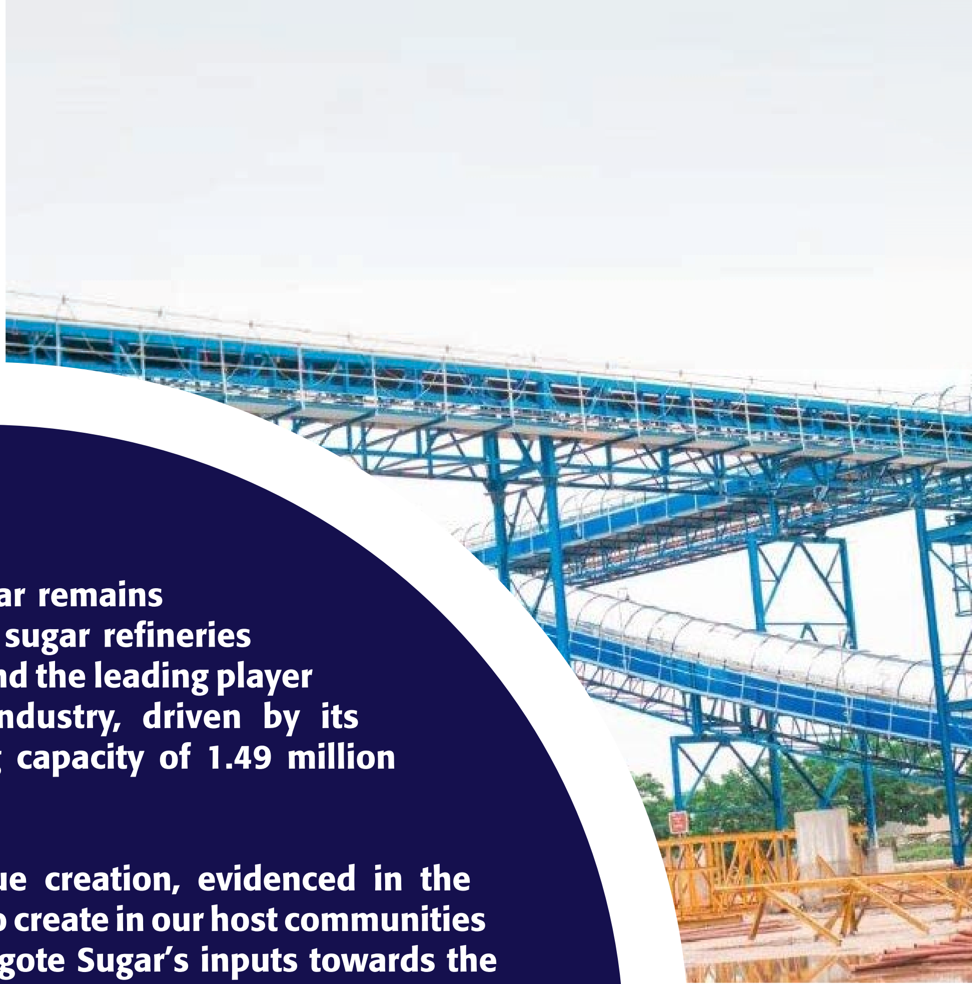
DANGOTE SUGAR

2023 ANNUAL REPORT & ACCOUNTS

DSR Numan 9,800TCD Factory & Sugarcane farm



Dangote Sugar remains one of the largest sugar refineries sub –Saharan Africa, and the leading player in the Nigerian sugar industry, driven by its combined installed refining capacity of 1.49 million tonnes per annum.

We believe in sustainable value creation, evidenced in the positive impact that we continue to create in our host communities at large. This is in addition to Dangote Sugar's inputs towards the attainment of food security in the country with its Dangote Sugar Backward Integration Master Plan. Based on the full alignment of our operations to the 7 (seven) Dangote Sustainability Pillars – Institutional, Financial, Social, Economic, Operational, Cultural and Environment, which this 2023 Annual Report is structured around. We continue to strive to meet the needs of our customers and all stakeholders in the markets and environment we operate in.

This 2023 Annual Report combines our financial and sustainability performance into a whole that explains Dangote Sugar's ability to create and sustain value for shareholders during the year under review and beyond.

CONTENTS

VISION

To be one of the world's leading integrated sugar producers, respected for the quality of our products and the way we conduct our business.

MISSION

To deliver consistently good returns to our shareholders by selling high-quality products at affordable prices, backed by excellent customer service.

OUR VALUES

- Customer Service
- Entrepreneurship
- Excellence
- Leadership

OUR DESIRED OUTCOME

To consolidate our leadership position locally and become a leading integrated sugar company in Africa, with world class standards.

To deliver consistently good returns to our shareholders by selling high-quality products at affordable prices, backed by excellent customer service.

To satisfy market demand by producing the very best refined granulated sugar using exceptional resources and processes that comply with international standards and industry best practices.

To help Nigeria towards self-sufficiency in sugar production by moving from importation and refining to creating new plantations with their own refining facilities, close to major centres of demand, with a target to produce 1.5 - 2.0 million tonnes of refined sugar annually, by 2024 from over 150,000 hectares of locally grown sugar cane.

To provide economic benefits to local communities by way of direct and indirect employment.

To set a good example in areas such as governance, sustainability, health and safety.

	Group 2023 ₦'000	Group 2022 ₦'000	Company 2023 ₦'000	Company 2022 ₦'000
Turnover	441,452,953	403,245,988	441,452,953	403,245,988
Profit Before Taxation	(108,922,106)	82,302,820	(107,161,258)	81,907,076
Taxation	35,161,798	(27,560,686)	35,161,798	(27,560,686)
Profit After Taxation	(73,760,308)	54,742,135	(71,999,460)	54,346,391
Other Comprehensive Income	–	–	–	–
Dividend Paid	(18,220,317)	(12,146,874)	(18,220,317)	(12,146,874)
Share Capital	6,320,524	6,320,524	6,320,524	6,320,524
Shareholders' Fund Per 50 Kobo Share Data (Kobo)	0.01	0.01	0.01	0.01
Earnings Per Share (kobo)	(6.07)	4.51	(5.93)	4.47

Dangote Sugar Refinery plc 2023 Annual Report & Account | 9

Directors, Officers, and Professional Advisers

BOARD OF DIRECTORS

Aliko Dangote, GCON	-	Chairman
Mr. Ravindra Singhvi	-	Group Managing Director/CEO
Hajiya Mariya Aliko Dangote	-	Executive Director
Mr. Olakunle Alake	-	Non-Executive Director
Alhaji Abdu Dantata	-	Non-Executive Director
Ms. Bennedikter Molokwu	-	Non-Executive Director
Prof. Konyinsola Ajayi, SAN	-	Non-Executive Director
Mr. Uzoma Nwankwo	-	Non-Executive Director
Ms. Maryam Bashir	-	Non - Executive Director
Mrs. Yabawa Lawan Wabi	-	Independent Non – Executive Director

COMPANY SECRETARY/LEGAL ADVISER
Temitope Hassan (Mrs.)

AUDITOR
PricewaterhouseCoopers
Landmark Towers, Plot 5B Water Corporation Road,
Victoria Island, Lagos, Nigeria

BANKERS
Access Bank Plc.
Coronation Merchant Bank
Ecobank Nigeria Plc.
Fidelity Bank Plc.
First Bank of Nigeria Plc.
First City Monument Bank Plc.
FSDH-FIRST Security Discount House
GTBank Plc
Globus Bank Limited
Greenwich Merchant Bank
Jaiz Bank Plc
Rand Merchant Bank
Stanbic IBTC Bank Plc.
Standard Chartered Bank Limited
Sterling Bank Plc
UBA Plc.
Union Bank Nigeria Plc
Unity Bank Plc
Wema Bank Plc
Zenith Bank Plc.

CAPITAL MARKET INFORMATION

NSE TICKER SYMBOL	DANSUG
DATE LISTED	8TH MARCH 2007
FINANCIAL CALENDAR (YEAR END)	December 31

AUTHORISED/PAID UP SHARE CAPITAL
15,000,000,000 Ordinary Shares of 50k
12,146,878,241 ordinary shares of 50 kobo each

SHAREHOLDER INFORMATION

RC Number	613748
Date of Incorporation	4th January 2005

REGISTERED OFFICE
3rd Floor, GDNL Building
Terminal E, Shed 20
NPA Wharf Port Complex
Apapa,
Lagos

FACTORY
Shed 20 Apapa Wharf
Apapa
Lagos

DSR NUMAN OPERATIONS
Km 81, Yola – Gombe Road,
Numan, Adamawa State

SUBSIDIARIES

- Nasarawa Sugar Company Limited
  1, Anguwan Kaura, Tunga Central Chiefdom,
  Tunga, Awe Local Government Council,
  Nasarawa State.

- Dangote Taraba Sugar Limited
  LAU/TAU PROJECTS
  C/o Dangote Sugar Refinery Plc
  Shed 20 Apapa Wharf Complex,
  Apapa Wharf
  Lagos

- Dangote Adamawa Sugar Limited
  Yola - Gombe Road
  Near Numan, Adamawa State

REGISTRAR AND TRANSFER OFFICE:
VERITAS REGISTRARS LIMITED
PLOT 89A, Ajose Adeogun Street, Victoria Island, Lagos.
Telephone: (01) 27089304, 2784167-8; Fax: (01)2704085
enquiry@veritasregistrars.com
www.veritasregistrars.com

INVESTOR RELATIONS
Olugbenga Adeniyi
InvestorRelationsDSR@DANGOTE.COM

CORPORATE COMMUNICATIONS
Ngozi Ngene
+234 8150983259
srefinery@dangote.com
sugar@dangote.com

NOTICE IS HEREBY GIVEN, that the 18th Annual General Meeting of DANGOTE SUGAR REFINERY PLC will be held at Balmoral Convention Centre, Federal Palace Hotel, 6-8 Amadu Bello Way, Victoria Island, Lagos. at 11:00am prompt on Tuesday, April 30, 2024 to transact the following businesses:

ORDINARY BUSINESS: ORDINARY RESOLUTION

1. To lay before the Meeting the Audited Financial Statements for the year ended December 31, 2023, the Reports of the Directors, Auditors, and the Statutory Audit Committee thereon.
2. To Elect/Re-elect Directors.
3. To Authorise the Directors of the Company to Fix the Remuneration of the Auditors.
4. To Disclose the Remuneration of Managers.
5. To Elect/Re-elect Members of the Statutory Audit Committee.

SPECIAL BUSINESS: BY ORDINARY RESOLUTION

6. To Disclose the Age of Director on the Attainment of the Seventy (70) Years.
7. To Fix the Remuneration of Directors.

Dated this 27th day of March, 2024

BY ORDER OF THE BOARD

MRS. TEMITOPE HASSAN (FCIS)
COMPANY SECRETARY/LEGAL ADVISER
FRC/2017/NBA/00000016669
3RD FLOOR, GREENVIEW DEVELOPMENT NIG. LTD.
BUILDING TERMINAL E, NPA
APAPA PORT COMPLEX, APAPA
LAGOS, NIGERIA

NOTES

1. Unclaimed Share Certificates and Dividend Warrants

All Shareholders are hereby informed that the Registrars of the Company are holding Share Certificates and Dividend Warrants which have been returned by the Post Office as 'unclaimed'. Some Dividend Warrants sent to shareholders registered addresses are yet to be presented for payment or returned to the Registrars for validation.

A schedule of the members who are yet to claim their dividends for previous years will be circulated to Shareholders along with the Annual Report & Financial Statements and published on the Company's website at www.dangotesugar.com.ng.

2. Statutory Audit Committee

In accordance with Section 404(6) of the Companies & Allied Matters Act 2020, any Shareholder may nominate a Shareholder for appointment to the Audit Committee. Such nomination should be in writing and reach the Company Secretary not later than 21 days before the Annual General Meeting.

The Nigerian Code of Corporate Governance 2018 stipulates that members of the Audit Committee should have basic financial literacy and should be able to read and understand financial statements. Thus, a detailed Curriculum Vitae and copies of relevant credentials confirming the nominee's qualification should be submitted with each nomination.

3. Election/Re-election of Directors

a. To ratify the appointment of Ms. Mariya Aliko-Dangote, appointed by the Board as a Director (Executive Director) since the last General Meeting of the Company.

b. To re-elect the following Directors - Ms. Bennedikter Molokwu, Ms. Maryam Bashir and Professor Konyinsola Ajayi, SAN retiring by rotation and being eligible, offer themselves for re-election pursuant to Article 62(b) & (c) of the Company's Articles of Association.

The profiles of all Directors are provided in the Annual Report and on the Company's website.

4. Disclosure on the Attainment of 70 years

Ms. Bennedikter Molokwu, Non-Executive Director attained the age of 70years on January 31, 2024, and wishes to disclose this at the Meeting.

5. Rights of Shareholders to Ask Questions

Shareholders reserve the right to ask questions at the AGM and may submit their questions in writing prior to the meeting; such questions should be submitted to the Company ahead of the AGM in line with Rule 19.12© of the Listing Rules of the Nigerian Exchange Limited. The questions may be submitted by electronic mail to DSRCompanySecretariat@dangote.com.

The Company's Annual Reports are available online for viewing and downloading from our website at www.sugar.dangote.com or the Registrars' website at www.veritasregistrars.com.

6. Proxy

Only Members (Shareholders) of the Company entitled to attend and vote at the Annual General Meeting can appoint proxies to vote in their stead by completing the detachable Proxy Forms in the Annual Report. The duly executed Proxy Form should be stamped and deposited at the office of the Company's Registrars, Veritas Registrars Limited, Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos as shown on the Proxy Form, or sent to the Registrars by email to enquiry@veritasregistrars.com not later than 48 hours before the time appointed for the Meeting.

7. Viewing of the Proceedings of the Meeting

The Meeting will be streamed live online to enable Shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the live streaming of the Meeting will be made available on the Company's website at www.dangotesugar.com.ng at least 48hours before the meeting.

PRODUCTS

Dangote Sugar Refinery produces Vitamin A fortified and non-fortified refined granulated free flowing crystal white sugar, packaged and distributed in 50kg bags, 1kg, 500g and 250g, while plans are on ground to add 100g to the retail offerings for the fortified sugar and in 50kg bags for the non - fortified, sold under the brand name "Dangote Sugar".

Guaranteed Sweetness

CHAIRMAN'S STATEMENT

The Company recorded a Group turnover of N441.5billion, a 9.5% increase over N403 billion in the corresponding period in 2022. Operating profit of N72.69 billion which was 16.5% of revenue compared to N82.41 billion (20.4%) in 2022

It is my pleasure to welcome you Distinguished Shareholders, Fellow Directors, and Representatives of the Regulatory Authorities, to the 18th Annual General Meeting of Dangote Sugar Refinery Plc, and to present to you the Annual Report and Financial Statements for the year ended December 31, 2023.

As customary, we start with a review of the global and domestic economies in 2023.

OPERATING ENVIRONMENT

During the year, the anticipated hope of a global economic recovery following the lifting of restrictions as the World Health Organisation declared that COVID-19 was no longer a global health emergency, was dashed due to the lingering impact of the pandemic on economic activities. Geopolitical tensions across the globe continue to plague projected global economic growth and recovery; with the ongoing Russian-Ukrainian war, Israeli-Palestinian conflict and Houthi attacks on the Red Sea disrupted shipping, which contributed to the rising cost of living for the global majority.

Also, in the year under review, China's economy recorded a slowdown with manufacturing activity shrinking unexpectedly in October. The European economy avoided recession in 2023, with a growth rate of one percent, while the European Union (which contains 27 European countries) and the Eurozone (which contains 20) grew by 0.7 percent each. Eastern Europe reported markedly higher GDP growth than Western Europe in 2023, at 1.6 percent.

However, the US recorded economic growth that defied pessimistic forecasts. The economy progressed at a significant pace over the course of 2023. The growth was fuelled by strength in consumer spending, a revival in manufacturing structures investment and increased state & local government purchases. The level of US real GDP in 2023 even exceeded some pre-pandemic forecasts, with sound household balance sheets and a strong labour market as the primary drivers of consumer expenditures, which continue to grow at a pace close to the average among prior expansions.

