

### Buacement Report 23% Increase in Profit, Amid Increase in Price of Product

Bua Cement Plc, one of the leading players in the Cement sectors in Nigeria, on Tuesday 26th October 2021, released its 9M'2021 Financial Report for the Investing public. According to the published report, the Company's revenue increased by 19.4% from ₦156.55Bn in 9M'20 to ₦186.91Bn in 9M'21. This implies an increase in sales of its product (Cement) and an upsurge in price from an average of ₦2,500 in 2020 to ₦3,600 as of Oct. 2021.

Meanwhile, at the Expense sides, Cost of Sales, Selling & Distribution Cost and Administrative Cost climbed by 15.5%, 6.0% and 52.8%, respectively to ₦99.65Bn (vs ₦86.29Bn-9M'20), ₦5.60Bn (vs ₦5.28Bn-9M'20) and ₦6.13Bn (vs ₦4.01Bn-9M'20) in 9M'2021.

Despite an increase in the Expense line items, the Company managed to record growth in Profit-Before Tax (PBT) and Profit-After Tax (PAT) by 25.5% and 23.22%, respectively in 9M'21 to ₦74.33Bn and ₦65.91Bn compared to ₦59.21Bn and ₦53.49Bn recorded in 9M'20.

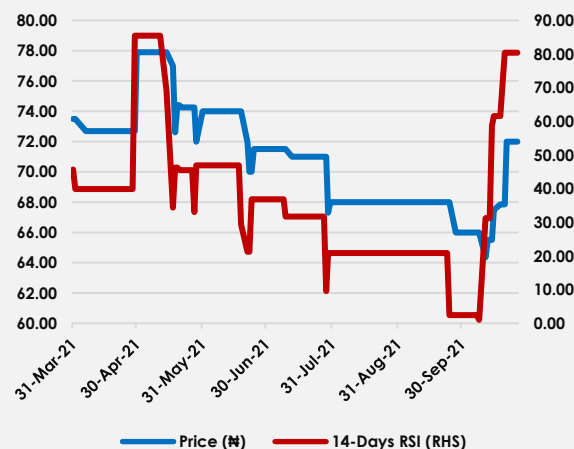
Consequently, Investors return rose by 23.22% from ₦1.58 per share as of 9M'20 to ₦1.95 per share in 9M'21. Meaning that investors may earn more from the 2021 dividend provided the Company sustain the growth in Q4'21 and dividend-paying ratio.

The Current Ratio increased to 1.02x in 9M'21 as against 0.62x in 9M'20. Meaning that the Company is capable of meeting its short-term obligations.

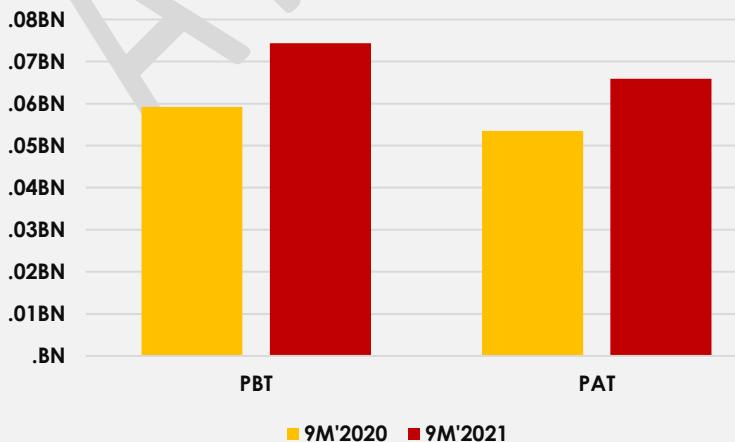
In conclusion, the stock 14-days Relative Strength Index (RSI) stands at 80.41 points at ₦72 per unit of share. We recommend cautious trading on the stocks but BUY recommendation for investors bidding for dividend income.

Company Valuation	BUA CEMENT PLC	
	9M'2020	9M'2021
EPS	1.58	1.95
BVPS	12.32	10.98
P/E	26.21	37
P/BV	3.36	6.56
Current Price	41.40	72
<b>Key Metrics</b>		
ROA	8.61%	9.52%
ROE	12.82%	17.72%
Debt to Equity	0.02	0.11
Current Ratio	0.62	1.02
Net Profit Margin	34.17%	35.26%
Asset Turnover	0.25	0.23
<b>Shares Statistics</b>		
Yr Hi	₦85	
Yr Low	₦41.40	
YTD Return	-6.92%	
Shares Outstanding	33,864.35Mn	
Market Cap	2,438,233.35Mn	

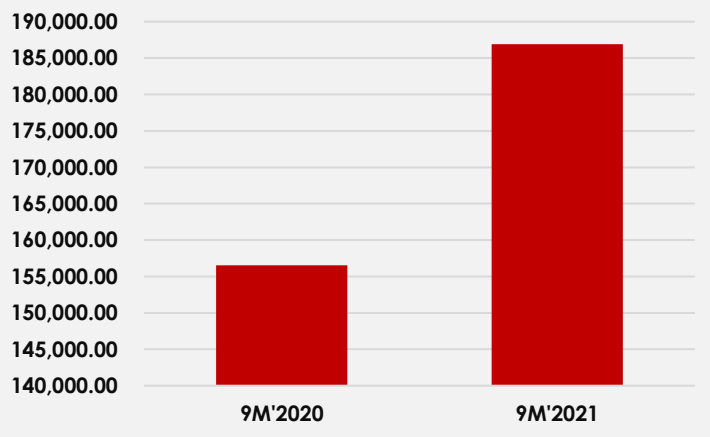
Buacement Technical Analysis



Profit History (₦)



Revenue (₦' Million)



## Financial Highlights (₹'Mn) BUA Cement Plc 9M'2021

Profit & Loss Account	9M'2020	9M'2021	Y/Y Growth
<b>Revenue</b>	<b>156,550</b>	<b>186,905</b>	<b>19.39%</b>
Cost of Sales	(86,290)	(99,655)	15.49%
<b>Gross Profit</b>	<b>70,260</b>	<b>87,250</b>	<b>24.18%</b>
Operating Expenses	(7,983)	(11,558)	44.79%
Operating Profit	62,277	75,692	21.54%
Investment Income	-	-	
Finance Cost	(2,874)	(1,049)	-63.49%
<b>PBT</b>	<b>59,212</b>	<b>74,333</b>	<b>25.54%</b>
Tax Expenses	(5,725)	(8,427)	47.20%
<b>PAT</b>	<b>53,487</b>	<b>65,906</b>	<b>23.22%</b>
Balance Sheet	9M'2020	9M'2021	Y/Y Growth
Inventories	27,148	35,972	32.50%
Trade and Other Receivables	4,844	38,786	700.76%
Cash and Cash Equivalent	76,589	55,181	-27.95%
Property Plant and Equipment	508,709	557,127	9.52%
Intangible assets and goodwill	3,740	4,877	30.41%
Current Assets	108,907	129,939	19.31%
<b>Total Assets</b>	<b>621,394</b>	<b>692,037</b>	<b>11.37%</b>
<b>Shareholders Fund</b>	<b>417,264</b>	<b>371,861</b>	<b>-10.88%</b>
Trade and Other Payables	54,556	23,406	-57.10%
Loans and Borrowings	7,621	40,379	429.84%
Current Liabilities	174,648	127,570	-26.96%
<b>Total Liabilities</b>	<b>204,129</b>	<b>320,176</b>	<b>56.85%</b>

### Contact Information

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