	27,111	267	173	116	274	27,941
31 December 2024	Not past due N'million	<30 days N'million	31-60 days N'million	61-90 days N'million	>90 days N'million	Total N'million
Estimated total gross carrying amount at default	24,701	17	9	5	34	24,766

23. Share capital

		Group/Company	
		31/12/2025	31/12/2024
		₦million	₦million
<i>Issued and fully paid</i>			
23.1	Share capital 16,873,559,251 (2024: 16,873,559,251) ordinary shares of ₦0.5 each	8,437	8,437
23.2	Share premium	42,014	42,014
23.3	Authorised share capital as at reporting date represents 16,873,559,251 units of ordinary shares of ₦0.5 each.		

Fully paid ordinary shares carry one vote per fully paid up share and a right to dividends when declared and approved.

23.4 Securities trading policy

The Board of Directors have established an Insider Trading Policy designed to prohibit dealing in Dangote Cement Plc. shares or securities on the basis of potentially price sensitive information that is not yet in the public domain. This is in line with the Rules of the Nigeria Exchange Group (NGX), the Investment and Securities Act (ISA) 2025 and the SEC Rules and Regulations. All Directors complied with the Insider Trading Policy during the year under review, and the free float of the Company is in compliance with the NSE's free float requirements, as its value is above the threshold of forty billion Naira as mandated by the NSE.

23.5 Treasury shares

As at 31 December 2025, the Company held 121,404,714 (2024: 121,404,714) units, representing 0.72% (December 2024: 0.72%) of its own shares amounting to ₦41.4 billion (2024: ₦41.4 billion).

23.6 Capital contribution

A subordinated loan was obtained by the Company from the immediate parent, Dangote Industries Limited in 2010. The interest on the long term portion was waived for 2011. Given the favourable terms at which the Company secured the loan, an amount of ₦2.8 billion which is the difference between the fair value of the loan on initial recognition and the amount received, has been recognised as a capital contribution.

23.7 Currency translation reserve

Exchange difference relating to the translation of the results and net investments of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of foreign operations. As at 31 December 2025, the currency translation reserves amounts to ₦1,003 billion (2024: ₦1,083 billion).

24 Dividend

On 23 June 2025, a dividend of ₦30.00 per share was approved by shareholders to be paid to holders of fully paid ordinary shares in relation to 2024 financial year.

In respect of the current year, the Directors proposed a dividend of ₦45.00 per share (2024: ₦30.00) resulting in ₦753.8 billion (2024: ₦502.6 billion) total dividends payable from retained earnings. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated and separate financial statements.

25 Trade and other payables

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Trade payables	398,791	407,896	230,497	257,398
Payable to contractors	386,307	83,089	8,671	9,196
Value added tax payable	30,626	23,736	17,787	13,218
Withholding tax payable	110,790	116,745	4,143	3,715
Defined contribution plan (Note 29.1)	4,026	3,371	101	12
Contract liabilities - Advances from customers*	143,333	153,627	97,959	91,662
Dividend payables	4,009	5,211	4,006	5,211
Accruals	191,740	198,444	34,074	39,757
Total trade and other payables	1,269,622	992,119	397,238	420,169

The average credit period on purchases of goods is 89 days and 72 days (2024: 90 days and 95 days) for Group and Company respectively. Normally, no interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid in line with the pre-agreed credit terms.

*Contract liabilities are made up of advances from customers for cement and clinker yet to be delivered. The sum of ₦153.6 billion (2024: ₦156.5 billion) and ₦91.7 billion (2024: ₦83.8 billion) for Group and Company respectively relate to brought forward balances which have been recognised in revenue.

26 Financial liabilities

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Unsecured borrowings at amortised cost				
Loans from Dangote Industries Limited (Note 26.5)	299,554	120,500	299,554	120,500
Bulk Commodities loans (Note 26.1)	73,407	79,943	4,753	5,113
Bond (Note 26.2)	198,275	272,321	198,275	272,321
Commercial papers (Note 26.3)	209,609	145,630	209,609	145,630
Bank loans (Note 26.4)	119,015	631,403	38,165	546,025
	899,860	1,249,797	750,356	1,089,589
Secured borrowings at amortised cost				
Bank loans (Note 26.4)	180,630	1,261,982	1,194	1,053,055
	180,630	1,261,982	1,194	1,053,055
Total loans and borrowings	1,080,490	2,511,779	751,550	2,142,644
Financial liabilities (Non-current)	359,810	1,386,383	198,275	1,217,896
Current portion repayable in one year and shown as current liabilities	685,697	807,281	525,316	614,831
Overdraft balances (Note 32.1)	34,983	318,115	27,959	309,917
Current portion of loans and borrowings	720,680	1,125,396	553,275	924,748
Interest payable	79,085	119,785	27,829	74,262
Financial liabilities (Current)	799,765	1,245,181	581,104	999,010

26.1 The loans from Bulk Commodities International, a related party, are denominated in USD with interest rate ranging from 6% to 8.5% per annum.

26.2 The Company's publicly issued bonds as at 31 December 2025 amount to ₦200 billion (2024: ₦274 billion) with coupon rate of 11.85% to 23.5%. The tenure is between 3 to 10 years.

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

26 Financial liabilities (continued)

26.3 Commercial papers were issued under a programme with a face value of ₦243.3 billion (2024: ₦176 billion). The tenure is between 180 days and 270 days with discount ranging from 21% to 25%.

26.4 Bank loans include the following:

a) Loans arising from letters of credit (LCs) obtained to Finance inventories, property plant and equipment etc. The average interest rate is SOFR plus 9% (2024: SOFR plus 10%)

b) Short term loans and overdrafts. The interest rates range from 21% to 30%

26.5 Loan from Dangote Industries Limited of ₦299.6 billion (2024: ₦120.5 billion) was obtained by the Company to finance working capital. The interest rate on the loan is 20.0% and payable in 2026.

Group				31/12/2025	31/12/2024
Loans	Currency	Nominal interest rate	Maturity	₦'million	₦'million
Bank overdrafts			On demand	34,983	318,115
Other borrowings:					
Loans from Parent Company	Naira	20.0%	2026	299,554	120,500
Loan from Bulk Commodities Inc.	USD	6.0% - 8.5%	On demand	73,407	79,943
Commercial papers	Naira	21% - 25%	2026	209,609	145,630
Bond	Naira	11.85 -23.5%	2027 - 2034	198,275	272,321
Long term loans from banks	USD	SOFR + 5.2%	2027	48,122	65,950
Long term loans from banks	ZMW	MPR + 7%	2031	36,921	-
Long term loans from banks	USD	SOFR+6.5%	2025	-	1,045,575
Long term loans from banks	CFA	7.25%	2026 - 2029	125,575	113,634
Short term loans from banks	USD	SOFR + 9%	2026	54,044	109,465
Short term loans from Banks	Naira	21 - 30%	2025	-	229,678
Short term loans from Banks	Rands	JIBAR + 3.25%	2025	-	10,968
				1,045,507	2,193,664
Total borrowings				1,080,490	2,511,779
Company					
Loans	Currency	Nominal interest rate	Maturity	31/12/2025	31/12/2024
				₦'million	₦'million
Bank overdrafts			On demand	27,959	309,917
Loans from Parent Company	Naira	20.0%	2026	299,554	120,500
Loan from Bulk Commodities Inc.	USD	6.0%	On demand	4,753	5,113
Commercial papers	Naira	21% - 25%	2026	209,609	145,630
Bond	Naira	11.85 -23.5%	2027 - 2034	198,275	272,321
Long term loans from banks	USD	SOFR+6.5%	2025	-	1,045,575
Short term loans from Banks	Naira	21 - 30%	2025	-	229,678
Short term loans from Banks	USD	SOFR + 9%	2026	11,400	13,910
				723,591	1,832,727
Total borrowings				751,550	2,142,644