The domestic operating environment was however harsh, being an election year that saw a new government sworn into office on May 29, 2023. The announcement of removal of fuel subsidies led to shortages and increases in price. Attempts were made to unify the exchange rates and subsequent devaluations resulted in the astronomical price increases and lower purchasing power for households.

Many manufacturing companies were affected and reported operational losses arising from fluctuations in the value of the Naira against the US dollar. Vital components and materials essential in the manufacturing sector recorded astronomical increases in prices between the first and last months of the year. Automotive Gas Oil (Diesel) price fluctuated widely within the year and affected activities in the economy. According to the National Bureau of Statistics (NBS), the average retail price of Automotive Gas Oil (Diesel) was 828.32 per litre in January 2023 and closed the year at about N1,055.57 per litre, indicating a 28 percent increase. There were shortages of the product in the period with attendant negative impact on the operating environment.

In the period under review, data from the NBS indicated Nigeria's gross domestic product (GDP) grew to 2.54 percent year-on-year in real terms in the third quarter of 2023, higher than the 2.25 percent recorded in the corresponding quarter in 2022. The GDP inched by 0.03 percent in third quarter, higher than the 2.51 percent reported in the second quarter of 2023's growth. Changes in GDP in the review quarter was from the services sector, which recorded a growth of 3.99 percent and contributed 52.70 percent to the aggregate GDP growth.

The domestic currency Naira depreciated by 25 percent, falling to NGN 632 per USD from NGN 463 per USD after

ALIKO DANGOTE, GCON
CHAIRMAN

the Central Bank of Nigeria (CBN) abolished the multiple exchange rate window and temporarily halted interventions in FX markets, continued to depreciate and displayed significant volatility. The Naira traded between NGN 589 and NGN 1,013 per USD. The free fall of the naira has helped fuel inflation to a near two-decade high in recent months, exacerbating the cost-of-living crisis and weighing on the domestic economy.

A new governor, Olayemi Cardoso was appointed to head the apex bank in the closing quarter of the year. The insecurity situation continued unabated with kidnapping and killings which engendered an atmosphere of fear and hampered business activities.

OUR PERFORMANCE

2023 was indeed a very challenging year, not only for the company but for every business operating in this environment and beyond. These challenges ranged from the sharp depreciation of the exchange rate of naira to the dollar, scarcity of the US dollar to meet organisations needs and its attendant impact on the import of raw sugar, which remains the key component of our raw material input to our production process. As a result, we experienced increased cost for importation of raw sugar, and delays in approvals and opening of letter of Credit by banks. All these amongst others led to the results recorded by our company in the year under review.

The Company recorded a Group turnover of N441.5billion, a 9.5% increase over N403 billion in the corresponding period in 2022. Operating profit of N72.69 billion which was 16.5% of revenue compared to N82.41 billion (20.4% of revenue) showed a strong attempt by the company to recover cost increases. Profit Before Tax (PBT) is (N108.9) billion, while Profit After Tax (PAT) is (N73.8) billion, incurred due to the non-cash foreign exchange loss of 171.4 billion. Excluding the non-cash foreign exchange loss, recurring PAT was up 78%, at 97.66 billion.

SUSTAINABLE GROWTH & DEVELOPMENT

Despite the challenges in the business environment, our commitment to the achievement of a continued growth, building a sustainable business and the socioeconomic development of the communities we operate in remains unwavering.

We continue to employ the necessary steps and maximise every opportunity in growing our business with focus on impact management, governance and ethics. It is in this light that I am happy to share with you that Moody's affirmed DSR's national scale rating at Baa3.ng; with an A+ rating affirmed by Agusto & Co. Also, a grade C Score by Carbon Disclosure Project (CDP) in our 2023 Disclosure Report, in recognition of our efforts at combating climate change and maintaining water security, respectively in line with our priority Sustainable Development Goals 6 and 13. With this, DSR is now internationally recognised for its support of, and contribution to global sustainability initiatives in water conservation (SDG 6) and climate action (SDG 13).

In addition, we successfully completed the Bonsucro membership process. Bonsucro is an international organisation that independently assures that our Sugar is produced through sustainable agricultural practices and supply chain processes, a key requirement by our major customers which underpins DSR's commitment to the achievement of sustainable production. With these successes, DSR becomes the first organisation to achieve such membership in Nigeria and is positioned to be the preferred choice for Customers, investors, and all stakeholders.

Our Social Impact Management process with a review of our Stakeholder Engagement process were not left out during the year under review. Guided by the three sustainability bottom lines: People, Planet & Profit, efforts were made towards sustaining the cordial relationship in our host communities, with the creation of sustainable value for all stakeholders through an inclusive approach and improved social impact management process.

A Board Technical and Sustainability Committee has been established to have oversight of the operations of the Company with six members of the Board as its members. The committee is charged with the oversight of the company's operations in the areas of Production, Transportation & Logistics, Environmental, Social & Governance (ESG), Health, Safety, Security & Environment, Implementation, and Projects monitoring.

Our vision remains the creation of a sustainable business and value for all stakeholders by making substantial positive impact through job creation, sports development, quality education, women and youth empowerment, skills acquisition schemes, food security, healthcare, and wellbeing amongst other developmental activities to support the socio-economic development of our communities and the company at large – **The Dangote Way.**

We remain fully aligned with international and national sustainability and governance standards, principles and guidelines that are applicable to our business and reporting requirements. We will continue to build expertise where required in these areas to sustain and improve on the achievements recorded to date.

THE DANGOTE SUGAR FOR NIGERIA PROJECT

In alignment with the Federal Government of Nigeria policy guidelines, DSR continues to focus on its Backward Integration Project (BIP) by deploying and reviewing project strategies to ensure efficient delivery.

The 10-year sugar development plan to produce 1.5 million MT Sugar per annum from locally grown sugarcane remains a germane roadmap to attainment of the Company's objectives.

Our focus is on achieving the revised targets set for DSR Numan Operations, Dangote Adamawa Sugar Limited, and Nasarawa Sugar Company Limited, while we are hopeful that the Taraba State Government will resolve the community payment issues that have led to the stoppage of activities at the Dangote Taraba Sugar Limited, Lau/Tau project. During the year under review, despite the challenges we were faced with, the company significantly scaled up investment in the Backward Integration Projects with the ongoing expansion of the DSR Numan factory refining capacity from 3,000TCD to 9,800TCD year end. The factory will be increased with an additional 5,200TCD to 15,000 TCD eventually to meet the need in view of the massive land development activities also going on at the site. The aim is to achieve 24,200 hectares in total by year 2029.

Despite the adverse impact on the business environment by continued increase in inflationary trend, lack of liquidity and FX to fund our equipment import amongst others for the backward integration projects, concerted efforts are ongoing to secure the needed funds for the development of the Nasarawa Sugar Company Limited, project at Tunga in Awe Local Government Area of the state. This will enable the Company to put in place the needed infrastructure for the eventual commencement of full-scale production and ensure that the Dangote Sugar Backward Integration Sugar for Nigeria Project is achieved.

In the end, over $700 (USD) million investment would be committed to the Backward Integration Programme.

Also, Dangote Sugar (Ghana) Limited, was established as a subsidiary of the Company during the year under review. This is in line with the plan to expand the Company's presence in the sugar industry across Africa – **The Dangote Way**.

BOARD OF DIRECTORS

During the year under review, there were a few changes in the composition of the Board. The Board of Directors made two appointments to Board. Mrs Yabawa Lawan Wabi (mni) as an Independent Non-Executive Director on February 28, 2023. and Ms. Mariya Aliko Dangote as Executive Director on July 28, 2023. Mrs. Lawan Wabi's appointment was ratified at the Annual General Meeting held on April 14, 2023. Ms. Dangote's appointment is subject to the ratification of Members at the Annual General Meeting. All the Directors retiring by rotation, being eligible will offer themselves for re-election during this Annual General Meeting.

OUTLOOK

Distinguished Shareholders, Ladies and Gentlemen, though the outlook remains challenging, the Board and Management will continue to employ pragmatic approach to the management of the operations as we navigate through the scarcity of foreign exchange and escalating costs of raw materials. We will ensure cost and process optimisation, improved efficiencies in every area of our operations and service delivery to our customers.

Our employees remain our best asset. their resilience during these challenging years is worthy of commendation. We continued with the manpower development and empowerment of our teams, right placement, and realignment of functions to ensure optimal performance with focus on the entrenchment of a culture of exceptional performance with a view to attract and retain the best talents in our employment, as a preferred employer in the Food & Beverage industry.

I want to sincerely appreciate our distributors and every customer for their continued partnership, support, and patronage through the years. Their unending vote of confidence in the Board and Management has helped in giving us the encouragement to keep going against all odds. To every member of the Board of Directors, I am grateful for their immense contributions and continuously bringing their vast experience to bear in their service to the company.

Ladies and Gentlemen, achievement of the goals of the Sugar Backward Integration Master Plan remains our focus. This will go a long way in delivering the anticipated benefits especially in FX savings and cushioning its impact on our operations amongst other benefits to the company, all stakeholders, and the nation.

I call on all stakeholders to stay the course as we continue this path to greatness.

Thank you.

Aliko Dangote, GCON
Chairman

April 2024

Sugar is a natural, colourless, water soluble, and sweet-tasting substance that is produced from sugarcane and sugar beet, comprises glucose and fructose molecules. It is widely available as white and brown sugar, naturally available in honey, fruits, vegetables, and milk. It is high in calories and carbohydrates that assist in providing instant energy to the body. It is also beneficial in managing low blood pressure or hypoglycemia and improving gut health. Besides this, it aids in adding taste, and thickness to food products and preventing mold formation while acting as a preservative.

At present, the rising utilization of sugar in numerous beverages, such as juices, shakes, and cold and sports drinks, represents one of the key factors contributing to the growth of the market. Besides this, the growing adoption of sugar in skin care products to exfoliate the top layer of skin and remove dead skin cells is offering a positive market outlook. Additionally, the increasing usage of sugar in the pharmaceutical industry to manufacture antibiotics and cough syrups is strengthening the growth of the market. Apart from these, the growing employment of sugar in producing candies and chocolate bars to attract a wide consumer base is positively influencing the market. Furthermore, the rising demand for white sugar in bakery products is propelling the growth of the market.

Sugar Market Trends/Drivers:
Increasing consumption of beverages is positively influencing the sales of sugar.

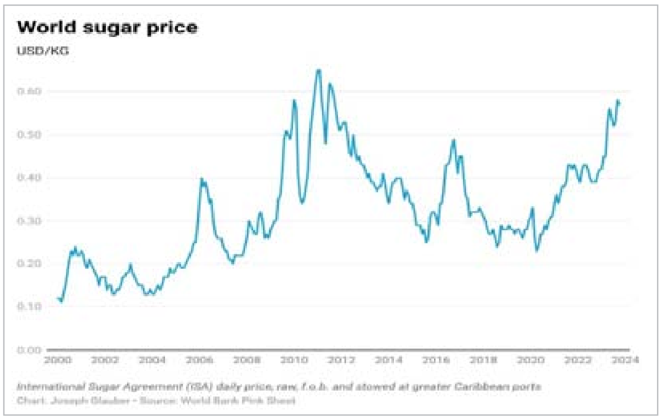
Sugar is widely utilized in various beverages to provide a sweet taste and enhance the color of the drink. It also assists in increasing the palatability and shelf life, balancing the acidity, and providing viscosity or thickness in a wide variety of drinks. Apart from this, the rising demand for numerous drinks, such as mojitos, cocktails, mocktails, energy drinks, sports drinks, and shakes, among individuals across the globe is supporting the growth of the market. In addition, the increasing consumption of sugar in tea and coffee in households daily is strengthening the growth of the market.

2023 Global Sugar Market
As with other internationally traded food commodities, the global sugar market has seen large increases in prices due to El Niño-related production shortfalls in major exporting countries in South and Southeast Asia. At the same time, other factors are also constricting supplies. Port bottlenecks have tied up exports in Brazil, the world's largest sugar exporter, despite a large increase in production over last year's levels. Domestic biofuel policies in key exporting countries are diverting sugar production to biofuel production and thus limiting exports. Export restrictions also impacted India and Thailand thereby creating shortages as well.

These supply constraints pushed global sugar prices within the year to the highest level since September 2011 (Figure 1).

These factors and their potential impacts on supplies and consumption will be highlighted as listed.

Figure 1



El Niño affects sugar output in India and Thailand; production rebounds in Brazil
The cyclical Pacific climate pattern El Niño has brought dryness to key sugar-producing areas in South and Southeast Asia and will likely adversely affect exports from India and Thailand, the two largest global exporters of sugar after Brazil. India's sugar output for 2023/24 staggered at 33.7 million metric tons (MT) from the 36.6 million MT estimated for 2022/23, according to the Indian Sugar Mills Association (ISMA). This forecast is down about 7% from August forecasts.

In Thailand, drought reduced sugar production to an estimated 7 million-8 million MT in 2023-24, down from 11 million MT crushed in the previous crop, according to the Thai Sugar Millers Corp. Exports could fall to 4 million-5 million MT next year, a decline of 30%-40% from the 7 million MT expected in 2022/2023.

By contrast, Brazil's production prospects improved to 42.7 million MT, up 15% from last year. More mills shifted production from ethanol to raw sugar, although recent increases in energy prices shifted this balance in the other direction later 2023 (see below). But despite improved production prospects, sugar exports was also impacted by port congestion due to large soybean and maize (corn) crops.

Overall, global sugar stocks have been tightening and will likely shrink further if production impacts from El Niño worsen (Figure 2), putting continued upward pressure on prices.

Figure 2

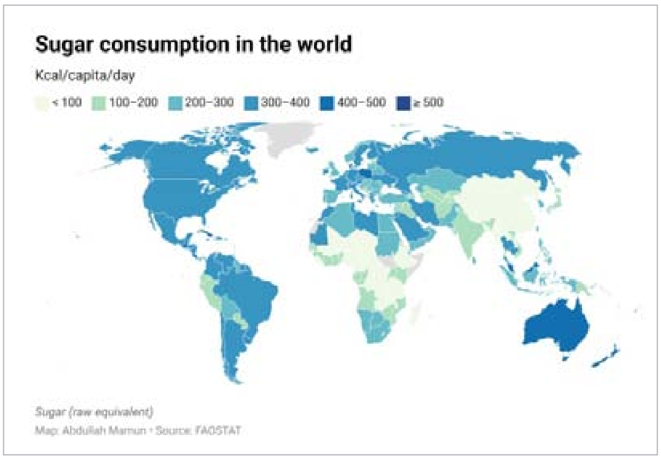
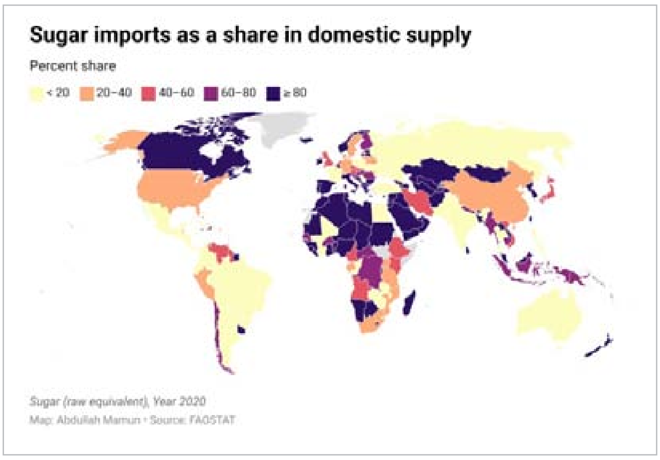


Figure 3



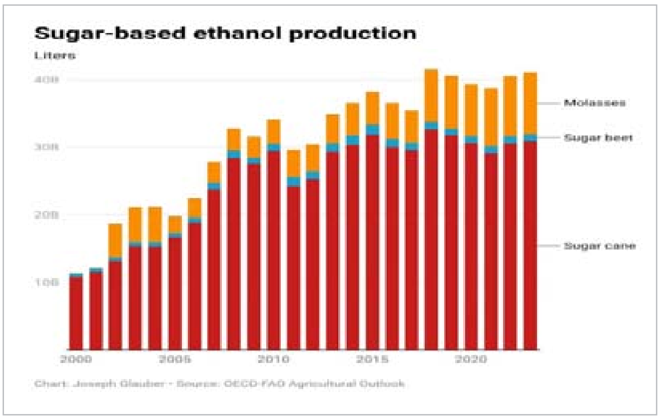
Sugar consumption and trade

High global sugar prices can have a mix of impacts—some harmful, others, in terms of diets and public health, potentially beneficial. In a number of low-income countries, sugar is dietary staple. Yet in many countries across a range of income levels, high sugar consumption is associated with higher rates of obesity and a number of non-communicable diseases, including diabetes. World Health Organization dietary guidelines suggest limiting sugar consumption to 5%-10% of total energy intake—or less—based on a 2000-kilocalorie diet, or 100-200 kcal.

