



H1 2024 UNAUDITED RESULTS



UNAUDITED RESULTS FOR SIX MONTHS ENDED 30th JUNE 2024

Group revenue up 45.8% at ₦295.6B

FX loss and currency devaluation impacted profitability

Established maiden ₦200B Bond Programme to support Backward Integration Project

Lagos, 30th July 2024: Dangote Sugar Refinery PLC (Bloomberg: DANGSUGA-NL), Nigeria's largest sugar producer, announces unaudited results for the six months ended 30th June 2024

Financial highlights

- Revenue up 45.8% to ₦295.6B
- EBITDA down to ₦11.3B, due to elevated operating cost owing to the Naira devaluation
- Non-cash FX revaluation loss of ₦193.7B impacted bottom-line
- Recurring PAT of ₦45.2B.

₦'m	H1 2024	H1 2023	Change %
Revenue	295,624	202,784	45.8%
EBITDA	11,250	57,237	(80.3%)
FX loss	(193,681)	(83,096)	133.1%
Profit/(Loss) after tax	(144,008)	(27,987)	(414.5%)
Recurring PAT*	49,675	55,109	(10.7%)

*Profit after tax excluding adjustment for FX loss

Operating highlights

- On track to complete expansion of Numan factory to 9,800 TCD by year end
- Backward integration project to construct a 12,000 TCD sugar project in Nasarawa is ongoing
- Completed bush clearing of 6,000 ha for the first phase in Nasarawa
- 463 hectares of nursery seed cane have been established
- Pivot irrigation system installed

Capital Market

- Established ₦200 billion Bond Programme to support long-term expansion plan
- Issued ₦141.3 billion Commercial Paper for working capital needs

Others

- The top 5 tier award for achieving Food Fortification Excellence
- Top nominee in ICAN-NGX Corporate Reporting Award 2024

Ravindra Singhvi, Chief Executive Officer, said:

"Our business encountered considerable challenges due to a confluence of soaring inflation, increased borrowing costs, and a further weakening of the currency, which collectively impacted our bottom-line. Despite these obstacles, we achieved a robust revenue growth of 45.8%, reaching ₦295.6B, primarily due to price adjustments implemented in response to heightened cost pressures. However, we incurred a loss after tax of ₦144B, primarily attributable to non-cash foreign exchange losses amounting to ₦193.7B, exacerbated by the significant year-on-year devaluation of the Naira. Excluding these foreign exchange losses, our recurring profit after tax stood at ₦45.2B.

To address the challenges posed by currency devaluation, we have intensified our focus on advancing the Backward Integration Project for sugar production in Nigeria. We have made substantial investments and will continue to expand our local sugar production capacity. DSR is significantly increasing production capacity at its Numan plantation to 9,800TCD, and we are in the process of raising funds for the Nasarawa Backward Integration Project.

Despite facing short-term challenges in the first half of the year, we reached a significant milestone in repositioning the business for growth. We successfully established a ₦200 billion Bond Programme, which is a key element of our broader strategy to support our backward integration plan. In the medium term, the factory will generate 32 megawatts of electricity using new turbines and two high-pressure boilers. It will also enable the production of ethanol and animal feed from by-products like molasses and bagasse. These initiatives are designed to diversify our revenue streams and reduce the risk associated with exchange rate fluctuations.

OUTLOOK

Our commitment remains steadfast in delivering high-quality products to our valued customers. We continue to work towards fulfilling Nigeria's Sugar Master Plan, positioning Nigeria as a self-reliant player in the global sugar industry.

About Dangote Sugar Refinery

Dangote Sugar Refinery PLC is a leading sugar processor in Nigeria engaged in the refining, distributing, and marketing of granulated sugar to major players in the food and beverage, pharmaceutical and skin care industries as well as wholesalers. The Company operates an annual 1.44 million metric tonnes (MT) sugar refining plant in Apapa and a 50,000 tonne per annum refining facility in Numan, Adamawa State, making a total refining capacity of 1.49 million metric tonnes. DSR has continued to invest in a backward integration programme to reduce its reliance on sugar imports. DSR has 47,364 hectares of sugar plantation and aims to produce 1.5MT of refined sugar annually from its sugarcane in the medium term.

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

Website: www.suagr.dangote.com

Twitter: @DangoteSugar

Conference call details

A conference call for analysts and investors will be held on Monday 2nd August at 15.00 Lagos/15:00 UK time. Please register using the link below:

[Dangote Sugar H1 2024 Results Conference Call](#)

To join the live webcast please click on the link below:

[Live webcast](#)

A copy of the presentation will be available on the Company's website on the day of the call.

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