DANGOTE CEMENT PLC

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

26 Financial liabilities (continued)

26.6 The maturity profiles of borrowings are as follows:

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Due within one month	215,779	381,064	142,713	360,819
Due from one to three months	300,011	85,820	234,203	61,778
Due from three to twelve months	204,890	658,512	176,359	502,151
Total current portion repayable in one year	720,680	1,125,396	553,275	924,748
Due in the second year	58,932	383,293	14,519	358,974
Due in the third year	80,259	377,107	35,396	352,788
Due in the fourth year	74,908	488,905	23,063	384,379
Due in the fifth year and further	145,711	137,078	125,297	121,755
Total long-term portion of borrowings	359,810	1,386,383	198,275	1,217,896
Total	1,080,490	2,511,779	751,550	2,142,644

The table below details changes in the liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group and Company's consolidated and separate statements of cash flows as cash flows from financing activities.

	Group				
	01/01/2025 N'million	Financing Cashflows N'million	Exchange (gains)/losses N'million	Others N'million	31/12/2025 N'million
Bulk Commodities loans	79,943	-	(6,536)	-	73,407
Loans from Dangote Industries Limited	120,500	179,054	-	-	299,554
Commercial papers	145,630	63,979	-	-	209,609
Bond	272,321	(74,191)	-	145	198,275
Bank loans	1,575,270	(1,339,508)	28,900	-	264,662
	2,193,664	(1,170,666)	22,364	145	1,045,507

	Company				
	01/01/2025 N'million	Financing Cashflows N'million	Exchange (gains)/losses N'million	Others N'million	31/12/2025 N'million
Bulk Commodities loans	5,113	-	(360)	-	4,753
Loans from Dangote Industries Limited	120,500	179,054	-	-	299,554
Commercial papers	145,630	63,979	-	-	209,609
Bond	272,321	(74,191)	-	145	198,275
Bank loans	1,289,163	(1,274,580)	(3,183)	-	11,400
	1,832,727	(1,105,738)	(3,543)	145	723,591

	Group				
	01/01/2024 N'million	Financing Cashflows N'million	Exchange (gains)/losses N'million	Others N'million	31/12/2024 N'million
Bulk Commodities loans	49,249	-	30,694	-	79,943
Loans from Dangote Industries Limited	-	120,500	-	-	120,500
Commercial papers	198,571	(52,941)	-	-	145,630
Bond	263,597	8,267	-	457	272,321
Bank loans	442,021	461,279	671,970	-	1,575,270
	953,438	537,105	702,664	457	2,193,664

DANGOTE CEMENT PLC
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**
26 Financial liabilities (continued)

	Company				31/12/2024 N'million
	01/01/2024 N'million	Financing Cashflows N'million	Exchange (gains)/losses N'million	Others N'million	
Bulk Commodities loans	3,142	-	1,971	-	5,113
Loans from Dangote Industries Limited	-	120,500	-	-	120,500
Commercial papers	198,571	(52,941)	-	-	145,630
Bond	263,597	8,267	-	457	272,321
Bank loans	235,337	493,802	560,024	-	1,289,163
	700,647	569,628	561,995	457	1,832,727

Financing cashflows represent loan obtained and loan repaid during the year. Loan obtained amounts to ₦1,098 billion (2024: ₦1,818 billion) and ₦1,092 billion (2024: ₦1,774 billion) for Group and Company respectively. Loan repaid amounts to ₦2,269 billion (2024: ₦1,281 billion) and ₦2,198 billion (2024: ₦1,205 billion) for Group and Company respectively.

27 Deferred Revenue and other current liabilities

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
27.1 Deferred Revenue				
Deferred revenue arising from government grant (refer to (a) below)	818	859	12	2
	818	859	12	2
Current (Note 27.2)	110	103	-	-
Non-current	708	756	12	2
	818	859	12	2

a) The deferred revenue mainly arises as a result of the benefits received from government. The income recognised in current year was recorded in other income line.

Movement in Deferred revenue

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
At 1 January	859	573	2	2
Additions during the year	10	-	10	-
	869	573	12	2
Released to profit or loss account (Other income)	(167)	(142)	-	-
Effect of foreign exchange differences	116	428	-	-
Closing balance	818	859	12	2
27.2 Other current liabilities				
Current portion of deferred revenue (Note 27.1)	110	103	-	-
Due to related parties - current (Note 31)				
Parent company	38,586	100	38,486	-
Entities controlled by the parent company	58,827	13,310	36,243	13,300
Affiliates and associates of parent company	133,542	129,751	84,023	53,703
Subsidiaries	-	-	303,725	130,709
Total current payables to related parties	230,955	143,161	462,477	197,712
Other current liabilities	231,065	143,264	462,477	197,712

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

28 Provisions

	Group					
	31/12/2025			31/12/2024		
	Site Restoration ₦'million	Others* ₦'million	Total ₦'million	Site Restoration ₦'million	Others ₦'million	Total ₦'million
Balance at beginning of the year	19,201	12,730	31,931	13,381	7,819	21,200
Effect of foreign exchange differences	3,472	(2,968)	504	3,151	3,694	6,845
Provisions made during the year	22,599	-	22,599	1,480	1,217	2,697
Unwinding of discount	2,393	-	2,393	1,189	-	1,189
Balance at the end of the year	47,665	9,762	57,427	19,201	12,730	31,931

	Company					
	31/12/2025			31/12/2024		
	Site Restoration ₦'million	Others ₦'million	Total ₦'million	Site Restoration ₦'million	Others ₦'million	Total ₦'million
Balance at beginning of the year	12,474	-	12,474	5,844	-	5,844
Provisions made during the year	17,883	-	17,883	5,680	-	5,680
Unwinding of discount	2,034	-	2,034	950	-	950
Balance at the end of the year	32,391	-	32,391	12,474	-	12,474

The Group and Company's obligations are to settle environmental restoration and dismantling/decommissioning cost of property, plant and equipment when the Group and Company have a legal or constructive obligation to do so. The expenditure is expected to be utilised at the end of the useful lives of the mines.

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 provision is an estimate based on management's re-assessment. It is expected that the restoration cost will happen over a period of time for the Group and Company. The long term inflation and discount rates used in the estimate for Nigerian entities were 14% and 16.31% (2024: 16.5% and 19.5%).

An amount of ₦21.8 billion (2024: ₦9.8 billion) for Group and ₦17.6 billion (2024: ₦8.9 billion) for Company was recognised as dismantling cost during the year and capitalised as part of property plant and equipment while ₦0.7 billion cost (2024: ₦8.3 billion credit) for Group and ₦0.3 billion cost (₦3.3 billion credit) was recognised in the profit or loss statement.

* Others include non-current withholding tax payable on interest.

29 Employee benefits

Employee benefits include defined contribution plans and long service awards. These are analysed as follows:

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
29.1 Defined contribution plans (Note 25)				
Balance at beginning of the year	3,371	1,299	12	12
Provision for the year	9,167	9,122	3,684	2,761
Payments during the year	(6,914)	(7,609)	(3,595)	(2,761)
Effect of foreign exchange differences	(1,598)	559	-	-
Balance at the end of the year	4,026	3,371	101	12

The Group operates a group life policy and a contributory pension scheme for its employees in Nigeria in line with the provisions of the Pension Reform Act 2014 in Nigeria and in other locations, and in line with the constitutions there. The scheme is funded through employees' and employers' contributions as prescribed by the Act. The contribution from the employer is 10% while that of the employee is 8% of the basic, housing and transport allowances in Nigeria.