Sugar consumption is high in most developed and upper middle-income countries except China (Figure 3). As many as 66 countries have an average per capita intake of over 300 kilocalories per day, including many in the Middle East and North Africa (MENA) region, South and North America, and Europe. While consumption in Southeast Asia is generally low, some countries including Cambodia, Malaysia, and Thailand, consume large amounts of sugar per day. Thus persistently higher sugar prices may reduce consumption in these countries and have potentially positive public health impacts.

Low sugar consumption is found in sub-Saharan Africa and Asia. In Africa, notable low sugar consuming countries include the Democratic Republic of Congo (DRC), Myanmar, Burundi, Guinea Bissau, with less than a 50 kcal intake of sugar per day per person. Obesity rates are generally quite low in these countries—but sugar is also an important contribution to overall household diets.

Figure 4



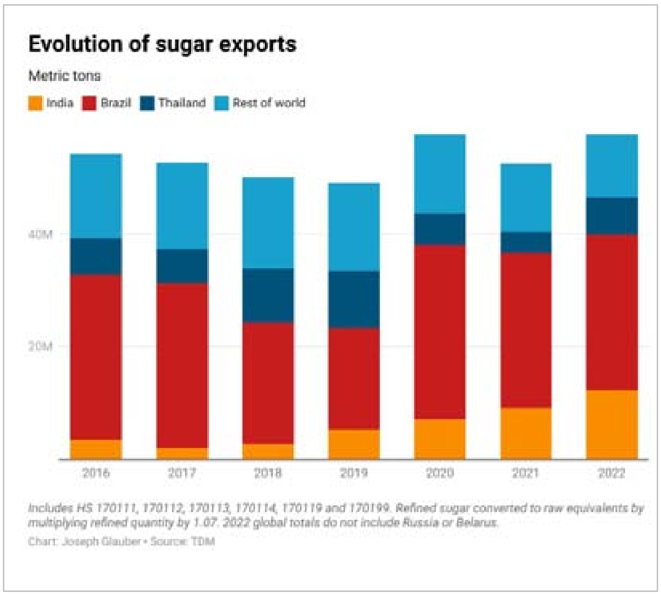
Biofuels

Rising demand for alternative energy sources, as well as shifting global energy markets, have led countries to boost ethanol production—and, as a result, lower sugar production. According to the OECD, globally about 23% of ethanol is produced from sugarcane and 7% from molasses (a by-product from processing sugarcane or sugarbeets into sugar) (Figure 5). Recent shifts in biofuel policies have spurred ethanol production in many sugar-producing countries. For example, India's current average blend rate for ethanol is 11.5%. India has announced that it aims to nearly double that by 2025, reaching a blend rate of E20 (20%). About 20% of India's sugarcane production goes to ethanol, and barring a large expansion of sugarcane plantings, that percentage will likely increase significantly as the target rate rises.

Brazil biofuel policies, which stress flexibility between biofuel and sugar production, date back to the early 1930s. Brazil has a large fleet of flex-fuel vehicles that can run either a mix of gasoline and anhydrous ethanol (called gasoline C) or pure hydrous ethanol (E100). The blending rates for gasoline C are set annually and range between 18% and 27%

depending on the relative price relationship between domestic sugar and ethanol. The blend rate for gasoline C is currently legislated at 27%. The government is considering raising the mandate to 30%. The overall blend rate for gasoline C and pure hydrous ethanol is 47.5%. Over 400 million MT of sugarcane went to Brazil ethanol production in 2023, or 51% of total sugarcane production.

Figure 5



Thailand also maintains an ethanol program with molasses, sugarcane, and cassava as the primary feedstocks. An estimated 3.3 million MT of molasses and 775,000 MT of sugarcane were used in ethanol production in 2023.

Export Restrictions
With global sugar prices rising and supply issues due to El Niño, both India and Thailand have moved to restrict sugar exports. The two countries currently account for about one third of total sugar exports, up from 19% in 2016, and with most of the growth due to India (Figure 6).

In an October 28 2023, government decision, Thailand listed sugar as a controlled commodity for one year, a move aimed at ensuring domestic supplies of the sweetener and keeping inflation in check. Like other controlled goods, this means that any retail price changes or exports of 1 MT or more must first be cleared by a regulating panel. This will add costs and could lead to delays in fulfilling delivery contracts for sugar already sold on the futures market.

Implications
Recent developments in the global sugar market track the experience of other agricultural markets over the past two years. Supply shortfalls have driven prices to the highest levels in the year. Prices are exacerbated by domestic policies, in this case biofuel policies that divert production to non-food uses, and export policies that aim to insulate domestic markets, only to "export" that volatility to the rest of the world.

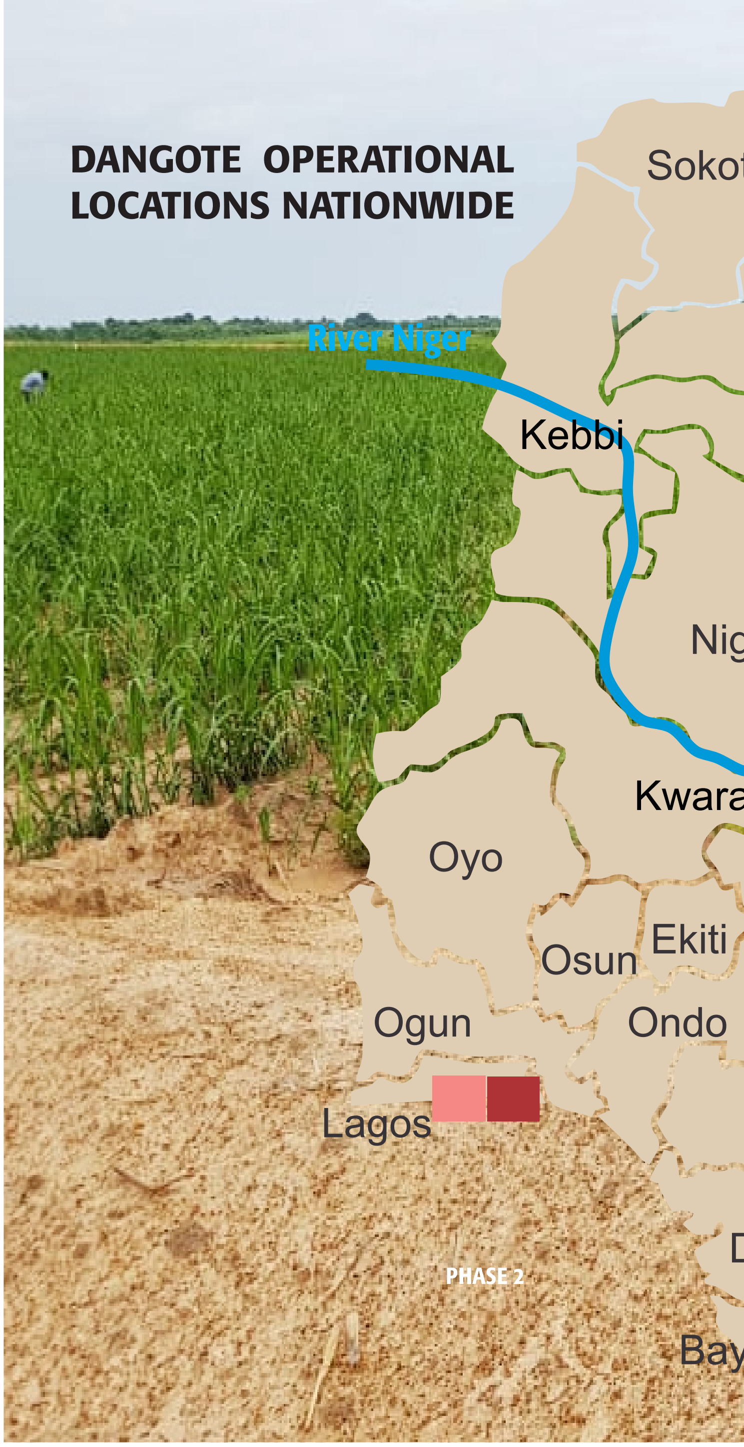
Of far greater concern is the impact of higher sugar prices on food security in the least developed countries, particularly in sub-Saharan Africa, where many depend entirely on imports to fulfill their needs. Those countries could face larger food costs, thus increasing the burden on the poorest households, which spend a disproportionate share of their income on food.

Country	HS Code	Description	Export Restrictions	Timeline	2022 Export Level
India	170111, 170112, 170113, 170114, 170119, 170199	Raw sugar, white sugar, refined sugar, and organic sugar	Ban	06/01/2022	12.4 million metric tons
Thailand		Cane or beet sugar and chemically pure sucrose, in solid form	License	10/31/2023	6.6 million metric tons

Dangotesugarrefinery @dangotesugar dangote sugar refinery plc

@dangote_sugar +DangotesugarNG +234 815 098 3259

DANGOTE SUGAR IN BRIEF



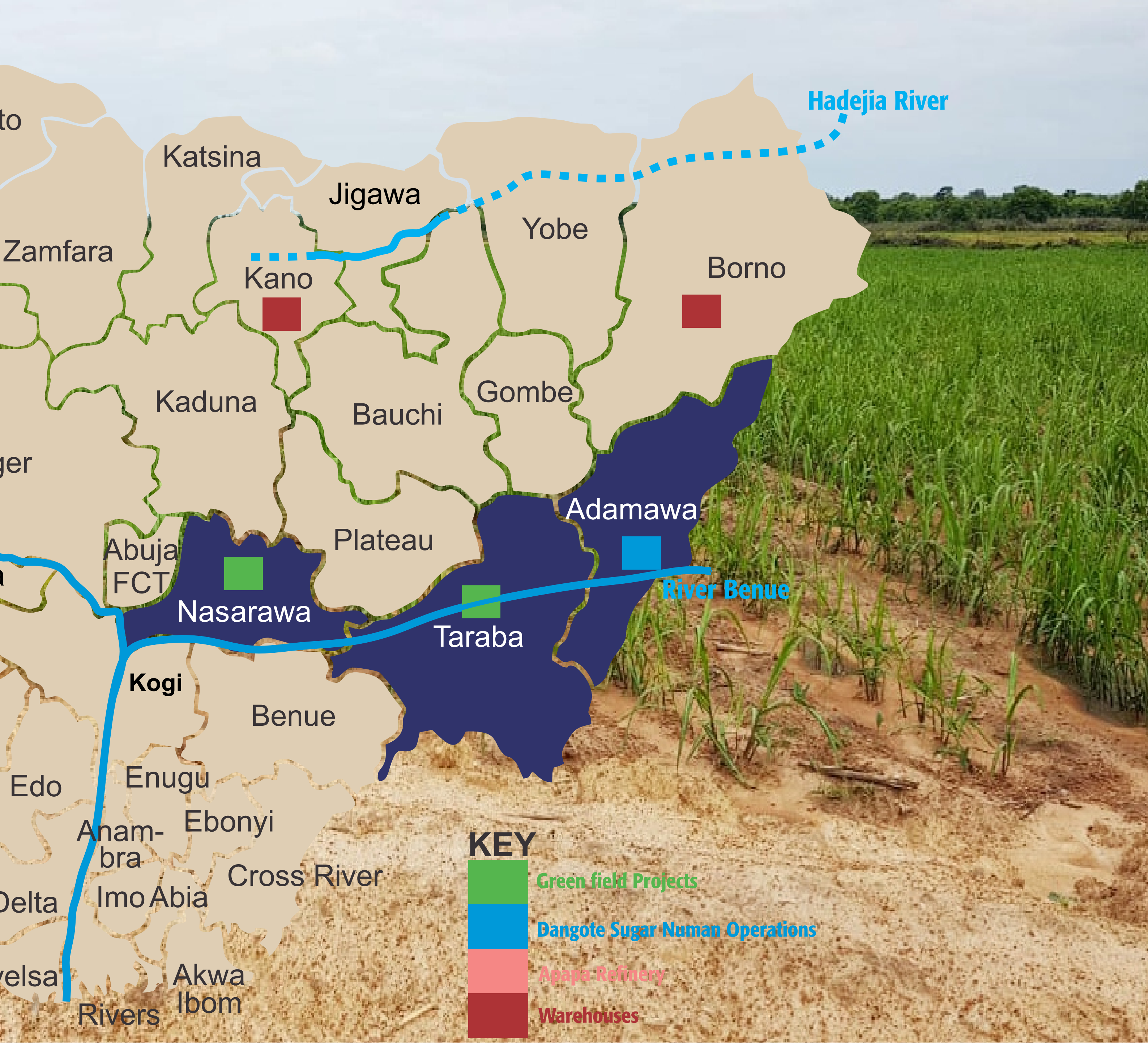
DANGOTE SUGAR REFINERY PLC is the leading sugar company in Nigeria with production and sugar backward integration projects operations in four states and market presence nationwide.

We are one of Nigeria's largest employer and are fast becoming a consumer-centric integrated sugar production business with capabilities in sugar refining and production of refined granulated edible sugar fortified with Vitamin A and nonfortified grade for industrial usage. Ahead on implementation of the Sugar Backward Integration Project programme, Dangote Sugar is in the process of realizing its Sugar for Nigeria Project Master Plan to produce 1.5million tonnes refined sugar annually from its sugarcane estates, in addition to related products, power generation amongst others from the extended value chain in sustainability– **The Dangote Way!.**

Dangote Sugar Refinery Plc has a long successful history as a key player, major contributor to the development, growth of the Nigeria Sugar Sector, and of the Nigeria Food and Beverage industry.

Dangote Sugar owns and operates one of the largest sugar refineries in Sub – Saharan Africa with a 1.44million metric tonnes refining capacity at the same location; and a strategic sugar production Backward Integration Master Plan to produce 1.5 million metric tonnes of refined granulated sugar from locally grown sugar across various sites in Nigeria.

Listed on the Nigerian Stock Exchange since March 2007 with



over 100,000 shareholders, Dangote Sugar is an industry leader with core competences in: -

- Refining of raw sugar to make high quality Vitamin A fortified and non- fortified granulated white sugar, sold under the brand name "Dangote Sugar".
- Marketing and distribution of our refined sugar grades in 1000kg, 50kg, 1kg, 500g and 250g packages.
- Cultivation and milling of sugar cane to finished sugar from our integrated sugar production project at Dangote Sugar Numan Operations.
- Development of Greenfield projects in line with our "Sugar for Nigeria Project," strategic plan.

OUR KEY PRODUCTS

Non fortified (1000kg) for Industrial use.

Vitamin A fortified Sugar for direct consumption.

Non fortified Sugar for Industrial use.

Vitamin A fortified Sugar in retail pack sizes of 1kg, 500gram and 250gram.

