



**AUDITED GROUP RESULTS FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

Lagos, 01 March 2022: Dangote Sugar Refinery PLC (Bloomberg: DANGSUGA-NL), Nigeria’s largest sugar producer, announces audited group results for the financial year ended 31 December 2021.

FINANCIAL HIGHLIGHTS

	Group December 31, 2021	Group December 31, 2020	
	₦ Billion	₦ Billion	% change
Revenue	276.05	214.30	↑ +28.8
Gross Profit	50.21	57.22	↓ -12.3
Gross Margin (%)	18.2%	26.7%	↓ -8.5
EBITDA	48.50	58.03	↓ -16.4
EBITDA Margin (%)	17.6%	27.1%	↓ -9.5
Net Finance Cost	(5.21)	(4.71)	↑ +10.6
Profit before taxation	34.02	45.72	↓ -25.6
Taxation	(11.97)	(15.85)	↓ -24.5
Profit for the period	22.05	29.78	↓ -26.0
EPS – (Naira)	1.82	2.48	↓ -26.6

OPERATING HIGHLIGHTS

	December 31, 2021	December 31, 2020	
Production	Tonnes	Tonnes	% change
Group Refined Sugar Produced	811,962	743,858	↑ +9.2
Sales			
Group Refined Sugar Sold	773,341	731,701	↑ +5.7

COMMENTS ON PERFORMANCE INDICATORS

Group revenue increased 28.8% in the year to N276.50 billion (2020: N214.30 billion) on the heels of strong growth trajectory recorded in the prior quarters. Gross profit however, decreased 12.3% in the year to N50.21 billion (2020: N57.22 billion) because of the continued rise in cost of production witnessed during the year under review, occasioned by inflationary pressure, rising cost of key raw materials and impact of foreign currency devaluation. EBITDA decreased 16.4% in the year to N48.05 billion (2020: N58.03 billion) on the back of elevated cost pressure. Group profit after taxation decreased 26% to N22.05 billion (2020: N29.78 billion) additionally impacted by higher finance cost.

Group sales volume increased 5.7% in the year to 773,341 tonnes (2020: 731,701 tonnes). Growth in the year supported by the positive market responses to key trade interventions introduced during the year. Group production volume also increased 9.2% in the year to 811,962 tonnes (2020: 743,858 tonnes) on the strength of improved operational efficiency despite the adverse impact of the perennial Apapa traffic gridlock situation.

Commenting on the performance of the company for the year 2021, the Group Managing Director/CEO, Ravindra Singhvi said:

Our impressive performance in the year demonstrate our resilience in the face of prevalent challenges, which rightly reflected in strong topline growth shown in the financial results.

During the year under review we concluded integration of our new 50kg packaging for the fortified and non-fortified sugar bags in the market. This refreshed our brand personality and led to a deeper connection to the Dangote Sugar brand among our valued customers and consumers, whilst sustaining our market presence and leadership with the product quality.

We also continued on our Sustainability journey with the inclusion of United Nations Goal 13 to the Dangote Sugar Strategic Priority SGDs 2, 4, 6, 8 and 12 to ensure we contribute and make meaningful impact to the society. Our Supply Chain Management process is being certified to ISO 40200 (Sustainable Procurement), and Bonsucro Certification is in view. Enhancement of our Outgrower Management at the Sugar Backward Integration sites to a more robust scheme is still ongoing. Our aim is to support the economic growth of the immediate communities where we operate with about 5,000 outgrowers when the projects have fully taken off.

The Health and Safety of our people and partners remains a top priority. The Apapa Refinery and Backward Integration Operations in Numan, Adamawa State and Tunga, Nasarawa State continue to operate in compliance with our health and safety protocols

while maintaining our commitment to the environment and sustainable business practices.

Our key focus is achievement of the Dangote Sugar Backward Integration Projects targets. We are resolute and will continue in our quest to put Nigeria on the path of sugar self sufficiency and on the world sugar map.

ABOUT DANGOTE SUGAR REFINERY

Dangote Sugar Refinery is Nigeria's largest producer of household and commercial sugar with 1.44M MT refining capacity at the same location. Our refinery located at Apapa Wharf Ports Complex, refines raw sugar imported from Brazil to white, Vitamin A fortified refined granulated white sugar suitable for household and industrial uses.

Our Backward Integration goal is to become a global force in sugar production, by producing 1.5M MT/PA of refined sugar from locally grown sugar cane for the domestic and export markets.

To achieve this, Dangote Sugar Refinery Plc acquired DSR Numan Operations (Savannah Sugar Company Limited), located in Numan, Adamawa State in December 2012, and embarked on the ongoing rehabilitation of its facilities and expansion of its 32,000 hectares' sugarcane estate. In September 2020, the scheme of merger between DSR and Savannah Sugar Company Limited was completed which gave birth to a bigger and stronger business with considerable opportunity for growth and delivery of superior benefits to all stakeholders. The expansion of the Numan sugar estate is still ongoing as well as the development of the greenfield site acquired at Tunga, Nasarawa State for the achievement of DSR's sugar for Nigeria development master plan.

The Nasarawa Sugar Company Limited is the registered subsidiary of Dangote Sugar Refinery Plc. The 78,136 hectares Sugar Project Site is located at Tunga, Awe Local Government Area, of Nasarawa State. Massive development in agriculture, irrigation infrastructure amongst others is ongoing at the site. Unfortunately, Lau/Tau project is still on hold following the lingering compensation issue between the communities and Taraba state government.

Dangote Sugar Refinery was listed on the Nigerian Stock Exchange in March 2007.

www.dangotesugar.com.ng

OUTLOOK

As we approach year 2022 amidst the prevalent challenges being faced in the business environment ranging from heightened insecurity, resurgence of COVID-19 pandemic (Omicron variant), high inflation rate, and foreign currency challenges; we are resolute and focused on the several activities that create value for our organisation, customers, partners, and esteemed shareholders. We would continue to strengthen brand presence

in the markets and continue to generate awareness with our newly launched packaging bag designs and will continue to engage and bond with our trade and channel partners.

Inflationary pressures continue to affect cost of raw materials, energy costs and other input costs. Despite these uncertainties, achievement of our Sugar for Nigeria Backward Integration Project goal remains a key priority, though we anticipate increase in cost to completion in Naira-terms. The focus is to achieve the Federal Government's revised sugar production target of 550,000 metric tonnes annually by 2024. We remain confident of the huge benefits the Backward Integration Programme would deliver and the positive impacts it will have on the economy.

WEBCAST EVENT / CONFERENCE

A webcast event for investors and analysts will hold on **Thursday March 03, 2022**, at **1.00pm** Lagos time.

Participants are to register for the conference by navigating to the webcast URL and providing requested information for registration. Registered participants will receive their webcast link upon registration.

The webcast/conference information is as follows: -

Event Title	Dangote Sugar Refinery Plc 2021FY Audited Financial and Performance Report
Event Date	Thursday March 03, 2022
Event Time	13:00 UK (BST)/ 13:00 Lagos/ 14:00 SAST
Participants link (Webcast URL)	https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=8448987&linkSecurityString=112dedcdf

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