29 Employee benefits (continued)

29.2 Employee benefit obligations

The Group operates an unfunded long service award for qualifying employees of the Group. Under the plan, the employees are entitled to benefits such as gift items, Ex-Gratia (expressed as a multiple of Monthly Basic Salary), a plaque and certificate on attainment of a specific number of years in service. The most recent actuarial valuations of the present value of the long service award were carried out as at 31 December 2024 by Ernst & Young Nigeria (FRC/2023/COY/209403) and signed on its behalf by Miller Kingsley, (FRC registration number: FRC/2012/NAS/0000002392). The present value of the long service award, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The plan typically exposes the Group to actuarial risks such as; investment risk, interest rate risk, longevity risk and salary risk.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability;

Longevity risk

The present value of the long service award liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the long service award liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:.

	Company	
	31/12/2025	31/12/2024
	%	%
Discount rate(s)	19.50	19.50
Expected rate(s) of salary increase	16.00	16.00
Inflation rate	16.00	16.00

Movements in the present value of the long service awards are as follows:

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
At 1 January	16,600	12,191	15,623	11,315
Current service cost	3,528	2,627	3,269	2,120
Interest cost	2,957	1,707	2,793	1,452
Actuarial loss	23	1,099	-	1,138
Benefits paid	(1,925)	(436)	(1,767)	(402)
Effect of foreign exchange differences	(73)	(588)	-	-
At 31 December	21,110	16,600	19,918	15,623

There was no actual return on plan assets in 2025 (2024: nil)

Amounts recognised in profit or loss in respect of these long service awards are as follows.

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Current service cost	3,528	2,627	3,269	2,120
Net Interest expense	2,957	1,707	2,793	1,452
Actuarial loss	23	1,099	-	1,138
	6,508	5,433	6,062	4,710

29 Employee benefits (continued)

The amount included in the consolidated and separate statements of financial position arising from the entity's obligation in respect of its long service awards is as follows.

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Present value of long service awards	21,110	16,600	19,918	15,623
Net liability arising from long service award	21,110	16,600	19,918	15,623

• If the discount rate is 100 basis points higher (lower), the long service award at 31 December 2025 would decrease by ₦1.06 million (increase by ₦1.18 million) (2024: decrease by ₦864.5 million (increase by ₦961.1 million)).

• If the expected salary growth increases (decreases) by 1%, the long service award as at 31 December 2025 would increase by ₦334.27 million (decrease by ₦303.52 million) (2024: increase by ₦272.4 million (decrease by ₦247.4 million)).

• If the assumed mortality age is rated up (down) by one year, the long service award as at 31 December 2025 would decrease by ₦76.70 million (increase by ₦69.48 million) (2024: decrease by ₦62.5 million (increase by ₦56.6 million)).

The sensitivity analysis presented above may not be representative of the actual change in the long service award as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the long service award has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the long service awards liability recognised in the statement of financial position.

30. Financial Instruments

30.1 Capital Management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in note 26 offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests as detailed below).

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Net debt	682,921	2,061,948	608,376	2,011,030
Equity	2,620,136	2,175,245	2,333,893	2,127,616

The Finance and Investment Committee reviews the capital structure of the Group on a quarterly basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group endeavours to maintain an optimum mix of net debt to equity ratio which provides benefits of trading on equity without exposing the Group to any undue long term liquidity risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain the capital or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new and/or bonus shares, or raise debts in favourable market conditions.

30.1.1 Debt to equity ratio

The debt to equity ratio at end of the reporting year was as follows.

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Financial liabilities (Note 26)	1,080,490	2,511,779	751,550	2,142,644
Cash and cash equivalents (Note 32.1)	397,569	449,831	143,174	131,614
Net debt	682,921	2,061,948	608,376	2,011,030
Equity	2,620,136	2,175,245	2,333,893	2,127,616
Net debt/Equity ratio	0.26	0.95	0.26	0.95

DANGOTE CEMENT PLC
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**
30. Financial Instruments (continued)
30.2 Categories of financial instruments

31/12/2025	Group					
	Amortised Cost N'million	FVTPL N'million	FVTOCI N'million	Total Financial N'million	Non Financial N'million	Total N'million
Assets						
Property, plant and equipment	-	-	-	-	3,917,363	3,917,363
Intangible assets	-	-	-	-	16,383	16,383
Right-of-use assets	-	-	-	-	62,032	62,032
Investment in associate	-	-	-	-	3,222	3,222
Receivables from related parties	-	-	-	-	-	-
Lease receivables	27,941	-	-	27,941	-	27,941
Deferred tax asset	-	-	-	-	17,757	17,757
Prepayments for property, plant & equipment	-	-	-	-	28,969	28,969
Inventories	-	-	-	-	756,835	756,835
Trade and other receivables	129,820	-	-	129,820	17,652	147,472
Prepayments and other current assets	449,419	-	-	449,419	214,192	663,611
Current tax assets	-	-	-	-	1,573	1,573
Cash and cash equivalents	397,569	-	-	397,569	-	397,569
Total assets	1,004,749	-	-	1,004,749	5,035,978	6,040,727
Liabilities						
	Other Liabilities at amortised cost					
Trade and other payables	984,873	-	-	984,873	284,749	1,269,622
Current tax liabilities	-	-	-	-	297,021	297,021
Financial liabilities	1,159,575	-	-	1,159,575	-	1,159,575
Other current liabilities	230,955	-	-	230,955	110	231,065
Lease liabilities	30,818	-	-	30,818	-	30,818
Deferred tax liabilities	-	-	-	-	353,245	353,245
Provisions	-	-	-	-	57,427	57,427
Employees benefits obligations	-	-	-	-	21,110	21,110
Deferred revenue	-	-	-	-	708	708
Total liabilities	2,406,221	-	-	2,406,221	1,014,370	3,420,591

31/12/2024	Group					
	Amortised Cost N'million	FVTPL N'million	FVTOCI N'million	Total Financial N'million	Non Financial N'million	Total N'million
Assets						
Property, plant and equipment	-	-	-	-	3,271,322	3,271,322
Intangible assets	-	-	-	-	17,003	17,003
Right-of-use assets	-	-	-	-	70,429	70,429
Receivables from related parties	1,045,575	-	-	1,045,575	-	1,045,575
Investment in associate	-	-	-	-	3,005	3,005
Lease receivables	24,766	-	-	24,766	-	24,766
Deferred tax asset	-	-	-	-	19,426	19,426
Prepayments for property, plant & equipment	-	-	-	-	48,580	48,580
Inventories	-	-	-	-	669,662	669,662
Trade and other receivables	106,570	-	-	106,570	10,172	116,742
Prepayments and other current assets	373,706	-	-	373,706	291,365	665,071
Current tax assets	-	-	-	-	1,826	1,826
Cash and cash equivalents	449,831	-	-	449,831	-	449,831
Total assets	2,000,448	-	-	2,000,448	4,402,790	6,403,238
Liabilities						
	Other Liabilities at amortised cost					
Trade and other payables	698,011	-	-	698,011	294,108	992,119
Current tax liabilities	-	-	-	-	183,160	183,160
Financial liabilities	2,631,564	-	-	2,631,564	-	2,631,564
Other current liabilities	143,161	-	-	143,161	103	143,264
Lease liabilities	32,177	-	-	32,177	-	32,177
Deferred tax liabilities	-	-	-	-	196,422	196,422
Provisions	-	-	-	-	31,931	31,931
Employee benefit obligations	-	-	-	-	16,600	16,600
Deferred revenue	-	-	-	-	756	756
Total liabilities	3,504,913	-	-	3,504,913	723,080	4,227,993