KEY DATES & MILESTONES

Dangote Sugar is committed to continuous innovation while maintaining global standards

2000	Commenced business as the sugar division of Dangote Industries Limited
2001	Commissioned the first sugar refinery in Nigeria (Apapa port based 600,000MMT capacity)
2004	Company's refining capacity increased to 1.44MMT, becoming the largest sugar refinery in sub-Saharan Africa
2006	Dangote Industries Limited spun-off its sugar division to Dangote Sugar Refinery PLC
2007	Listed on the mainboard of The Nigerian Exchange ('NGX')
2009	The Company obtained NIS Quality Management System certification QMS (ISO 9001:2008)
2011	Dangote Sugar packages in 1kg, 500 and 250grams were introduced into the Nigerian market
2012	The company acquired 95% stake in Savannah Sugar Company Limited
2013	Evolution of a 10year backward integration plan & implementation of pre-project activities to produce refined sugar from locally grown sugar cane
2014	DSR obtained the Food Safety Management System certification (ISO 22000:2005)
2015	Obtained ISO 18001:2007 & FSSC 22000. Cultivated the first set of seed cane for greenfield backward integration projects
2017	Best performing Stock on the NGX in 2017
2020	DSR and Savannah Sugar merged in 2020 to become one entity via a scheme of arrangement
2021	Launched new packaging for the 50kg fortified and non-fortified sugar bags, reaffirming product quality
2022 - 2023	Dangote Sugar 1 tonne package was introduced into the Nigerian market

01.

Operations Review

OPERATIONS

Dangote Sugar Refinery Plc is the largest sugar refinery in Nigeria with a 1.44 million metric tonnes refining capacity at the same location at Apapa Wharf Complex, Lagos, and one of the largest sugar refineries in sub–Saharan Africa.

Dangote Sugar imports about 0.84 million tonnes raw sugar, cultivates about 640,000 tonnes of cane annually and produces over 58,000 tons of sugar at the Dangote Sugar Refinery in Apapa and DSR Numan Operations, Numan in Adamawa State. Dangote Sugar controls more than 60% of the local market share with its Vitamin A Fortified and nonfortified refined granulated free flowing crystal white sugar production, packaged and distributed in 1000kg, 50kg bags, 1kg, 500g and 250g; sold under the brand name "Dangote Sugar" sold to consumers and industrial markets nationwide.

Dangote Sugar production process is FSSC 22000 (Food Safety System Certification) certified by SGS. The FSSC 22000 system is recognized by the Global Food Safety Initiative (GFSI). The FSSC 22000 with other management systems already achieved by the Company is part of the strategic initiative to meet the teeming needs of customers; and sustain its frontline position in the Food and Beverage industry in line with internationally accepted practices and standards.

The Company's Food Safety Policy is supported by quality and food safety audits, internal and surveillance, guided by measurable objectives that are monitored, maintained, and continually reviewed for improvement with the following objectives: -

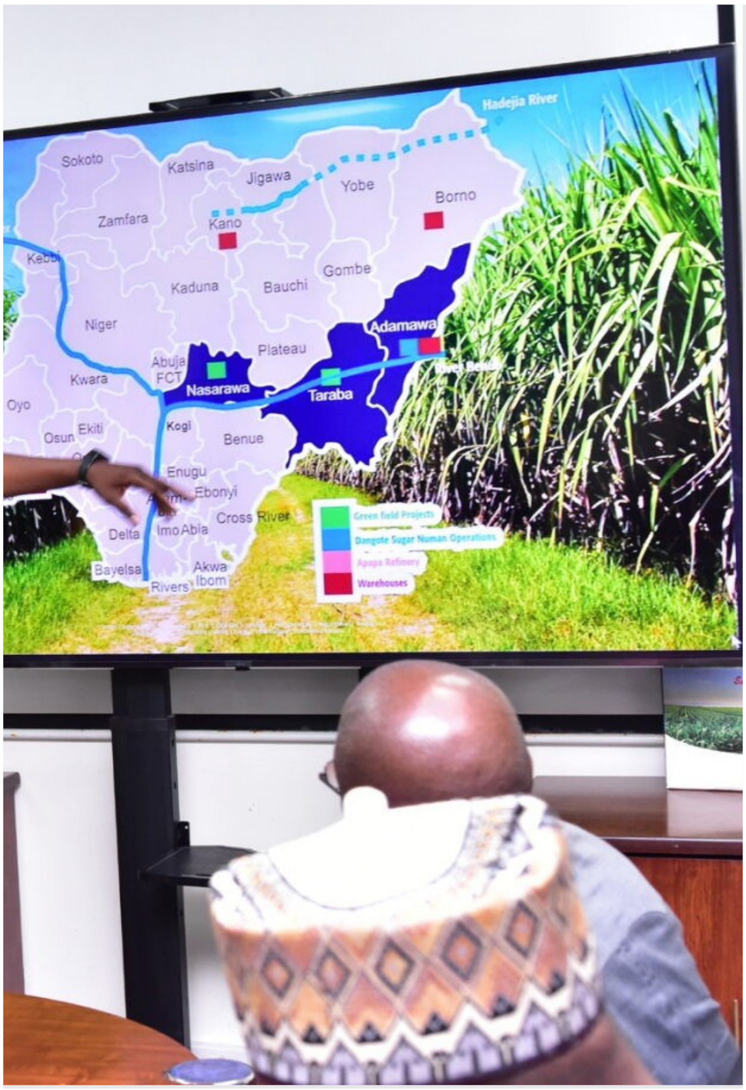
a) To provide wholesome and nutritious sugar that supports healthy living.

b) To achieve 100% compliance with all relevant customers', statutory and regulatory food safety requirements

c) To ensure that all relevant parties in the food chain are aware of; and comply with the company's food safety requirement.

As Nigeria's largest sugar producer, Dangote Sugar Refinery Plc has developed and is implementing a "Sugar for Nigeria Project", a Sugar Backward Integration Projects Development Master Plan to produce 1.5 million metric tonnes of sugar per annum from locally grown sugarcane. The sugar for Nigeria project will consolidate Dangote Sugar's leadership in the sector as a leading integrated sugar company in Africa.

Dangote Sugar owns and operates its Sugar Backward Integration Projects sites at Dangote Sugar Numan Operations, a brownfield sugar production estate at Numan, Adamawa State, Dangote Adamawa Limited a new sugar development project, in Numan Adamawa State, Nasarawa Sugar Company Limited, Tunga Nasarawa State Nigeria, a greenfield sugar production project and Dangote Taraba Limited, Lau/Tau project in Tabara State, also a greenfield sugar production project. Dangote Sugar Refinery Plc currently employs over 12,000 personnel, while its backward integration project will generate over 75,000 direct and indirect employment opportunities.



SUGAR FOR NIGERIA PROJECT

Dangote Sugar operations are powered by policies and procedures that are aimed at the attainment of sustainable economic growth through industrialization, empowerment, value creation for all stakeholders and positive impact within our communities and the country at large. This is mirrored in the Dangote Sugar Master Plan, a drive towards the attainment of self-sufficiency in sugar production in Nigeria in line with the Federal Government's agenda to achieve sustainable local sugar production, to end importation, save foreign exchange, generate employment amongst other benefits of the extended value chain in sugar production.

Our target is to produce 1.5 – 2.0 million metric tonnes of refined granulated edible sugar from locally grown sugarcane across various locations in Nigeria. To achieve this, DSR has made huge investments in land acquisition, machinery, land development, human resources, and community development amongst others over the past 10 years.

-

This is attested to by the Dangote Group Sustainability Pillars which our operations have been aligned to ensure that these policies drive our day to day operations and output. Our Institutional, Economic, Environmental, Operational and Social Pillars ensure that our business activities and model strengthen national productivity, increase job creation, household incomes as well as GDP growth and economic prosperity of the communities we operate and the society at large.

Implementation of the second phase of the National Sugar Master Plan (NSMP) is ongoing and the National Sugar Development Council are engaging all stakeholders to ensure successful outcome. Steps are being taken in conjunction with the Federal and State governments to ensure delivery of the revised targets over the next 10 years. In addition, we have re-evaluated our strategies to ensure the successful achievement of our sugar production goals at the Nasarawa Sugar Company Limited, Tunga, Nasarawa State, and DSR Numan Operations in Adamawa States. We are still hopeful that the community relations challenges over the land acquisition process at the Lau/Tau, Dangote Taraba Limited project, will be resolved by the Taraba State Government.

Dangote Sugar Refinery Operations Numan (DSR Numan)

The Dangote Sugar Refinery, Numan Operations is a 32,000 hectares sugar production estate with an installed production capacity of 50,000 tonnes of sugar per annum and considerable opportunity for expansion. Acquired in year 2012 as part of the Dangote Sugar Backward Integration strategy, rehabilitation of its facilities and expansion of the fields is still ongoing. The factory capacity upgraded to 3800TCD is now being upgraded with an additional 6000TCD, which bring the total installed factory capacity to 9,800TCD by the end of 2024. This is to ensure the processing of the increased cane supply from the ongoing field expansion project.

OutGrower Scheme

Dangote Sugar operates the most successful outgrower scheme in the Nigeria Sugar Industry. The Outrgrower Scheme is part of the Dangote Sugar Master Plan's employment generation, empowerment and enterprise drive aimed at the socio-economic development of its immediate communities.

Currently with over 660 outgrowers under the scheme, the aim is to develop a robust out grower scheme for farmers in the communities wherein the Backward Integration Projects are located.

PARTICULAR	DESCRIPTION
Land/Farm Development.	Land preparation & development support is handled by DSR Numan for the support of 1 plant + 4 ratoons, [5 years crop].
Out grower Scheme, no of farmers and area-	Currently we have 660 farmers in the scheme operating their cane plot and land area under the farmers command is 782 ha.
Technical Assistance and Training	All through the crop cycle, free training, and Agric Extension services to be offered to the farmers. In- house training and on the farm training with crop monitoring on the Good Agricultural Crop Management Practices for the targeted productivity of 100 MT/ha for plant crop and a ratoon average of 80 MT/ha.
Target/ Achievement	The target is to grow the scheme beyond the status as stated above. However, the scheme has witnessed the following results: • It has become be a major source of revenue to the farming communities. • It has help to improve the harmony and support between the local communities and the factory. • It has become a source of self-employment mostly for those already in the scheme. • It augments the cane to the factory mill. • It helps to reduce the poverty level of the populace.
Future	Through negotiation with the local Communities arrangements are ongoing to take the scheme to 1000 ha during the 2023/24 cropping year.

NASARAWA SUGAR COMPANY LIMITED

Nasarawa Sugar Company Limited (NSCL), is a 68,000ha Greenfield Sugar Production Project which on completion will have a total of 21,000 hectares under cane, 2,000,000 tons cane production, 210,000 tons sugar production and will generate over 10,000 employment opportunities.

During the year under review activities at the site were impacted due to the economic situation especially the lack of Foreign Exchange which led to the continued delay of equipment required for the project. However, arrangements are underway to secure funding for the project. In addition, Dangote Sugar signed an agreement with Uttam Sucrotech International, India, a renowned sugar equipment supplier which provides the best sugar plant technology for sugar plant equipment manufacturing, ethanol production and power, for the supply of Modern Technologies and Equipment for the project.

To date, infrastructure development activities is ongoing at the site with focus on finalising arrangements for the 6,000 hectares commercial planting to feed the 12,000TCD factory for the project, designs for the factory has been completed, the bulk water supply and irrigation designs among other infrastructure also completed in readiness for execution.

To date, infrastructure development activities is ongoing at the site with focus on finalising arrangements for the 6,000 hectares commercial planting to feed the 12,000TCD factory for the project, designs for the factory has been completed, the bulk water supply and irrigation designs among other infrastructure also completed in readiness for execution.

SALES & DISTRIBUTION

Dangote Sugar remains the leading supplier of high quality refined granulated Vitamin A fortified white sugar for direct consumption, and non-fortified sugar for industrial use. With 100% of our Dangote Sugar manufactured and sold locally in domestic markets direct to our trade and industrial customers, we pride ourselves as a major supplier of sugar across Nigeria. Our sugar brand packaged in wide range of pack sizes – 1000kg, 50kg, 1kg, 500grams and 250grams is backed by our assured and trusted quality supported by our supply reliability to deliver quantities while meeting the diverse needs of our teeming customers.

During the year under review, Dangote Sugar brand packaging revamp process was extended to the DSR Numan production, thereby uniformity across our products has been achieved. This has helped improve visibility and brand recognition amongst across our markets pan Nigeria.

Though the year was riddled with the impact of high exchange rate on pricing, and sales due to its impact on liquidity our team's deep understanding of the route to market, operations planning, improved supply delivery process, led to an increase of our customer base with over 50 new distributors across all segments. This was aptly supported by our Sales & Marketing teams whose skills were also improved during the year to match the growing technological demands and strategies of the new commercial operation, with the implementation of 100% use of our ERP, which transited to improved customer service. Improved customer experience was also achieved with the introduction of a Distributor Management System.

Our focus is to continually maximize opportunities through innovation to surpass challenges, embrace new ideas to continuously improve our processes, service delivery, customer satisfaction in alignment with the corporate vision and strategic intent. With over 700 trucks in our fleet operations, and warehouses strategically located near our key markets nationwide, deliveries are strategically scheduled to optimize utilisation and prompt delivery nationwide.

BUILDING SUSTAINABLE SUPPLY CHAIN

Over the years, Dangote Sugar has introduced and continuously improved its cutting-edge practices in Supply Chain management with focus on gaining more market share, improved efficiency, and sustained value creation within our operating environment. This has led to the full ownership of its product delivery system and has placed the business in a leading position in the sugar industry.

During the year under review the supply chain process was impacted significantly by the economic situation ranging from the high forex rates and its scarcity amongst others. The situation led to increased delivery lead time, delayed deliveries, some suppliers closing business, unavailability of spares in the local markets etc.

To sustain the operations flexibility, the supply chain process was reenforced with collaborative support from the Group Central Procurement team aimed at closing any gaps with a shared value approach while driving value.

This was achieved with effective planning, deployment of resources, improved procurement efficiencies and logistics. The DSR supply chain process is structured for optimal transparency and value addition, with an equal opportunity bidding process which supports small businesses. Vendors' verification exercise continued during the year to ensure all local and international suppliers always conform to the acceptable best practices and DSR's processes and procedures

DSR operations optimizes raw materials and other resources required in our production process, sourced from various vendors with a conscious effort at ensuring product safety and minimal environmental impact. A strategic plan to ensure procurement of goods and services was put in place to increase local supplier development and OEM supplies.

The sugar development backward integration production projects remain the future and success of our business. Therefore, partnership with local farmers, transporters, contractors, and other small, medium, and micro-sized enterprises were also reenforced to ensure the multiplied socio-economic benefits to the communities in which we operate.

Dangote Sugar owns and operates three sugar backward integration agricultural estates located at Numan Adamawa State, Tunga Nasarawa State and Lau/Tau in Taraba State. Due to these projects, Dangote Sugar has developed a robust outgrower scheme to support indigenous farmers in its immediate communities aimed at the economic empowerment of citizens in line with our strategic United Nations Sustainable Development Goal 8: Decent Work and Economic Growth, one of our priority strategic SDGs.

The Outgrower Scheme is a key supply chain project aimed at value creation to the company and the local farmers in the cane supply programme. It also provides a platform for DSR to support the Outgrowers' Scheme farmers with seed cane, chemicals, and other farm implements for improved cane yield. This is in addition to several training programmes under the DSR Skills and Knowledge Transfer Scheme through which the Outgrowers are trained to improve their sugarcane farming knowledge, equipment handling, chemical application etc for maximum performance as a major contributor to economic growth.

GROUP MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

RAVINDRA SINGH SINGHVI
GROUP MANAGING DIRECTOR/CEO

Distinguished Shareholders, Esteemed Directors, Gentlemen of the Press, Ladies and Gentlemen. I warmly welcome you to the 18th Annual General Meeting of Dangote Sugar Refinery Plc.

Please permit me to present to you a few highlights of the key factors that impacted the Company's performance during the period ended 31st December 2023.

2023 was indeed a year of many turns and the economic situation globally is no longer new to us. In Nigeria, the business environment was impacted by rising inflation, currency devaluation, high forex rate and its scarcity, strained consumer incomes amongst others which affected our operations and financial performance during the year under review.

Despite these challenges, we are resolute and focused on the delivery of our business targets in medium to long term. Though the outlook remains challenging, we will maximize the opportunities in the Nigerian market, with the expanding population and arable land for agriculture which serves as significant growth potentials for our business going forward. As we continue to navigate through the scarcity and high cost of foreign exchange, escalating costs of raw materials amongst others, our focus is to enhance the effectiveness of our supply chain processes, optimise cost, improve our operational efficiencies and delivery on our sugar for Nigeria backward integration project.

