

BUA will work with Government to reduce the price of cement says Abdulsamad Rabiu

BUA Cement PLC, one of Nigeria's foremost cement companies, said it recorded a 40 per cent increase in its revenue within the last one year. Billionaire Abdulsamad Rabiu, Chairman of the company, made this known recently in Abuja at its 7th Annual General Meeting, AGM. The billionaire businessman said that the company increased its revenue to N361.9 billion from N257.3 billion realized in 2021. "Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) grew by 29.2 per cent to N154.5 billion in 2022, from N119.7 billion in 2021. "Profit after Tax rose by 12.1 per cent to N101 billion in comparison to N90.1 billion recorded in 2021," Abdulsamad Rabiu said. He added that earnings per share recorded a growth of 12 per cent to N2.98 from N2.66. According to him, BUA Cement was able to achieve these feats amid global and domestic economic challenges due to its demonstrated resilience and sustained capacity. "At BUA Cement, we acknowledge the fact that a sound corporate governance culture is central to maintaining the trust and confidence of our stakeholders, it forms the core foundation of our growth strategy, he said. The billionaire said that BUA Cement was committed to reducing the price of cement to make it affordable to Nigerians. He said that the free float of the Naira, which is a necessary monetary policy initiative by the government, had resulted in high cost of production, thus resulting in price increase. "I will reach out to the Minister of Works, Sen. Dave Umahi, to work out modalities to drive down the prices of cement", he said. Also speaking, the Managing Director of the company, Yusuf Binji, said that revenue growth at BUA Cement was driven by higher cement volumes and price adjustments. Mr Binji said that with the additional capacity expected in 2024, the firm would be well positioned to increase cement volumes available for export. He said that the observed increase in selling and distribution cost of BUA Cement was driven by increase in cement volumes dispatched. "Furthermore, the price of diesel rose by over 220 per cent from N250 per litre to N810 per litre, increasing our cost to deliver," Mr Binji said. Chairman of BUA Group, Abdul-Samad Rabiu, has revealed that BUA Cement has concluded plans to reduce the cost of its cement across the country as



part of efforts to support the federal government's economic plans. Rabiu, who stated this at the 7th Annual General Meeting of BUA Cement, which was held in Abuja, said the company intends to achieve its target by improving the production capacity of its cement-producing plants. "By the end of the year, we intend to have two more production lines on stream which will boost our production capacity by at least 40 per cent to 70 million tons. "The idea of increasing production capacity is to see how we can be able to drop prices on our part to support the government's efforts because importation will not be the best solution. "The average price of cement in Nigeria is N4,500 which translates into N90,000 per ton or \$100. So if the government threatens to start importing cement, it will even cost them more because the forex is now high and when you bring it through the ports, you must pay taxes, trucking and other levies which will add to the price," he noted. If government decide to be importing cement, they can decide to waive the tax to make it lesser than the Nigerian cement.