DANGOTE CEMENT PLC
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**
30. Financial Instruments (continued)

31/12/2025	Company					
	Amortised Cost N'million	FVTPL N'million	FVTOCI N'million	Total Financial N'million	Non Financial N'million	Total N'million
Assets						
Property, plant and equipment	-	-	-	-	868,987	868,987
Intangible assets	-	-	-	-	102	102
Right-of-use assets	-	-	-	-	3,149	3,149
Investments in subsidiaries	-	-	-	-	252,035	252,035
Investment in associate	-	-	-	-	1,582	1,582
Lease receivables	27,941	-	-	27,941	-	27,941
Prepayments for property, plant & equipment	-	-	-	-	50	50
Receivables from subsidiaries	1,713,814	-	-	1,713,814	-	1,713,814
Inventories	-	-	-	-	370,281	370,281
Trade and other receivables	61,141	-	-	61,141	-	61,141
Prepayments and other current assets	849,801	-	-	849,801	151,614	1,001,415
Current tax assets	-	-	-	-	924	924
Cash and cash equivalents	143,174	-	-	143,174	-	143,174
Total assets	2,795,871	-	-	2,795,871	1,648,724	4,444,595
Liabilities						
<i>Other Liabilities at amortised cost</i>						
Trade and other payables	277,349	-	-	277,349	119,889	397,238
Current tax liabilities	-	-	-	-	235,242	235,242
Financial liabilities	779,379	-	-	779,379	-	779,379
Other current liabilities	462,477	-	-	462,477	-	462,477
Lease liabilities	1,529	-	-	1,529	-	1,529
Deferred tax liabilities	-	-	-	-	182,516	182,516
Provisions	-	-	-	-	32,391	32,391
Employees benefits obligations	-	-	-	-	19,918	19,918
Deferred revenue	-	-	-	-	12	12
Total liabilities	1,520,734	-	-	1,520,734	589,968	2,110,702
31/12/2024						
Company						
	Amortised Cost N'million	FVTPL N'million	FVTOCI N'million	Total Financial N'million	Non Financial N'million	Total N'million
Assets						
Property, plant and equipment	-	-	-	-	675,227	675,227
Intangible assets	-	-	-	-	81	81
Right-of-use assets	-	-	-	-	3,216	3,216
Investments in subsidiaries	-	-	-	-	249,262	249,262
Investment in associate	-	-	-	-	1,582	1,582
Lease receivables	24,766	-	-	24,766	-	24,766
Prepayments for property, plant & equipment	-	-	-	-	50	50
Receivables from subsidiaries	2,733,412	-	-	2,733,412	-	2,733,412
Inventories	-	-	-	-	322,792	322,792
Trade and other receivables	37,237	-	-	37,237	-	37,237
Prepayments and other current assets	812,945	-	-	812,945	201,706	1,014,651
Current tax assets	-	-	-	-	924	924
Cash and cash equivalents	131,614	-	-	131,614	-	131,614
Total assets	3,739,974	-	-	3,739,974	1,454,840	5,194,814
Liabilities						
<i>Other Liabilities at amortised cost</i>						
Trade and other payables	311,574	-	-	311,574	108,595	420,169
Current tax liabilities	-	-	-	-	129,623	129,623
Financial liabilities	2,216,906	-	-	2,216,906	-	2,216,906
Other current liabilities	197,712	-	-	197,712	-	197,712
Lease liabilities	1,446	-	-	1,446	-	1,446
Deferred tax liabilities	-	-	-	-	73,243	73,243
Provisions	-	-	-	-	12,474	12,474
Employee benefit obligations	-	-	-	-	15,623	15,623
Deferred revenue	-	-	-	-	2	2
Total liabilities	2,727,638	-	-	2,727,638	339,560	3,067,198

30. Financial Instruments (continued)

30.3 Financial risk management objectives

The Group's Corporate 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 and analyses exposures by degree and magnitude of risks. These risks include market risk, credit risk, and liquidity risk.

30.4 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (Note 30.5.1) and interest rates (Note 30.7.2).

30.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Income is primarily earned in local currency for most of the locations with a significant portion of capital expenditure being in foreign currency. The Group manages foreign currency by monitoring our financial position in each country we operate with the aim of having assets and liabilities denominated in the functional currency as much as possible. The effective closing rate as at 31 December 2025 are ₦1,440/US Dollar, ₦1,932/GB Pounds & ₦1,687/Euro (2024: ₦1,549/US Dollar, ₦1,921/GB Pounds & ₦1,588/Euro). The carrying amounts of the Group and Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows.

	Group			
	Liabilities		Assets	
	31/12/2025 ₦million	31/12/2024 ₦million	31/12/2025 ₦million	31/12/2024 ₦million
US Dollars	516,115	1,954,714	207,486	1,444,885
GB Pounds	18,839	18,598	2	536
Euro	26,408	39,114	45,531	15,269
Total	561,362	2,012,426	253,019	1,460,690
	Company			
	Liabilities		Assets	
	31/12/2025 ₦million	31/12/2024 ₦million	31/12/2025 ₦million	31/12/2024 ₦million
US Dollars	325,659	1,426,939	2,013,578	3,205,100
GB Pounds	18,839	18,026	2	322
Euro	25,488	13,976	44,959	33,065
Total	369,986	1,458,941	2,058,539	3,238,487

30.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to US Dollars.

The following table details the Group and Company's sensitivity to a 15% (2024: 30%) increase and decrease in the Naira against the US Dollar, GB Pounds & Euro. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 30% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity for a 15% change in the exchange rates. A negative number below indicates a decrease in profit or equity for a 15% change in the exchange rates.

	Group		Company	
	31/12/2025 ₦million	31/12/2024 ₦million	31/12/2025 ₦million	31/12/2024 ₦million
Effect on Profit or loss/Equity for a 15% (2024: 30%) appreciation in Naira:				
US Dollar	32,406	107,064	(177,231)	(373,414)
GB Pounds	1,978	3,793	1,978	3,718
Euro	(2,008)	5,007	(2,044)	(4,009)
Total	32,376	115,864	(177,297)	(373,705)
Effect on Profit or loss/Equity for a 15% (2024: 30%) depreciation in Naira:				
US Dollar	(32,406)	(107,064)	177,231	373,414
GB Pounds	(1,978)	(3,793)	(1,978)	(3,718)
Euro	2,008	(5,007)	2,044	4,009
Total	(32,376)	(115,864)	177,297	373,705

30. Financial Instruments (continued)

30.6 Credit risk management

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties.

The Group's and Company's business is predominantly on a cash basis. Revolving credits granted to major distributors and very large corporate customers approximate about ₦372.4 billion (2024: ₦158.9 billion) and these are payable within 30 days. Stringent credit control is exercised over the granting of credit, this is done through the review and approval by executive management based on the recommendation of the credit control group.

Credits to major distributors are covered by bank guarantee with an average credit period of no more than 28 days.

For very large corporate customers, clean credits are granted based on previous business relationships and positive credit worthiness which is performed on an on-going basis. These credits are usually payable at no more than 30 days.

The Group and the Company do not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as related entities with similar characteristics.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. On-going credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on liquid funds financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.