The target is to produce a minimum of 1.5MT refined sugar annually from locally produced sugarcane at our integrated sugar production estates, which is expected to alleviate some pressure on costs and our demand for foreign currency. Achievement of a sustainable business remains one of our key strategies and concerted efforts were made towards sustaining the achievements we have recorded in the past.

We continued with the continuous evaluation and improvement in our operations, immediate environment, and host communities. This was affirmed by the successful Bonsucro membership for sustainable supply chain achievement, an international nongovernmental organization whose members voluntarily subject their sugar products and manufacturing processes to independent evaluation for sustainable practices, CDP Score 'C' on water security and climate action UN Sustainable Development Goals – SDG 6 and SDG 13 that are part of our strategic SDGS. This is in addition to the Energy Management partnership with NESPGIZ amongst other actions in Occupational Health and Safety, EMS ISO 14001 standards.

Our commitment and actions to build a sustainable business and thriving communities in areas where we operate during the year under review are on pages 38 to 94 of our sustainability report in the 2023 annual report on the company website – www.sugar.dangote.com.

2023 PERFORMANCE

Group turnover of N441.5billion, a 9.5% increase over N403 billion in the corresponding period in 2022. Operating profit of N72.69 billion which was 16.5% of revenue compared to N82.41 billion (20.4% of revenue) showed a strong attempt by the company to recover cost increases. Profit Before Tax (PBT) is (N108.9) billion, while Profit After Tax is (N73.8) billion, due to the non-cash foreign exchange loss of N171.4 billion. Excluding the non-cash foreign exchange loss, recurring PAT was up 78%, at 97.66 billion. This performance reflects the challenges we faced during the year and the negative knock-on effect of elevated input costs, difficulty in accessing foreign exchange, which led to delays in the importation of crucial material inputs especially raw sugar which hampered production, sales, and other areas of our operations during the year under review.

THE BACKWARD INTEGRATION PROJECTS

Our strategic focus remains the achievement of the "Sugar for Nigeria" master plan, the plan is tailored towards the attainment of sugar self-sufficiency for Nigeria with the production of 1.5M MT of granulated sugar annually from our sugar estates in the country under the Nigeria Sugar Master Plan.

We continued with the expansion to an ultra-modem 9,800TCD factory at DSR Numan which will be completed by year end, while the field expansion and land development project activities continued during the year under review. Also the rehabilitation of all facilities at the sugar estate and development of the Nasarawa Sugar Company Limited Greenfield site at Tunga in Nasarawa State, continued.

Despite the difficulties orchestrated by forex volatility and scarcity, the Board and Management remained steadfast in making the Dangote Sugar Master Plan, a reality. We completed the engineering design of the 12,000TCD factory and successfully signed the equipment supply agreement for Nasarawa Sugar Project. Engagement with the State Government Federal Ministry of Industry, Trade & Investment, the National Sugar Development Council, and other government agencies towards the actualization of these targets continued. In addition, the peaceful environment we achieved over the years was sustained with the communities and they have continued to support of the DSR Backward Integration Projects.

SUSTAINABILITY & CSR

Sustainability is embedded within our operations as we work towards delivering an ESG performance as a leader in the industry especially with the backward integration project. We are tasking ourselves to move beyond the status quo and make significant progress in the delivery of sizeable strides with our six priority sustainability pillars – **The Dangote Way.**

Supported by the seven Dangote Sustainability pillars designed to support delivery of the UN's Sustainability Development Goals and objectives by 2030, We redeveloped our 3 – year DSR sustainability road map which cuts across our carbon footprint, environment, safety, sustainable supply chain, responsible production & consumption, water security, quality education, health & wellbeing, zero hunger and food security.

Though these commitments seem ambitious, it supports our journey towards becoming Nigeria's leading sustainable integrated sugar business. Our successes so far are a sign of our resolve to redefine and improve our parameters in every area of our operations. Beginning with the provision of quality and nutritious sugar to the market, to investments in social impact activities and community projects which complements the DSR United Nations Priority Strategic SDGs.

In collaboration with all stakeholders, several programmes from the successful skills acquisition programme for the first 100 beneficiaries of DSR Numan empowerment scheme was completed during the year under review. Our educational programmes within the communities received a boost with the introduction of free education for all students of DSR Numan Nursery, Primary and Secondary Schools and scholarship schemes for over 300 secondary and tertiary institution students in the Numan and Tunga communities. This is in addition to our flagship educational programme the DSR Numan Annual Schools Quiz Competition which continued and have recorded tremendous success since its commencement with over 30 schools participating to date.

Healthcare support was also provided with free medicare provided for over 3,000 community members besides employees of DSR Numan Clinic annually. Two Primary Health Care centres were built in two communities estimated to also cater for communities around them. Other investments made were in the provision of boreholes for the provision of portable water, roads, and other infrastructures within the host communities.

The safety of all our employees, contractors, and those within our environment remains a key focus in our operations. In furthering our goal to achieve an Accident-free workplace", while we continued to embed HSSE practices and imperatives across our operations. Mandatory "Safety Rules" with a Comprehensive Health, Safety and Environment as well as integrated occupational safety system are the ways which our personnel and all stakeholders are guided in ensuring we deliver a safe work environment for all. Critical to this has been raising employee's safety consciousness which has helped shift the perspective from measuring safety as the absence of injury to the achievement of an incident free workplace.

To this end, the Board approved the establishment of the Board Technical and Sustainability Committee to have oversight of the operations of the Company in areas such as Production, ESG, HSSE, implementation and monitoring of projects amongst other oversight functions across the business. This is a true testament that we are doubling our efforts to ensure that we sustain and scale even more greater heights in our sustainability agenda this 2024 and beyond.

GOVERNANCE & RISK MANAGEMENT

The Board Governance, Risk & Assurance and Finance Committees are responsible for reviewing the adequacy of the internal control processes, risk framework, policies and processes deployed in running of the business. The company's approach to Governance and Risk Management is in accordance with the highest standards of good Corporate Governance, which is key to the survival of our business as an entity. The corporate governance and risk policy framework incorporate guidelines that ensures the company's operations are carried out in line with best practices. The underlying objective of our risk management and governance practice is to counterbalance the interests of investors, consumers, producers, the environment, employees, communities, government, and all stakeholders.

During the year under review all employees are on boarded to the culture of governance and compliance through training programmes and awareness sessions held periodically with focus on the principles and standards of our operation practises, policies and its requirements. This is also extended to all our vendors and contractors to ensure that good governance and accountability underpins our daily operations. Our approach remains holistic with an annual risk assessment carried out across our operations to identify internal and external or emerging risks as well as opportunities presented by these risks. These risks are mapped to the Company's Strategic Risk Footprint and assigned to functions leads tasked with ensuring the plans and actions are adequately in place to mitigate the risks. The risks mitigation plans are also reviewed monthly by heads of function and quarterly at the Board Risk Management & Assurance Committee meeting. By embedding effective controls in the Company's operational processes, a strong risk management culture, a robust control environment, the company was able to ensure continuity while delivering value to all stakeholders.

OUR HUMAN CAPITAL

People remains Dangote Sugar's most valuable resource. As I reflect on the year under review, I am especially proud of all our teams, the backbone of our business operations. They collaborated with our business partners to implement our strategies and proffer solution to the challenges daily. This only confirms that we have the right personnel, and we will continue to enhance our learning and development programmes with all the elements to fashion a formidable workforce in Dangote Sugar.

Our culture to attract and retain qualified high calibre employees to fill skills gaps, while instilling a culture for growth and self-development amongst the employees continued during the year. We continued to invest in manpower training and development, which has helped to strengthen and deepen employee's understanding of the organization's goals and objectives. Employee wellbeing and personal development also received a boost with several sessions on healthy lifestyles, a safe work environment, personal finance management, mental health etc in addition to professional support and counselling as the need arises.

Skills transfer and acquisition scheme was also pursued across our operations with focus on the backward integration projects with a strategic goal to build a skilled sugar production workforce to support and sustain the operations. Recognition and awards for outstanding performance was not left out during the year under review, this was sustained through our employee motivation and recognition awards, hosted quarterly across our operations.

The company's 2023 Employee Engagement Survey results underscore the strong levels of employee pride and growth opportunities with a huge number of respondents attesting that Dangote Sugar is a good place to work. As one of the leading industry players, our commitment to creating long-term employee remains steadfast and I know we have a committed set of people who have, time and again, demonstrated their reliability and ingenuity.

FUTURE OUTLOOK

Distinguished Shareholders, Members of the Board of Directors, Ladies and Gentlemen, despite the challenges faced by the business in the year under review, we remained resilient, and the business is on course with strategies to sustain the growth and deliver value to all stakeholders.

We will continue to navigate through the macroeconomic headwinds with resilience and focus on our goal to achieve the Dangote Sugar Master Plan - the Sugar for Nigeria backward integration project. Our efforts are towards fulfilling the Dangote Sugar Master Plan targets, while enhancing the effectiveness of our supply chain management processes through cost optimisation, inventory management and technology advancement. This will help reduce overall expenses and enable us to maintain competitiveness in the market.

We will build on our strengths, position our brand strategically, continuously enhance our service to customers and maximize every opportunity in the market to sustain and increase our market share.

Ladies and gentlemen, my appreciation goes to every stakeholder in the company especially members of the Board, my colleagues on Management, our staff, and esteemed partners – the customers, for their continued patronage.

Our Dear Shareholders, your vote of confidence in the Company makes all the difference as we face the challenges ahead. The Board and Management remains optimistic and determined to strategically face the 2024 challenges with practical strategies that yield results. We thank you for your trust in the Board and Management of Dangote Sugar Refinery Plc and look forward to greater years ahead with renewed hope and strength.

Thank you.

Ravindra Singhvi
Group Managing Director/CEO

April 2024


DANGOTE
SUGAR
Guaranteed Sweetness
DANGOTE
SUGAR
REFINED GRANULATED
WHITE SUGAR
250G
DANGOTE
SUGAR
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@dangote_sugar
+DangotesugarNG
+234 815 098 3259

02.

Sustainability Report

DANGOTE 7 SUSTAINABILITY PILLARS & THE TRIPLE BOTTOM-LINE

"The Dangote Way"

Our Approach to Sustainability

Our organization is dedicated to a sustainable future by utilizing innovative business practices to improve economic, social, and environmental well-being. We aim to be Nigeria's leading sugar manufacturer and create meaningful value, addressing global challenges like climate change and food insecurity.

Dangote Sugar Refinery Plc aligns with the Dangote Group Sustainability Strategy, based on seven (7) strategic pillars, aptly termed "The Dangote Way". The Dangote Way promotes responsible business practices, embedding best practices into all aspects of the value chain.

SN		Pillar Objective
1.	**Cultural**	Embody our core values in the way we do business, including fostering respect for cultural diversity both in our internal and external relations. To achieve this, we actively encourage teamwork, empowerment, inclusion, equal opportunities, mutual respect, integrity, and meritocracy in our organisation.
2.	**Economic**	Promote inclusive, sustainable economic growth, self-reliance, self-sufficiency, and industrialization across Nigeria; establishing efficient production facilities and developing resilient local economies in strategic locations and key markets where we play.
3.	**Operational**	Serve and satisfy our markets by working together with partners to deliver the best products and services to our valued customers and stakeholders through continuous product improvement, new business development, employing state-of-the-art technologies and systems to constantly optimize our product value and cost-efficiencies.
4.	**Social**	Create a learning environment and platform for our employees to grow and achieve their fullest potential, whilst adhering to the highest standards of health and safety. In our host communities, we strive to develop resilient and sustainable prosperity through direct and indirect employment, skills transfer, local entrepreneurial development, social investments and corporate social responsibility best practices.
5.	**Environmental**	Create sustainable environmental management practices, through a proactive approach to addressing the challenges and opportunities of climate change, while optimizing our performance in resource and energy efficiency, water management and emissions.
6.	**Institutional**	Build a world-class institution centred on corporate governance best practices and sustainability principles that promote legal and regulatory compliance, transparency, effective internal controls, risk management and business continuity.
7.	**Financial**	Achieve sustainable financial health through a business model that delivers strong returns to shareholders, whilst creating value in the economies where we operate, by producing and selling high-quality products at affordable prices supported by excellent customer service.

OUR 2023 MILESTONES AT A GLANCE

Pillar	2023 Milestones
Cultural	✓ 91.1% of workforce aged 18 to 50 years ✓ Increase in female workforce from 3% to 11% ✓ 79% reduction in staff exits ✓ 220 staff training programmes/sessions ✓ Average training hours per employee increased to 28.2 hours ✓ 166 employees volunteered 363 hours during 2023 Sustainability Week
Economic	✓ Economic value created increased by 8.7% ✓ Employees wages, benefits, and salaries increase by 17.7% ✓ Our Special Independent Sugarcane Out-growers' Development Programme (SIS OGDP) currently supports 660 outgrowers over 782 hectares of land ✓ Economic value retained indicated a loss of over N82bn
Operational	✓ Decline in sugar production by 25% ✓ Increase in local procurement spending from 73% to 85% of total procurement ✓ DSR is certified to ISO 9001:2015 Quality Management System (QMS), ISO 22000:2018 Food Safety Management Systems (FSMS), ISO 45001:2018 Occupational Health and Safety Management System (OHSMS), and the Food Safety System Certification (FSSC 22000) ✓ Successful migration to the new FSSC 22000 requirements version 6.0 ✓ 706 (48% increase) Distributors and 348 (57% increase) Retailers
Social	✓ Spending on social investment projects decreased by 29.6% ✓ 203 community engagements and 54 completed projects (200% increase) ✓ 6,029 employees trained on health and safety ✓ Four (4) whistleblowing cases reported and resolved ✓ Fifteen (15) employees with physical disabilities ✓ Zero cases of discrimination and human rights abuse in our business operations
Environmental	✓ Energy consumption decreased by 21.15%; energy intensity increased by 4.72% ✓ Natural gas accounts for 51.6% of our fuel mix and bagasse accounts for 38.2% ✓ GHG emissions: Scope 1 decreased by 48%; Scope 2 was zero ✓ GHG emission intensity reduced by 31% ✓ Water intensity increased by 23% ✓ Zero environmental compliance fines, penalties, or sanctions for non-compliance
Institutional	✓ Executed stakeholders' survey and materiality assessment for Employees, Communities, Investors and Supply Chain Partners ✓ Progressed in the implementation of our prioritized SDGs (Goals 2, 3, 6, 12, and 13). ✓ We did not incur any fines/penalties for ESG (environment, social and governance) and regulatory non-compliance. ✓ Subscribed to Bonsucro for independent verification of sustainable agricultural and sugar production processes ✓ Improvement in CDP Scores: From D- for Water Security and Climate Change operations and disclosures to C for both

OUR REPORTING PRACTICE

Our 2023 Sustainability Report addresses our significant social, environmental, economic, and governance issues for the 2023 financial year which runs from January 1 to December 31, 2023. The Report covers activities carried out in our headquarters in Apapa, Lagos, including locations of Backward Integration Projects (BIP) in Numan, Adamawa State; Tunga, Nasarawa State; and Lau/Tau Project, Taraba State; and Fleet operations, all in Nigeria.

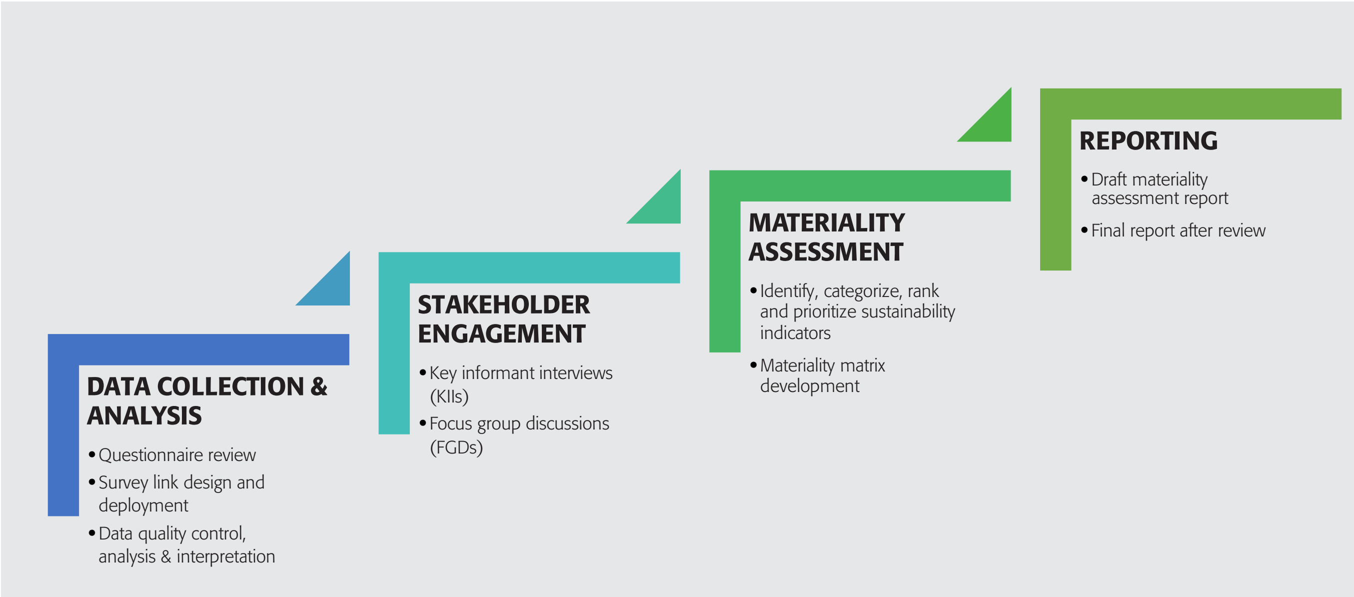
Furthermore, using a third-party sustainability expert (Dupht Consults Limited), we carried out materiality assessment surveys and stakeholder engagement activities with our key stakeholders (employees, host communities, and the supply chain) to determine their sustainability issues which, together with our business impact, guided the material topics disclosed in this Report.

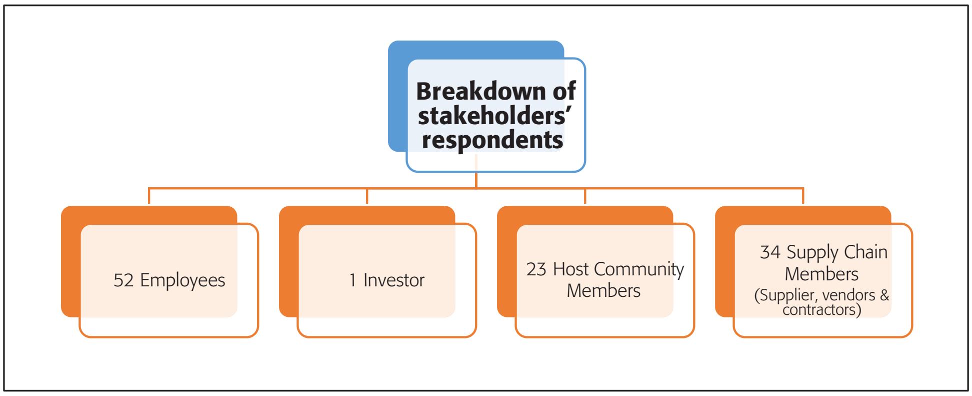
This Report:

- is included in and supplements our 2023 Annual Report
- has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards
- aligns with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Guidelines S1 and S2
- summarizes our accomplishments in incorporating the ten (10) sustainability principles of the United Nations Global Compact (UNGC) into our business practices
- meets the requirements of the Nigerian Exchange Group's Sustainability Disclosure Guidelines (NGX-SDGs)
- showcases our contributions to the United Nations Sustainable Development Goals (UN-SDGs)
- abides by the Securities and Exchange Commission (SEC) Code of Corporate Governance
- complies with the Sustainability Principle in the Financial Reporting Council of Nigeria Code of Corporate Governance (NCCG)
- adheres to the SEC's Nigerian Sustainable Finance Principles for the Capital Market

DSR'S MATERIALITY ASSESSMENT AND STAKEHOLDERS' SURVEY FOR 2023

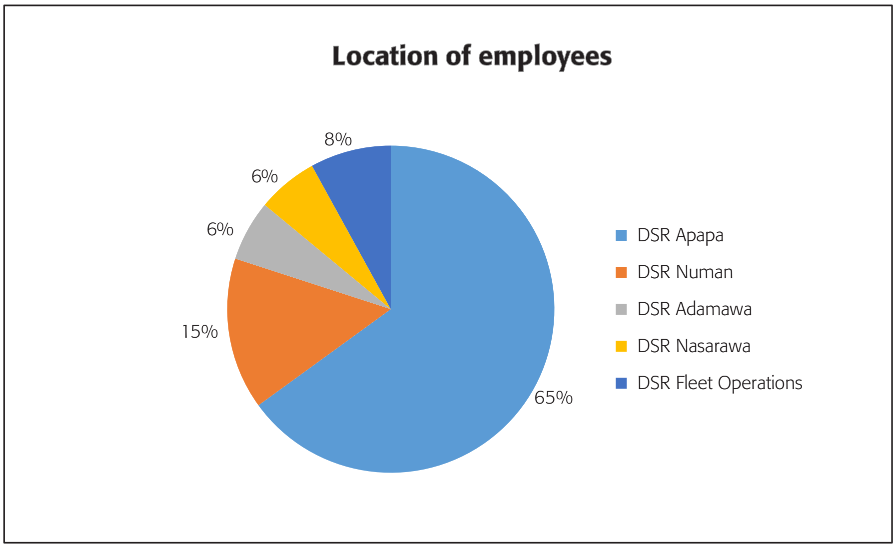
Materiality Assessment Process



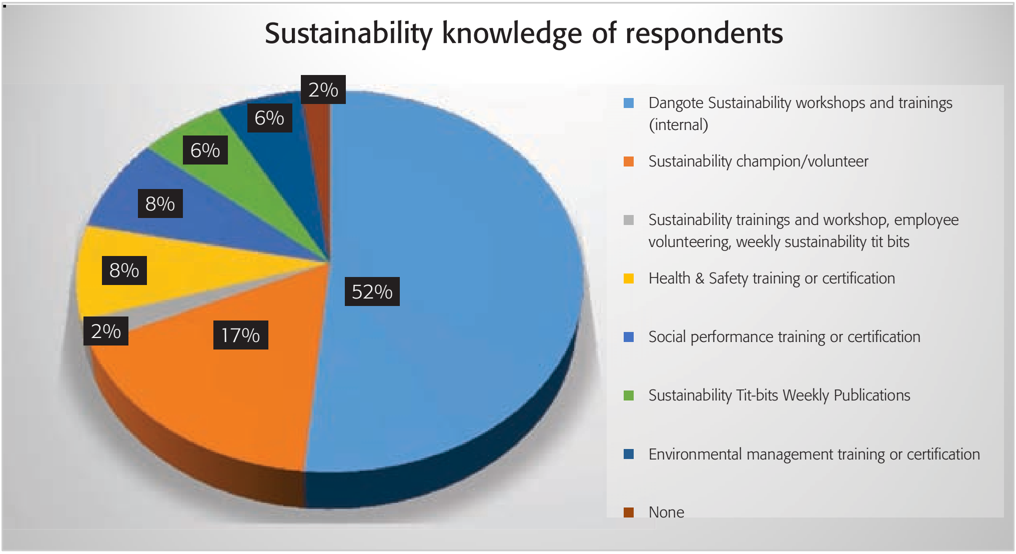


Employees' Survey

The respondents for the 2023 survey were selected across multiple operations and locations, the highest from DSR Apapa.



The sustainability knowledge of respondents was critical to the materiality assessment; only 2% of respondents had no knowledge of sustainability



Employees' sustainability awareness:

50% perceived **compliance with environmental, legal and regulatory obligations** is the most important issue pertinent to the future and sustainability of the DSR brand.

50% perceived **job creation** is the most important issue on the impact DSR has on the country and host communities.

48% perceived **compliance with environmental regulations, water efficiency & management, and effluent & waste management** as the most relevant environmental issue as an employee of DSR

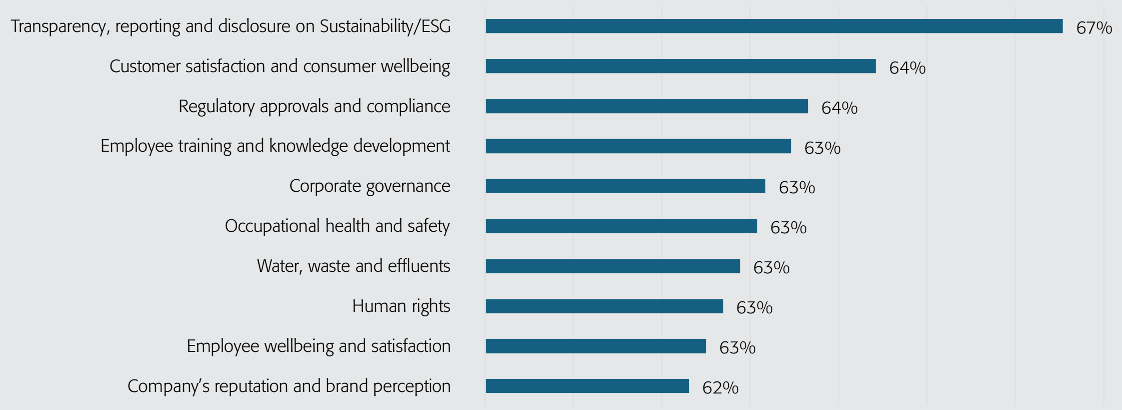
48% perceived **health insurance and coverage** as the most relevant social and workplace issue as an employee of DSR.

48% perceived **transparency** as the most relevant governance issue as an employee of DSR.

52% perceived transparency as the most relevant governance issue as an employee of DSR.

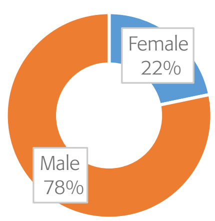
The highest-ranking material topic important to employees is "Transparency, Reporting, and Disclosure on Sustainability/ESG".

High ranking material topics important to DSR employees in 2023

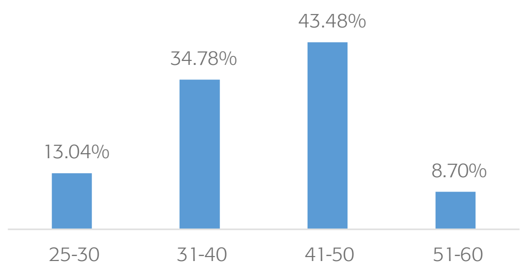


Communities Survey

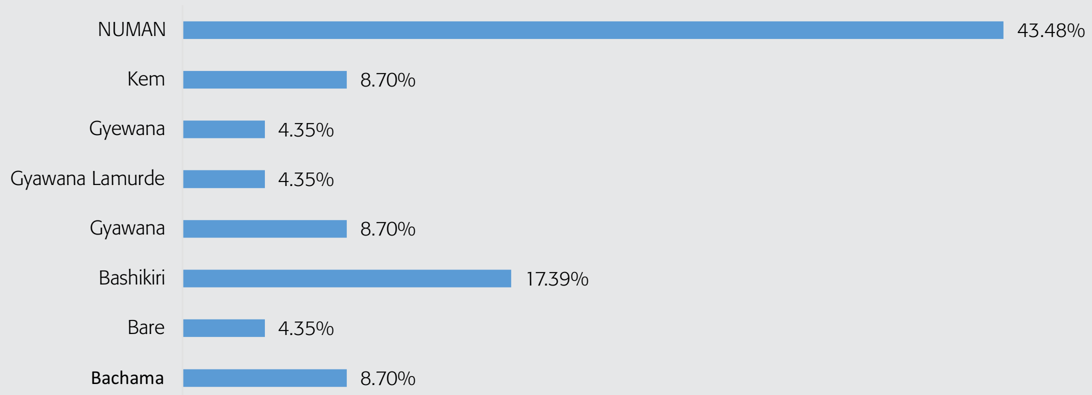
Respondents by Gender



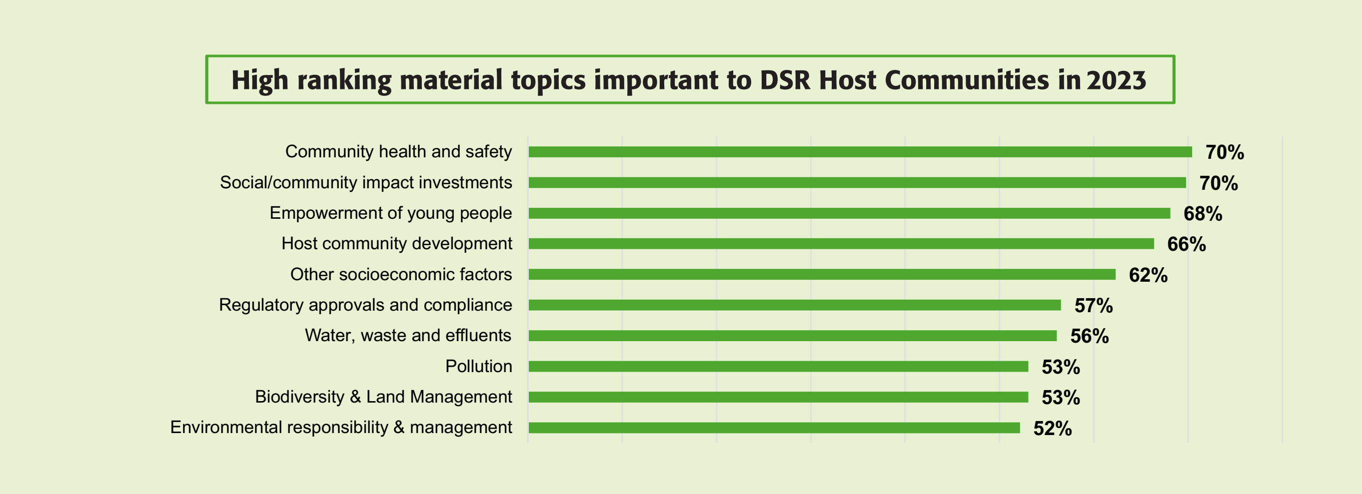
Respondents by Age



Respondents by Communities

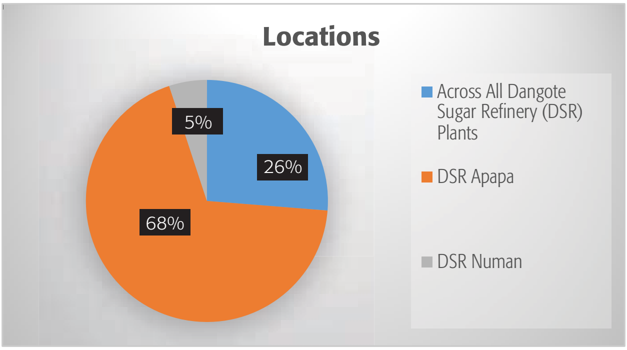


The highest-ranking material topics important to host communities are "Community Health and Safety" and "Social/Community Impact Investments".