30.6.1 Exposure to Credit risk

The tables below detail the credit quality of the Group's financial assets as well as the Group's maximum exposure to credit risk by credit risk rating grades:

Group							
31/12/2025	Note	External credit rating	Internal rating	12 months or lifetime ECL	Gross carrying amount ₦million	Allowance ₦million	Net carrying amount ₦million
Lease receivables	22	N/A	ii	Lifetime ECL	28,439	(498)	27,941
Trade and other receivables	21	N/A	ii	Lifetime ECL	137,029	(7,209)	129,820
Prepayments and other current assets	19.2	N/A	Performing	Lifetime ECL	449,419	-	449,419
Cash and cash equivalents	32.1	i	i	i	397,569	-	397,569
Total					1,012,456	(7,707)	1,004,749

31/12/2024	Note	External credit rating	Internal rating	12 months or lifetime ECL	Gross carrying amount ₦million	Allowance ₦million	Net carrying amount ₦million
Lease receivables	22	N/A	ii	Lifetime ECL	24,766	-	24,766
Trade and other receivables	21	N/A	ii	Lifetime ECL	109,553	(2,983)	106,570
Prepayments and other current assets	19.2	N/A	Performing	Lifetime ECL	373,706	-	373,706
Cash and cash equivalents	32.1	i	i	i	449,831	-	449,831
Total					957,856	(2,983)	954,873

Company							
31/12/2025	Note	External credit rating	Internal rating	12 months or lifetime ECL	Gross carrying amount ₦million	Allowance ₦million	Net carrying amount ₦million
Lease receivables	22	N/A	ii	Lifetime ECL	28,439	(498)	27,941
Receivables from related parties	31	N/A	ii	Lifetime ECL	2,430,791	(716,977)	1,713,814
Trade and other receivables	21	N/A	ii	Lifetime ECL	63,554	(2,413)	61,141
Prepayments and other current assets	19.2	N/A	Performing	Lifetime ECL	849,801	-	849,801
Cash and cash equivalents	32.1	i	i	i	143,174	-	143,174
Total					3,515,759	(719,888)	2,795,871

DANGOTE CEMENT PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

30. Financial Instruments (continued)

31/12/2024	Note	External credit rating	Internal rating	12 months or lifetime ECL	Gross	Allowance	Net carrying amount
					carrying amount		
					₦'million	₦'million	₦'million
Lease receivables	22	N/A	ii	Lifetime ECL	24,766	-	24,766
Receivables from related parties	31	N/A	ii	Lifetime ECL	3,440,636	(707,224)	2,733,412
Trade and other receivables	21	N/A	ii	Lifetime ECL	39,296	(2,059)	37,237
Prepayments and other current assets	19.2	N/A	Performing	Lifetime ECL	812,945	-	812,945
Cash and cash equivalents	32.1	i	i	i	131,614	-	131,614
Total					4,449,257	(709,283)	3,739,974

i. All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking institutions with good credit rating by rating agencies. Therefore no amount of impairment loss is recognised as at year end (2024: Nil).

ii. For finance leases and trade receivables, the simplified approach to measure the loss allowance at lifetime ECL has been applied.

Movement in the impairment of financial assets:

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Opening balance	(2,983)	(2,257)	(709,283)	(708,896)
Additional provision				
Trade & other receivables	(4,226)	(757)	(354)	(418)
Lease receivables	(498)	-	(498)	-
Receivables from related parties	-	-	(9,753)	-
Write back of lease receivables	-	31	-	31
Closing balance	(7,707)	(2,983)	(719,888)	(709,283)
Total impairment of financial assets	(4,724)	(726)	(10,605)	(387)

30.7 Liquidity risk management

The Group manages 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's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures and preference shares. The Group has access to sufficient sources of funds directly from external sources as well as from the Group's parent.

30.7.1 Liquidity maturity table

The following tables detail the Group and Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	Gross carrying amount	Group			
		Contractual cash flows			
As at 31 December 2025	₦'million	<1 month	1- 3	3 months	>1 year
		₦'million	months	- 1yr	₦'million
		₦'million	₦'million	₦'million	₦'million
Trade and other payables	984,873	984,873	-	-	-
Financial liabilities	1,159,575	276,503	322,370	238,970	526,049
Lease liabilities	30,818	1,662	3,323	14,955	225,431
Other current liabilities	230,955	230,955	-	-	-
Total	2,406,221	1,493,993	325,693	253,925	751,480

30. Financial Instruments (continued)

	Group				
	Gross carrying amount N'million	<1 month N'million	1- 3 months N'million	3 months – 1yr N'million	>1 year N'million
As at 31 December 2024					
Trade and other payables	698,011	698,011	-	-	-
Financial liabilities	2,631,564	515,697	114,315	779,663	1,692,206
Lease liabilities	32,177	522	1,045	4,701	176,602
Other current liabilities	143,161	143,161	-	-	-
Total	3,504,913	1,357,391	115,360	784,364	1,868,808
	Company				
	Gross carrying amount N'million	<1 month N'million	1- 3 months N'million	3 months – 1yr N'million	>1 year N'million
As at 31 December 2025					
Trade and other payables	277,349	277,349	-	-	-
Financial liabilities	779,379	150,816	253,952	201,647	345,511
Other current liabilities	462,477	462,477	-	-	-
Lease liabilities	1,529	-	65	195	2,537
Total	1,520,734	890,642	254,017	201,842	348,048
	Group				
	Gross carrying amount N'million	<1 month N'million	1- 3 months N'million	3 months – 1yr N'million	>1 year N'million
As at 31 December 2024					
Trade and other payables	311,574	311,574	-	-	-
Financial liabilities	2,216,906	448,568	87,722	613,699	1,505,574
Other current liabilities	197,712	197,712	-	-	-
Lease liabilities	1,446	-	21	62	2,789
Total	2,727,638	957,854	87,743	613,761	1,508,363

The Company guaranteed the loans in the subsidiaries amounting to ₦328.9 billion (2024: ₦369.1 billion)

30.7.2 Interest 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 maintains a centralised treasury department and Group borrowing is done in order to obtain lower interest rates. The Group negotiates long term credit facilities to reduce the risk associated with high cost of borrowing. The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. 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. 100 basis points (BP) increase or decrease are used when reporting SOFR risk internally to key management personnel and these represent management's assessment of the reasonably possible change in interest rates. Please refer to note 26 for interest rates of financial instruments.

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period. The following table details the sensitivity to a 100 basis points (2024: 100 basis points) increase or decrease in interest rates.

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Effect on Profit or loss/Equity for a 100 basis points (2024: 100 basis points) increase in rate	(323)	(1,578)	2,246	8,248
Effect on Profit or loss/Equity for a 100 basis points (2024: 100 basis points) decrease in rate	323	1,578	(2,246)	(8,248)

30. Financial Instruments (continued)

30.7.3 Fair valuation of financial assets and liabilities

Except for bond as shown in table below, the carrying amount of trade and other receivables, cash and cash equivalents, lease receivables, lease liabilities and amounts due from and to related parties as well as trade payables, other payables approximate their fair values because of the short-term nature of these instruments and, for trade and other receivables, because of the fact that any loss from recoverability is reflected in an impairment loss. The fair values of financial debt approximate the carrying amount as the loans are pegged to market rates and reset when rates change.

	Group				Company			
	31/12/2025	31/12/2025	31/12/2024	31/12/2024	31/12/2025	31/12/2025	31/12/2024	31/12/2024
	Fair value	Carrying						
	amount							
	₦'million							
Bond	177,840	198,275	260,209	272,321	177,840	198,275	260,209	272,321

Fair value hierarchy

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. There were no transfers between levels during the year.

The financial instruments of the group and company in level 1 are the Bonds.

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 maximise 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.

Financial instruments in Level 3

The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee and the expected revenue and EBITDA of the investee. The estimate is adjusted for the effect of non-marketability of the equity securities. The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

31 Related party disclosures

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details of transactions between the Group and Company, and other related parties are disclosed below.

The Group and the Company, in the normal course of business, sells to and buys from other business enterprises that fall within the definition of a 'related party' contained in International Accounting Standard 24. These transactions mainly comprise purchases, sales, finance costs, finance income and management fees paid to shareholders. The companies in the Group also provide funds to and receive funds from each other as and when required for working capital financing and capital projects.

31 Related party disclosures (continued)

31.1 Trading transactions

During the year, Group entities entered into the following trading transactions with related parties that are not members of the Group:

	Sale of goods		Purchases of goods and services	
	31/12/2025 ₦million	31/12/2024 ₦million	31/12/2025 ₦million	31/12/2024 ₦million
Parent company	15	82	-	-
Entities controlled by the parent company	2,051	2,311	317,112	409,135
Affiliates and associates of the parent company	-	-	97,644	137,927

During the year, the Company entered into the following trading transactions with related parties:

	Sale of goods		Purchases of goods and services	
	31/12/2025 ₦million	31/12/2024 ₦million	31/12/2025 ₦million	31/12/2024 ₦million
Parent company	15	82	-	-
Entities controlled by the parent company	1,878	2,123	292,894	405,275
Affiliates and associates of the parent company	-	-	35,717	38,679
Subsidiaries	105,781	93,533	455,263	332,572

In addition to sales and purchases of goods, the Company charged interest amounting to ₦44.29 billion (2024: ₦104.6 billion) on loans granted to subsidiaries. This interest is eliminated on consolidation.

The Group earned a total interest income of ₦68 billion (2024: ₦11.24 billion) from the parent company while the Parent company charged the Group a total interest of ₦ 47.27 billion (2024: ₦16.38 billion), being the cost of borrowing to finance capital projects and other operational expenses.

In addition to the above, Dangote Industries Limited performed certain administrative services for the Company, for which a management fee of ₦14.0 billion (2024: ₦9.3 billion) was charged, being an allocation of costs incurred by relevant administrative departments. Also, the Parent company (DIL) provided a guarantee for related parties receivables.

During the year, the Company provided materials and services of ₦92.91 billion (2024: ₦73.4 billion), used in the manufacturing process of subsidiaries.

31.2 Receivables from related parties

The following balances were outstanding at the end of the reporting year:

	Group		Company	
	31/12/2025 ₦million	31/12/2024 ₦million	31/12/2025 ₦million	31/12/2024 ₦million
Non Current				
Subsidiaries*	-	-	1,713,814	1,687,837
Loans to parent company	-	1,045,575	-	1,045,575
	-	1,045,575	1,713,814	2,733,412

* The above balances represents expenditures on projects in African countries. These are not likely to be repaid within the next twelve months and have been classified under non-current assets.

31 Related party (continued)

In 2025, amount totalling ₦9.8 billion (2024: nil) has been recognised as impairment loss in respect of receivables from subsidiaries by the Company. This amount represents impairment on assets recognized by the Company in the year. This was determined based on management’s assessment of estimated future cashflows on individually significant investment and receivables from some of its subsidiaries. In addition, impairment of financial assets of dormant subsidiaries totals ₦3.4 billion (2024: Nil) at the Group.

The Group management has continued to show its intention to provide financial support to its subsidiaries and to assist, when necessary, any subsidiary to obtain financial support in the future and does not envisage any material risk as a result of this. Interest charged to the subsidiaries on the advances extended to them during the year was between 11% to 12.5%.

During the year, the Company provided financial support to its subsidiaries of ₦195.7 billion (2024: ₦217.4 billion) for capital development and/or for operational purposes. Assistance rendered was always in the form of funds transferred to them for the normal running of their operations or on their behalf to vendors/contractors for settlement of commitments.

Other balances outstanding at the end of the reporting year were:

	Group			
	Amounts owed by related parties		Amounts owed to related parties	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦million	₦million	₦million	₦million
Current				
Parent company	-	83,168	38,586	100
Entities controlled by the parent company	449,404	290,521	58,827	13,310
Affiliates and associates of parent company	15	17	133,542	129,751
	449,419	373,706	230,955	143,161

	Company			
	Amounts owed by related parties		Amounts owed to related parties	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦million	₦million	₦million	₦million
Current				
Parent company	-	83,168	38,486	-
Entities controlled by the parent company	434,040	271,638	36,243	13,300
Affiliates and associates of the parent company	-	-	84,023	53,703
Subsidiaries	415,761	458,139	303,725	130,709
	849,801	812,945	462,477	197,712

31.3 Loans from related parties

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦million	₦million	₦million	₦million
Parent company	299,554	120,500	299,554	120,500
Affiliates and associates of the parent company	73,407	79,943	4,753	5,113
	372,961	200,443	304,307	125,613

31.4 Compensation of key management personnel

The remuneration of directors who are the members of key management personnel during the year was as follows:

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	₦million	₦million	₦million	₦million
Short-term benefits	4,577	4,235	4,556	4,204
	4,577	4,235	4,556	4,204

32. Supplemental cash flow disclosures

32.1 Cash and cash equivalents

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
Cash and bank balances	386,161	405,065	134,435	88,168
Short term deposits	11,408	44,766	8,739	43,446
Cash and cash equivalents per statement of financial position	397,569	449,831	143,174	131,614
Bank overdrafts used for cash management purposes (Note 26)	(34,983)	(318,115)	(27,959)	(309,917)
Cash and cash equivalents per statement of cash flows	362,586	131,716	115,215	(178,303)

Cash and cash equivalents include restricted cash of ₦2.8 billion for both Group and Company (2024: ₦6.5 billion for Group and ₦4.4 billion for Company) on unclaimed dividend held in a separate bank account, letters of credit for the acquisition of inventories, property, plant and equipment as well as debt service reserve account.

32.2 Additional information on the consolidated and separate statements of cash flows

The details below show the reconciliation of the movement in the statement of financial position (SFP) balances and the cash flows disclosed in the statements of cash flows (SCF).

	Group		Company	
	31/12/2025 ₦'million	31/12/2024 ₦'million	31/12/2025 ₦'million	31/12/2024 ₦'million
32.2.1 Reconciliation of inventories				
Movement in balances per SFP	(87,173)	(275,639)	(47,489)	(134,993)
Transfers (to)/from property, plant and equipment	(1,233)	504	-	504
Cash flows as per SCF	(88,406)	(275,135)	(47,489)	(134,489)
32.2.2 Reconciliation of trade and other receivables				
Movement in balances per SFP	(30,730)	(43,527)	(23,904)	(4,161)
Withholding tax and tax credit utilised	(63,020)	(3,235)	(58,815)	(3,235)
Transfers to CTEs customers	(15,293)	-	(15,293)	-
Cash flows as per SCF	(109,043)	(46,762)	(98,012)	(7,396)
32.2.3 Reconciliation of trade and other payables				
Movement in balances per SFP	277,503	372,218	(22,931)	202,782
Reclassification of interest	8,962	-	8,962	-
Suppliers' credit unpaid	(344,050)	104	(2,705)	(2,995)
Cash flows as per SCF	(57,585)	372,322	(16,674)	199,787
32.2.4 Reconciliation of prepayments and other current assets				
Movement in balances per SFP	1,460	(176,395)	13,236	(257,245)
Reclassification of receivables from subsidiaries	-	-	(42,378)	108,282
Reclassification of loan to parent company	-	(60,010)	-	(60,010)
Reclassification of interest charge on loan to parent company	-	5,311	-	5,311
Reclassification of trading transactions with subsidiaries	-	-	362,351	259,202
Cash flows as per SCF	1,460	(231,094)	333,209	55,540
32.2.5 Reconciliation of other current liabilities				
Movement in balances per SFP	87,801	(46,825)	264,765	(123,062)
Deferred revenue reclassification	(7)	(40)	-	2
Reclassification of payables to subsidiaries	-	-	(173,016)	58,680
Cash flows as per SCF	87,794	(46,865)	91,749	(64,380)

33. Lease liabilities

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Maturity analysis				
Year 1	19,940	6,268	260	82
Year 2	19,065	5,916	232	260
Year 3	17,877	5,053	143	232
Year 4	17,243	4,681	157	143
Year 5	16,817	4,606	143	150
Later than 5 years	154,429	156,346	1,862	2,004
	245,371	182,870	2,797	2,871
Less unearned interest	(214,553)	(150,693)	(1,268)	(1,425)
	30,818	32,177	1,529	1,446
Analysed as				
Current	6,221	5,860	484	82
Non- Current	24,597	26,317	1,045	1,364
	30,818	32,177	1,529	1,446

33.1 Extension options

Some leases include extension options that are exercisable by the Group/Company up to one (1) year before the end of the non-cancellable contract period. The extension options held are not exercisable by the lessor but only by the Group/Company. The Group/Company assesses at the commencement date of lease whether or not it is reasonably certain to exercise these options. If there is a significant event or changes in circumstances within its control, the Group/Company reassesses whether it is reasonably certain to exercise the options.

34. Commitments for expenditure

	Group		Company	
	31/12/2025 N'million	31/12/2024 N'million	31/12/2025 N'million	31/12/2024 N'million
Commitments for the acquisition of property, plant and equipment	1,118,230	963,397	100,746	4,482

35 IAS 29 Financial Reporting in Hyperinflationary Economies

The Dangote Cement Plc Group has classified Sierra Leone as hyperinflationary economies in accordance with the provisions of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29). This is supported by the three years cumulative inflation which has reached 100% as evidenced by the official Consumer Price Index (CPI).

The application of IAS 29 resulted in gains on net monetary assets for the current year amounting to ₦6.5 billion (2024: ₦109.4 billion) in the statement of profit or loss and losses of ₦9.8 billion (2024: ₦22.6 billion) recorded directly in equity.

The results of Dangote Cement (Sierra Leone) Limited (Sierra Leone Cement) with a functional currency of Sierra Leonean Leone has been prepared in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29). The Dangote Cement Plc Group applied hyperinflation accounting from 1 January 2023 for the results and financial position of the subsidiary.

In 2025, Ethiopia and Ghana ceased to be hyper inflation economies, hence the financial statements of Dangote Cement (Ethiopia) Plc and Dangote Cement Ghana Limited are no longer prepared in accordance with IAS 29, Financial Reporting in Hyperinflationary Economies for 2025 year end.

35 IAS 29 Financial Reporting in Hyperinflationary Economies (continued)

IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the balance sheet date, and that corresponding figures for previous periods be stated in the same terms to the latest balance sheet date. The restatement has been calculated by means of conversion factors derived from the consumer price index (CPI) prepared by the Sierra Leone central statistical offices. The conversion factors used to restate the financial statements at 31 December 2025 are as follows.

	Sierra Leone	
	Index	Conversation Factor
31 December 2025	247.65	1.00
31 December 2024	237.33	1.04
31 December 2023	208.59	1.19

The main procedures applied in the restatement of transactions and balances for the Sierra Leone subsidiary are as follows:

All corresponding figures as of, and for, the prior year ended, are restated by applying the change in the index from the end of the prior year to the end of the current year.

Monetary assets and liabilities for the current year, are not restated because they are already stated in terms of the measuring unit current at statement of financial position date;

Non-monetary assets and liabilities, and components of shareholders equity/funds, are restated by applying the change in index from date/month of transaction or, if applicable, from the date of their most recent revaluation to the statement of financial position date;

Property, plant and equipment and intangible assets are restated by applying the change in the index from the date of transaction, or if applicable from the date of their most recent / last revaluation, to the statement of financial position date. Depreciation and amortisation amounts are based on the restated amounts;

Profit or loss statement items / transactions, except depreciation and amortisation charges as explained above, are restated by applying the change in index during the period to statement of financial position date;

Gains and losses arising from net monetary asset or liability positions are included in the profit or loss statement; and

All items in the cash flow statement are expressed in terms of the measuring unit current at the statement of financial position date.

The application of the IAS 29 restatement procedures has the effect of amending certain accounting policies which are used in the preparation of the financial statements under the historical cost convention. The policies affected are:

Financing costs and exchange differences: capitalisation during construction of qualifying assets is considered to be a partial recognition of inflation and is reversed to the statement of profit or loss and replaced by indexation of cost.

Inventories: these are carried at the lower of indexed cost and net realisable value.

Donated assets: these are fair valued at the time of receipt, and the resultant gain is treated in the same way as any restatement gain.

Deferred tax: this is provided in respect of temporary differences arising from the restatement of assets and liabilities.

Property, plant and equipment: are stated at indexed cost less applicable indexed depreciation and impairment losses.

Comparative amounts in the Group financial statements have not been restated for changes in the price level as the presentation currency of the Group is that of a non-hyperinflationary economy

35 IAS 29 Financial Reporting in Hyperinflationary Economies (continued)

The application of IAS 29 resulted in uplift for net asset value to ₦47.9 billion (2024: ₦52.0 billion) for Dangote Cement (Sierra Leone) Limited. Profit for the year was uplifted with ₦3.6 billion (2024: ₦18.8 billion). The results, net assets and cash flows were translated at the closing rates on 31 December 2025 from the local currencies to Naira as shown in Note 10.2.

The table below shows the 2025 historical and inflation adjusted numbers for the entities.

	Dangote Cement (Sierra Leone) Limited		Dangote Cement (Sierra Leone) Limited	
	Inflation adjusted	Historical	Inflation adjusted	Historical
	31/12/2025	31/12/2025	31/12/2024	31/12/2024
	₦'million	₦'million	₦'million	₦'million
Information in respect of the profit and loss				
Revenue	-	-	1,149	1,034
Profit from operating activities	(5,738)	(2,132)	(7,555)	(2,370)
Gain on monetary assets	6,452	-	21,859	-
Profit before tax	132	(2,739)	4,115	(12,213)
Profit for the year	858	(2,739)	6,535	(12,244)
Information in respect of the financial position of the subsidiaries				
Total non-current assets	81,260	17,464	89,009	19,986
Total current assets	3,373	3,348	4,228	3,989
Total assets	84,633	20,812	93,237	23,975
Total current liabilities	147,902	2,006	158,004	2,106
Total non-current liabilities	26,116	156,041	28,623	167,264
Total equity	(89,385)	(137,235)	(93,390)	(145,395)

36 Contingent liabilities

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 litigation and other claims amounted to ₦457.4 billion and ₦76.9 billion for the Group and Company respectively (2024: ₦308.2 billion and ₦78.5 billion for Group and Company respectively). The Group and Company have assessed these claims and believe that no material loss is expected to arise from them.

37 Subsequent Events

On 26 February 2026, a dividend of ₦45.00 (2024: ₦30.00) per share was proposed by the directors for approval at the Annual General Meeting (AGM). This will result in dividends payment of ₦753.8 billion (2024: ₦502.6 billion). There were no events after the reporting date that could have had a material effect on the consolidated and separate financial statements that have not been provided for or disclosed in these financial statements.

OTHER NATIONAL DISCLOSURES

DANGOTE CEMENT PLC
STATEMENT OF VALUE ADDED
OTHER NATIONAL DISCLOSURE

	Group				Company			
	2025 ₦'million	%	2024 ₦'million	%	2025 ₦'million	%	2024 ₦'million	%
Sales	4,306,704		3,580,550		2,956,515		2,192,695	
Finance Income	109,942		168,572		283,342		775,686	
Other income	42,251		57,070		25,693		29,627	
	4,458,897		3,806,192		3,265,550		2,998,008	
Bought-in-materials and services:								
- Imported	(368,331)		(479,897)		(178,490)		(210,227)	
- Local	(1,719,166)		(1,419,972)		(1,312,595)		(1,066,582)	
Value added	2,371,400	100	1,906,323	100	1,774,465	100	1,721,199	100
Applied as follows:								
To pay employees:								
Salaries, wages and other benefits	272,210	11	244,528	13	123,053	7	101,355	6
To pay Government:								
Current taxation	347,233	15	190,385	10	254,702	14	138,876	8
Deferred taxation	170,506	7	38,905	2	99,709	6	10,234	1
To pay providers of capital:								
Finance charges	351,504	15	700,299	37	484,349	27	378,881	22
To provide for maintenance of fixed assets:								
- Depreciation	214,123	9	227,816	12	103,782	6	64,578	4
- Amortisation	903	-	1,143	-	28	-	58	-
Retained in the Group:								
- Non controlling interest	12,074	1	5,055	-	-	-	-	-
- Augment reserves	1,002,847	42	498,192	26	708,842	40	1,027,217	59
	2,371,400	100	1,906,323	100	1,774,465	100	1,721,199	100

Value added represents the additional wealth which the Group and company have been able to create by its own and its employees' efforts. The statement shows the allocation of that wealth to employees, government, providers of finance, and that retained for future creation of more wealth.

DANGOTE CEMENT PLC

FIVE -YEAR FINANCIAL SUMMARY OTHER NATIONAL DISCLOSURE

GROUP	2025	2024	2023	2022	2021
	₦'million	₦'million	₦'million	₦'million	₦'million
BALANCE SHEET					
ASSETS/LIABILITIES					
Property, plant and equipment	3,917,363	3,271,322	2,383,528	1,527,293	1,472,859
Intangible assets	16,383	17,003	12,356	6,225	5,122
Right-of-use assets	62,032	70,429	51,319	23,551	18,566
Investments in associate	3,222	3,005	2,607	2,580	6,528
Non current prepayments	28,969	48,580	39,312	1,267	4,759
Receivables from related parties	-	1,045,575	-	-	-
Lease receivables	23,044	16,877	14,656	17,085	5,980
Net current (liabilities)/assets	(631,737)	(658,563)	(203,618)	1,776	(203,441)
Deferred tax liabilities	(335,488)	(176,996)	(135,550)	(139,833)	(129,840)
Long term debts	(359,810)	(1,386,383)	(388,364)	(333,498)	(176,562)
Employee benefits obligations	(21,110)	(16,600)	(12,191)	(8,547)	(3,219)
Other non-current liabilities	(82,732)	(59,004)	(38,215)	(18,952)	(17,083)
NET ASSETS	2,620,136	2,175,245	1,725,840	1,078,947	983,669
CAPITAL AND RESERVES					
Share capital	8,437	8,437	8,520	8,520	8,520
Share premium	42,014	42,014	42,430	42,430	42,430
Capital contribution	2,877	2,877	2,877	2,877	2,877
Treasury shares	(41,423)	(41,423)	(86,579)	(45,156)	(9,833)
Currency translation reserve	1,002,966	1,083,092	625,160	76,220	53,102
Retained earnings	1,505,365	1,027,046	1,098,626	969,478	868,274
Non controlling interest	99,900	53,202	34,806	24,578	18,299
	2,620,136	2,175,245	1,725,840	1,078,947	983,669
Turnover, Profit or Loss account					
Turnover	4,306,704	3,580,550	2,208,090	1,618,323	1,383,637
Profit before taxation	1,532,660	732,537	553,104	524,002	538,366
Taxation	(517,739)	(229,290)	(97,521)	(141,691)	(173,927)
Profit after taxation	1,014,921	503,247	455,583	382,311	364,439
Per share data (Naira):					
Earnings - (Basic & diluted)	59.86	29.74	26.472	22.274	21.235
Net assets	156.41	129.85	102.617	63.917	57.862

Earnings per share are based on profit after taxation and the weighted average number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on net assets and the weighted average number of issued and fully paid ordinary shares at the end of each financial year.

DANGOTE CEMENT PLC

FIVE -YEAR FINANCIAL SUMMARY OTHER NATIONAL DISCLOSURE

COMPANY	2025	2024	2023	2022	2021
	₦'million	₦'million	₦'million	₦'million	₦'million
BALANCE SHEET					
ASSETS/(LIABILITIES)					
Property, plant and equipment	868,987	675,227	476,148	498,893	554,883
Intangible assets	102	81	111	114	147
Right-of-use assets	3,149	3,216	1,870	1,628	1,365
Investments in subsidiaries and associate	253,617	250,844	250,844	250,844	163,850
Receivables from related parties	1,825,850	3,060,842	1,271,218	1,087,847	1,147,797
Prepayments for property, plant & equipment	50	50	211	211	211
Lease receivables	23,044	16,877	14,656	17,085	5,980
Net current (liabilities)/ asset	(206,749)	(558,919)	(71,826)	26,001	(129,793)
Deferred tax liabilities	(182,516)	(73,243)	(63,009)	(112,691)	(126,226)
Long term debts	(198,275)	(1,217,896)	(259,954)	(263,171)	(147,789)
Employee benefits obligations	(19,918)	(15,623)	(11,315)	(8,244)	(2,972)
Other non-current liabilities	(33,448)	(13,840)	(5,990)	(6,982)	(5,981)
NET ASSETS	2,333,893	2,127,616	1,602,964	1,491,535	1,461,472
CAPITAL AND RESERVES					
Share capital	8,437	8,437	8,520	8,520	8,520
Share premium	42,014	42,014	42,430	42,430	42,430
Capital contribution	2,828	2,828	2,828	2,828	2,828
Treasury shares	(41,423)	(41,423)	(86,579)	(45,156)	(9,833)
Retained earnings	2,322,037	2,115,760	1,635,765	1,482,913	1,417,527
	2,333,893	2,127,616	1,602,964	1,491,535	1,461,472
Turnover, Profit or Loss account					
Turnover	2,956,515	2,192,695	1,297,639	1,205,401	993,399
Profit before taxation	1,072,817	1,176,327	562,800	544,990	534,425
Taxation	(363,975)	(149,110)	(72,477)	(142,133)	(153,325)
Profit after taxation	708,842	1,027,217	490,323	402,857	381,100
Per share data (Naira):					
Earnings - (Basic & diluted)	42.31	61.32	29.15	23.87	22.42
Net assets	139.32	127.01	95.31	88.36	85.97

Earnings per share are based on profit after taxation and the weighted average number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on net assets and the weighted average number of issued and fully paid ordinary shares at the end of each financial year.