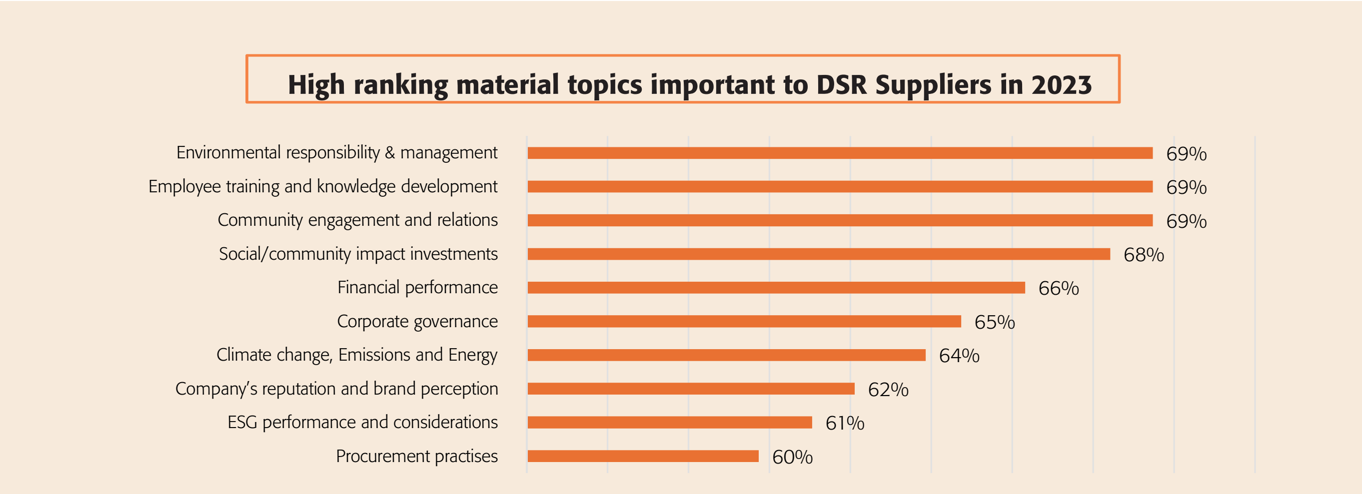


Supply Chain Partners Survey

The respondents for the 2023 survey were selected across multiple operations and locations, the highest from DSR Apapa.



The highest-ranking material topics important to suppliers are "Environmental Responsibility and Management", "Employee Training and Knowledge Development", and "Community Engagement and Relations".



DSR's 2023 Materiality Matrix

Material topics from our stakeholders informed the consolidated matrix for DSR's operations. In line with the GRI Sustainability Reporting Standards reporting requirements, the identified material topics significantly influence the issues that are disclosed in this Report. At the end of the materiality matrix consolidation, a total of 36 material topics were identified, three (3) material topics were least critical (Low rank) while 34 material topics were moderately critical (Medium rank), there were no High rank topics.

2023 Dangote Sugar Refinery (DSR) Plc Materiality Matrix (Consolidated)

Importance to Stakeholder	Low	Medium	High
High			
Medium	▸ Procurement practises ▸ Employee compensation and benefits ▸ Business strategy ▸ Career growth and progression ▸ Regulatory approvals and compliance ▸ Circular economy ▸ Supply chain engagement and relations ▸ Occupational health and safety ▸ Human rights ▸ Water, waste and effluents ▸ Community engagement and relations ▸ Diversity, inclusion and equity ▸ Suppliers contract and payment processing ▸ Executive pay and shareholders' dividends ▸ Pollution ▸ Biodiversity & Land Management ▸ Anti-corruption policies and practices		
Low	▸ Boosting economic activities, growth & development ▸ Child labour ▸ Standard of living	▸ Transparency, reporting and disclosure on Sustainability/ESG ▸ Employee training and knowledge development ▸ Community health and safety ▸ Financial performance ▸ Social/community impact investments ▸ Empowerment of young people ▸ Customer satisfaction and consumer wellbeing ▸ Corporate governance ▸ Employee wellbeing and satisfaction ▸ Host community development ▸ Other socioeconomic factors ▸ Company's reputation and brand perception ▸ Climate change, Emissions and Energy ▸ ESG performance and considerations ▸ Employee engagement and relations ▸ Environmental responsibility & management	

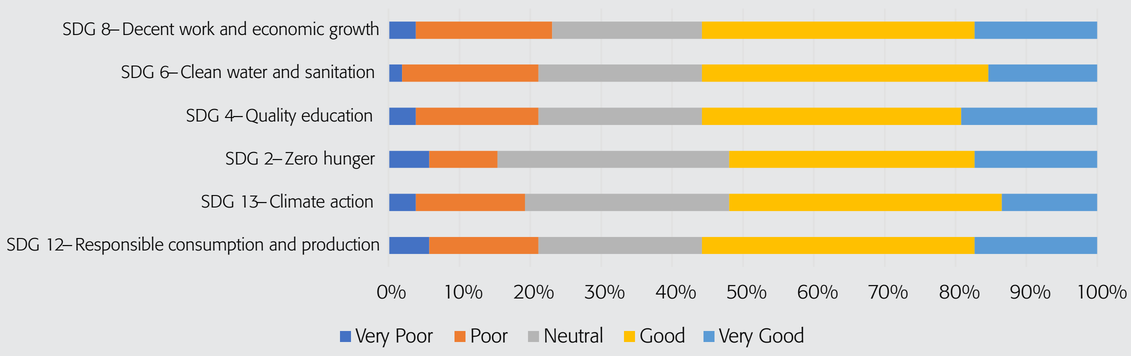
Impact on Stakeholder & Dangote Sugar Refinery (DSR)

The list of material topics applicable to us as an organisation is carefully discussed and addressed throughout this sustainability report in addition to those identified through the 2023 materiality assessments as indicated in the matrix above.

OUR STRATEGIC PRIORITY SDGS

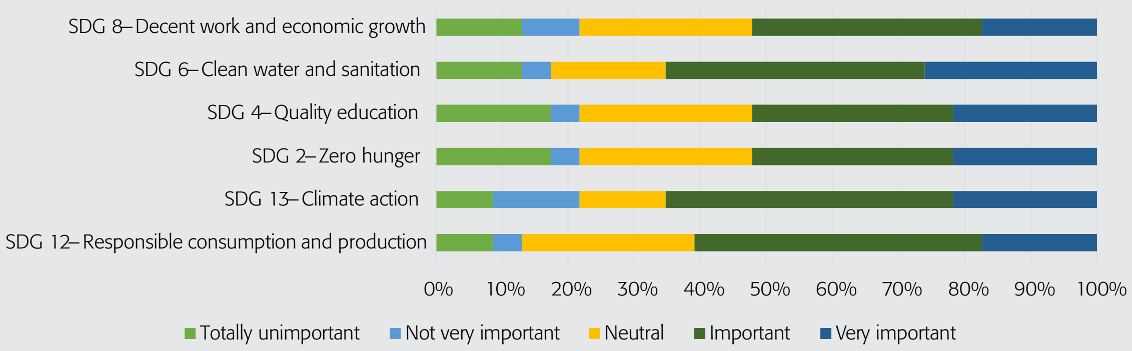
Through surveys and interactions, the Employees and the Host communities provided their opinions regarding the execution, progress, and impact of our Strategic Priority SDGs on them. Most of the employees think DSR has implemented and made the most progress in SDG 4 – Quality education (56%) from the 'good' and 'very good' ratings.

Employees rating of DSR Priority SDGs implementation and progress



Majority of the host community respondents (65%) think DSR should focus more on SDG 6 (Clean water and sanitation) as possible focus areas for 2024 based on the 'very important' and 'important' ratings.

Host community suggested focus for DSR Priority SDGs in 2024



DSR progress in 2023 through our priority SDGs			
DSR Priority UN SDGs	**SDG Agenda and Targets**	**Importance / Materiality to DSR**	**DSR progress in 2022 through our priority SDGs**
Goal 2: Zero Hunger	• Target 2.1: End hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious, and sufficient food all year round. • Target 2.3: Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists, and fishers. • Target 2.4: Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding, and other disasters and that progressively improve land and soil quality.	• Fighting hunger is a strong business opportunity for sugar businesses. • Fighting hunger boosts productivity for food related businesses.	• Dangote Sugar is fortified with Vitamin A which adds nourishment and as well bridge the gap of Vitamin A deficiency in consumers. • The out-growers scheme is in place that avails local farmers with income to provide food for their households. • We have a target of employing 75,000 persons to work in the BIPs. • Currently, we have a staff strength of over 12,000 workers. The full capacity of 75,000 workers is our target for 2030. • We have also reached out to ADF for the provision of soft loans to women in the host communities.
Goal 4: Quality Education	• Target 4.4: Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	• Quality education, skills, capacity and entrepre-neurship are important for self-development and economic empowerment, which increases the purchasing power of Dangote Sugar's potential customer base.	• We have embarked on a number of educational programmes to entrench agriculture and food security in young people and as well build schools in our host communities. These are programmes are as stated: • Lagos State World Food Day (Schools Agric Quiz Competition). • -Home Economics (Baking) programme for students at Federal college of education Technical Staff school Akoka Lagos). • We sponsored and promoted skills acquisition for women and young people in our host communities.

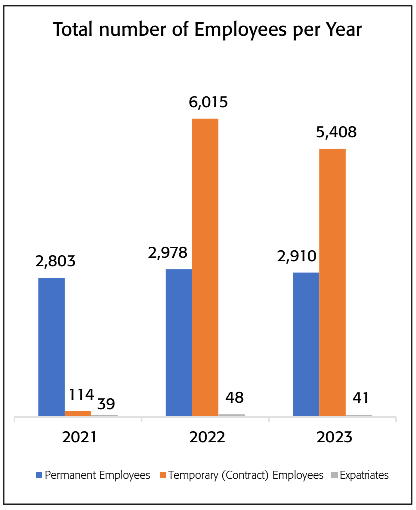
DSR Priority UN SDGs	SDG Agenda and Targets	Importance / Materiality to DSR	DSR progress in 2022 through our priority SDGs
Goal 6: Clean Water and Sanitation	• Target 6.3: Improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. • Target 6.4: Substantially increase water-use efficiency and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people, suffering from water scarcity.	• Sugar production is water intensive. • Synthetic pesticides, herbicides, fertilizer runoff and sedimentation contaminate water sources. • Land degradation, loss of biodiversity and water pollution are material sustainability issues in sugar harvesting.	• We have sunk several boreholes producing clean potable water for our host communities. • We have set targets to reduce water consumption in the refinery to 180,000MT/month. This target has progressively reduced over the years. • here is an Effluent Treatment Plant (ETP) to ensure that only treated effluent that meets regulatory standards is released in the environment. • A monthly and quarterly environmental monitoring by an accredited environmental consultant is in place. • Conscious effort is made to ensure that Chemicals, Insecticides, and pesticides in use are environmentally friendly. •
Goal 4: Quality Education	• Target 8.2: Achieve higher levels of economic productivity through technological upgrading and innovation, including through a focus on high value added. • Target 8.4: Improve resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation. • Target 8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	• Child labour practice during cultivation by small holder farmers is a material sustainability issue in an agriculturally based business. • Unfair payment of workers in sugarcane farms or supply chain. • Forced labour and modern slavery are common practice in agribusiness' supply chains.	• DSR does not engage underage workers. • Remunerations and benefits are structure to remain highly competitive with the industry circles to attract skilled workforce. •

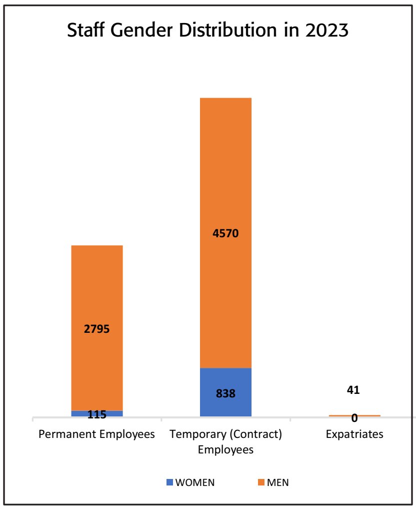
DSR Priority UN SDGs	SDG Agenda and Targets	Importance / Materiality to DSR	DSR progress in 2022 through our priority SDGs
Goal 12: Consumption and Production 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Target 12.2: Achieve the sustainable management and efficient use of natural resources. • Target 12.3: Reduce food losses along production and supply chains, including post-harvest losses. • Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling, and reuse. • Target 12.6: Adopt sustainable practices and integrate sustainability information into the reporting cycle.	• Water consumption intensity, land degradation, and loss of biodiversity are material sustainability issues in sugar production. • Waste generation such as wastewater and residue in operations and supply chain. • Plastic waste generation from packaging materials.	• Clear and achievable targets are set for reduction of waste generation. A LAWMA accredited waste management agents are engaged for waste collection, recycling, and disposal at approved sites in Lagos State. DSR independently audits the waste vendor to ensure cradle-to-grave stewardship.
Goal 13: Climate Action 13 CLIMATE ACTION	• Target 13.2: Integrate climate change measures into policies, strategies, and planning.	• Energy consumption intensity in sugar production, especially the use of gas and LPFO. • Running the boilers that power the refinery is the major energy consumption point. • Direct emission of greenhouse gases from sugar refining activities and possible deforestation outcomes in DSR backward integration projects (Nasarawa Sugar, Tunga and DSR Numa, Adamawa), etc., contribute to climate change.	• Support climate action; develop CO2 reduction plan. • Reduce environmental footprints in all operations. • Develop a plan for gradually reducing the use of fossil fuels. • Integrate climate change mitigation considerations in key operational strategies and planning. • Improve energy efficiency to reduce the carbon intensity of the manufacturing process. This will also lower the production costs. • Develop a 5-year Pollution Reduction Plan (including Sugar Dust, Sweet Water, etc.). • Fully activate environmental impact assessment and management plan and ensure compliance with all environmental laws / regulations. • Monthly emissions tracking has been commenced to monitor GHG and overall carbon footprint.

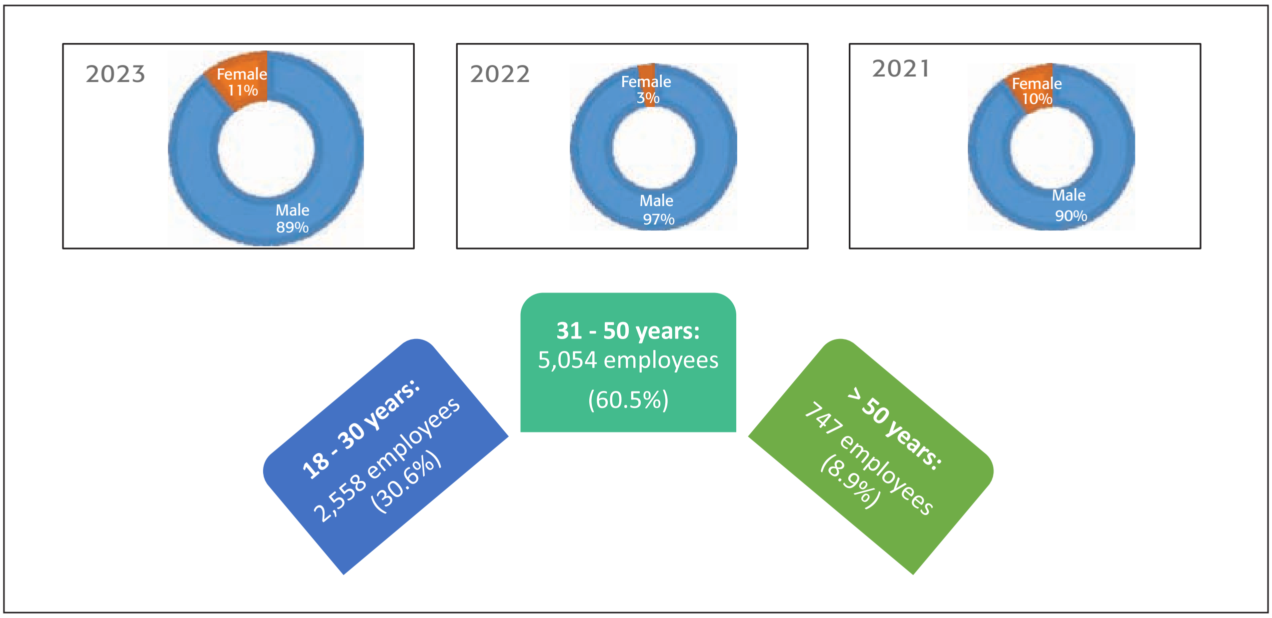
CULTURAL PILLAR:

Building a culture of workplace empowerment and inclusion

DSR Workforce

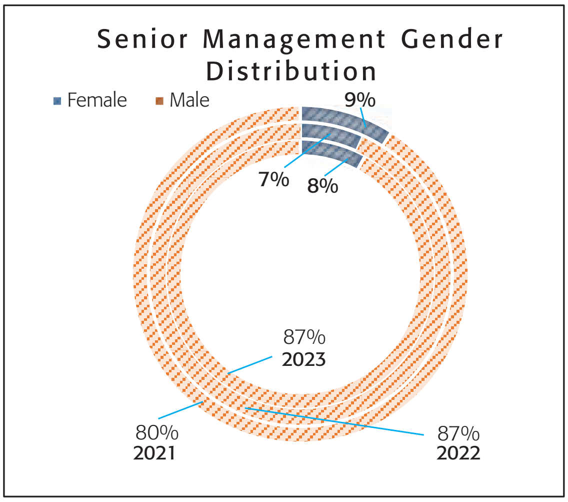


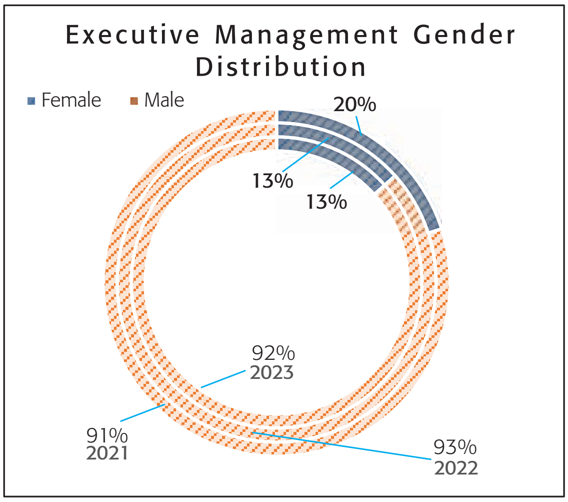




Our employee categorization by age and gender per location is shown below:

Location	Permanent Employees					
	Women	Men	Women	Men	Women	Men
	18 - 30 Years		**31 - 50 Years**		**Over 50 Years**	
DSR Apapa	5	21	41	541	5	254
DSR Numan	8	58	40	724	2	356
DSR Fleet Operations	3	59	11	665	-	117
TOTAL	**16**	**138**	**92**	**1,930**	7	**727**
	Temporary (Contract) Employees					
DSR Apapa	3	40	1	41	-	-
DSR Numan	263	2,090	568	2,387	-	-
DSR Fleet Operations	1	7	2	5	-	-
TOTAL	**267**	**2,137**	**571**	**2,433**	-	-
	Expatriates					
DSR Apapa	-	-	-	28	-	13
	Senior Management = 131					
DSR Apapa	-	-	7	29	3	48
DSR Numan	-	-	-	3	-	9
DSR Fleet Operations	-	-	1	16	-	15
TOTAL	**-**	**-**	**8**	**48**	**3**	**72**
	Executive Management = 15					
DSR HQ (All Operations)	-	-	2	3	-	10





Employee Turnover

New Hires: 15

Exits: 44

Year-on- Year Comparison

Year	New Hires		Exits	
2023	15	↓	44	↓
2022	394	↑	210	↓
2021	182	↓	235	↑
2020	245	—	41	—

Overall, DSR recorded 15 new hires in 2023 and 44 staff exits from the DSR Apapa location only. All other operating locations including the fleet operations had zero new hire and zero exits for 2023.

Labour Practices and Benefits

Our human resources policies, which are detailed below, serve as the foundation for our working conditions and adherence to compliance.

Leave Policy	Education and Training Policy	Human Rights Policy
Travel Policy	Anti-bribery and corruption policy	Data Protection Policy
Harassment Policy	Anti-slavery policy	Malaria Prevention and Control Policy
Compensation and Benefits Policy	Car Policy	HIV AIDS Policy
Manpower Planning and Recruitment Policy	Employee Data Privacy Policy	Policy on Our New Work Culture
Child Labour Abolition & Prevention Policy	Policy for Travels and Related Costs for External Training Partners	Health & Safety Environment and Social Corporate Policy
Employment of Spouse and Children Policy	Mandatory Training Hours Policy	HSE Golden Rules & Consequences Management
Dress Code Policy	Generator Policy	Whistleblowing Policy
Employee Car Advance Process Flow	Long Service Award Policy	

These policies are primarily governed by and in compliance with the provisions of the Labor Act (1990), the Pension Reform Act (2004), the Factories Act (1987), the Employee's Compensation Act (2010), the National Policy on Occupational Health and Safety (2020), amongst others. We adhere to the mandatory contributory pension scheme based on Nigeria Pension Reform Act (2014) and contribute 11% of the employee's salary, while the employee contributes 9% to their pension account. We continuously align our related policies with the International Labor Organization (ILO) standards and the International Financial Corporation (IFC) Performance Standard (PS) 2 (Labor and Working Conditions), which serves as our benchmark for best practices on employee responsibility.

Employee Benefits			
Group Life Insurance	Employee Spouse Group Life Insurance	Workmen's Comprehensive Insurance	
Paid Annual Leave	Parental Leave (Maternity Leave)	Examination Leave	Comprehensive Health Care
Birthday Present	Children Education Support Allowanc	Long Service Awards	Professional Body Subscriptions
Paid Mourning Leave		Wedding Cash Gifts	

Our female employees have a right to maternity leave with the following benefits:

- Paid maternity leave for 90 days
- Working hours reduced to six (6) hours for an additional 90 days

Two (2) female employees benefited from this in DSR Apapa in 2023.

Furthermore, we are actively involved in the transition of our retirees. DSR's retirement age is 65 years or after 20 years' service, after which such employee can be offered contract upon Executive Management approval. Retirement can also be voluntary before specified age.

We strive to ensure significant engagements between employees and management to serve as a medium of obtaining feedback on our labour-related policies and practices.

2023 EMPLOYEE ENGAGEMENTS

- Annual medical check-up exercise for all staff
- Charity Work
- End of Year Gift to all employees
- International Women's Day
- Long Service Award
- Monthly meetings by HODs with Workers' Forum
- Quarterly Motivational Award
- Staff Long Service Award
- Sustainability week
- Team Building

Learning and Development

In 2023, DSR trained employees with a total participation number of 14,065 spending a total of 81,325 training hours which is an average of 28.2 hours per employee (309% increase from 6.9 hours per employee in 2022). We conducted 220 training programmes (either physical or virtual) at a cost of N42,734,800.00.

Year-on-Year Comparison								
Year	**Training programmes**		**Training attendees**		**Training hours**		**Cost**	
	Number	% change (+/-)	Number	% change (+/-)	Hours	% change (+/-)	₦	% change (+/-)
2023	220	+116%	14,065	+423%	81,325	+334%	42.734m	+0.19%
2022	102	-45%	2,688	-71%	18,724	-46%	42.656m	+25%
2021	186		9,196		34,954		33.994m	

Our overall learning catalogue in 2023 covered a total of 220 different unique training titles, with sessions focused around SAP modules utilization, Equipment maintenance, Critical Control Point & Operational Prerequisite Programme, Good Manufacturing Practice, Risk management, Employee Human Rights, Ethics and Culture, Bribery and Corruption, Salesforce Effectiveness, International Organisation for Standardisation (ISO) 45001: 2018 Occupational Health and Safety, Project Management Professional (PMP), International Ship and Ports Security (ISPS), amongst others. We also had specific training sessions for DSR Fleet such as Vehicle maintenance, Defensive driving, Drug and alcohol awareness, Project management, amongst others.

Furthermore, we have a career evaluation process to make sure that workers' actions are in line with both their own personal and professional growth goals and our overall company strategy. Career reviews take place throughout the year for all employees, and we ensured that for 2023, all employees received regular career development and performance review.

Sustainability Training

13
sessions (86% increase from 7 sessions in 2022)

- ✓ 8 physical sessions
- ✓ 5 virtual sessions
- ✓ 180 total attendees (8% increase from 167 employees in 2022)
- ✓ 46 training hours at an average of 0.26 hours per person
- ✓ 450,000.00 as total cost

S/N	2023 Sustainability Training Sessions	Categories of Employees Trained
1	Building a Sustainable Business Culture	Management and Supervisors
2	Speed of Trust	Management
3	Good Manufacturing Practice	Process Team, Engineering, HSSE, QA, Supply Chain
4	Climate, Circularity, and the Future of Sustainability: Bridging the SDG Gap through Impact Investment	Sustainability Leads
5	Supplier LoCT: Scope 1 GHG Foot printing Tracking	Sustainability Leads, Supply Chain, Agric, HSSE
6	Supplier LoCT: Scope 2 GHG Foot printing Tracking	Sustainability Leads, Supply Chain, Agric, HSSE
7	Carbon Footprint Reduction	Management

Employee Volunteering: Supporting Our Local Communities – 2023 Sustainability Week

DSR employees alongside their counterparts in other Business Units within the Dangote Group participated in the 2023 Sustainability Week – an annual event designed as an employee volunteering initiative to make sustainable impact in host communities.

166 Employees Volunteered
58% increase from 105 in 2022

₦11,133,800.00 Spent
34% increase from ₦8,300,000.00 in 2022

1,550 Trees Planted
3% decline from 1,600 in 2022

363 Volunteered Hours
10% increase from 330 in 2022

Beneficiaries: 18 Communities ©. 2,100 Community Members), 5 Schools (c. 1,200 Pupils), and 700 Motor Taxi Men and Trailer Men

6 Waste Management Related Projects, 4 Community Borehole Projects

Sustainability Week Initiatives feedback from host community members

13% indicated that they are unaware of the Sustainability Week initiatives
compared to 25% in 2022

22% indicated that the Sustainability Week did not happen in their communities
compared to 60% in 2022

5.7 out of 10 was the average impacts and benefits assessment score for the Sustainability Week
compared to 1.9 out of 10 in 2022

We received the feedback to improve the awareness of our external sustainability initiatives to host communities in 2022 and this was acted upon in 2023. However, more inclusive stakeholder engagement process from when initiatives are being conceptualised to the point of implementation as well as monitoring and evaluation will still be improved upon for 2024 and beyond.

ECONOMIC PILLAR:

Contributing to Nigeria's economic growth and development

Contribution to Sustainable Job Creation

Due to changes in the political landscape (election year), increase in inflation, brain drain from emigration, and foreign exchange fluctuations, we recorded a 7.5% decrease in the number of direct jobs created from 9,041 in 2022 to 8,359 in 2023. Nonetheless, our business operations supported more than 55,000 jobs in 2023 (direct, indirect, and induced), using the Social Accounting Multiplier Matrix estimates.

Contribution to Household Income and Indirect Economic Impact

Increasing cost of imported raw sugar coupled with declining exchange rate led to increase in cost of raw materials for all players in the industry. For DSR, this resulted in the Company making a loss and being unable to pay dividends as outlined below:

Parameters	2023	2022	2021
	₦ '000 (Thousand Naira)		
Direct Contributions			
Employee wages, salaries, and benefits	**12,649,536.00**	10,737,667.00	8,943.973.00
Dividend paid to shareholders	-	12,146,874.00	18,220,317.00
Indirect contributions			
Tax Payment	**(35,161,798.00)**	27,560,686.00	11,968,921.00
Local Procurements (All operations)	**54,727,915.86**	72,180,299.93	26,826,406.06
Social/Community Investments	**228,731.00**	324,928.13	1,151,789.00

The Outgrowers' Scheme

The creation of a strong out-grower program for farmers in the communities where the Backward Integration Projects are located is a component of the Sugar Master Plan's employment generating, empowerment, and entrepreneurship push. We collaborate closely with the Nigerian Sugar Development Council (NSDC) and the local farmers to enhance the Cane Grower Development Programmes now in place to increase participation, produce a higher-quality crop, and raise farmers' income. We began with 415 out-growers to assure the success of this effort by 2021, and via the support of the Special Independent Sugarcane Out-growers' Development Programme (SIS OGDP), we have currently expanded the land to over 782 hectares, with a total of 660 outgrowers.

Economic Performance: Economic Value Created and Distributed (EVC&D)

Year	2023	2022	2021
		(N'000 (Thousand Naira)	
Economic Value Created (EVC)	**441,452,953.00**	**403,245,988.00**	**276,054,781.00**
Revenue	441,452,953.00	403,245,988.00	276,054,781.00
Economic Value Distributed (EVD)	**523,969,288.00**	**353,329,051.13**	**253,172,840.00**
Operating costs**	355,149,111.00	311,282,950.00	225,846,208.00
Employee wages, salaries and benefits	12,649,536.00	10,737,667.00	8,943,973.00
Payments to providers of capital	191,103,708.00	3,422,820.00	5,210,541.00
Tax Payment	(35,161,798.00)	27,560,686.00	11,968,921.00
Social/Community Investments	228,731.00	324,928.13	1,151,789.00
Economic Value Retained (EVC -EVD)	**(82,516,335.00)**	**49,916,936.87**	**22,881,941.00**
** Excluding administrative expenses			

Dividend Payment History
Since our 2007 debut on the Nigerian Stock Exchange (now part of the Nigerian Exchange Group), we have maintained a history of dividend payments. However, in 2023, as seen from the Economic Value Retained above, DSR made a loss mainly attributed to finance cost (exchange rate loss). Due to this reason, we were not able to pay dividends to shareholders for FY2023.

Responsible Tax Payments
DSR is devoted to abiding by all legal specifications pertaining to tax payment and other statutory returns. However, as a result of making a loss in FY 2023, we have a deferred tax payment of 35.2 billion. Our 2023 Audited Financial Statement provides explanations and details on our tax returns.

Anti-competitive Behaviour, Anti-trust, and Monopoly Practices
In 2023, DSR did not incur any financial costs from associated litigations, fines/penalties due to anti-competitive behaviour, anti-trust, and monopoly practices. DSR remains a responsible business contributing its quota to national development as an industry leader and trailblazer.

OPERATIONAL PILLAR:

Modern, efficient factories producing the highest quality sugar

Our Strategic Value Chain

In the Nigerian food and beverage industry's sugar refining sector, DSR is a well-known brand. Our Apapa sugar refinery, with an installed capacity of 1.44 MT per year, is the biggest in Sub-Saharan Africa. Our key competencies are as follows:

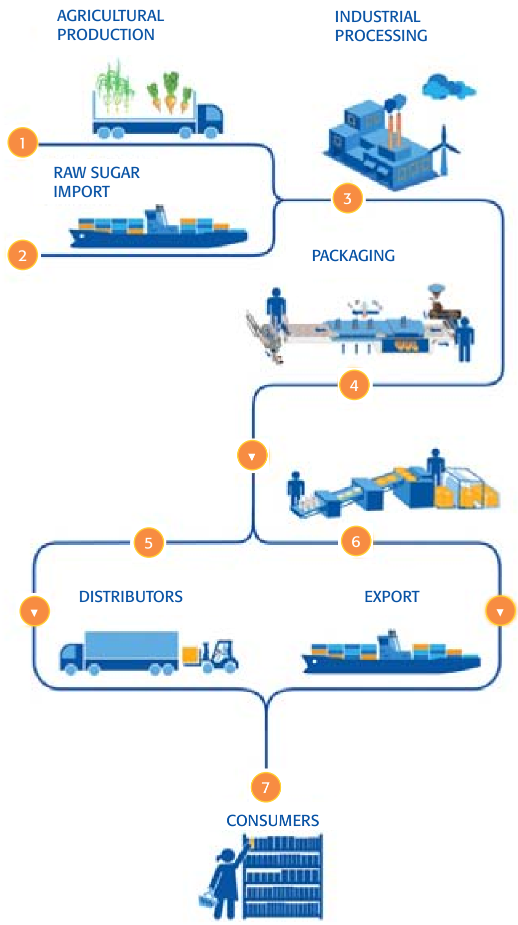
- Refining of raw sugar to make high quality vitamin A fortified and non-fortified granulated white sugar
- Marketing and distribution of our refined sugar grades in 50kg, 1kg, 500g & 250g packages.
- Cultivation and milling of sugar cane to finished sugar from our sugar backward integration projects located at Numan in Adamawa state.
- Development of Greenfield projects in line with our "Sugar for Nigeria Project," strategic plan.

Our business provides a variety of crucial value-added support services to our clients, including credit and risk advice, supply-chain management, logistics, sales, and merchandising. Our finished goods are delivered to the market by more than 500 trucks, supported by strategically positioned warehouses around the country. We have a refinery in Shed 20 NPA Apapa Wharf Complex in Apapa Wharf, Lagos, with an annual capacity of 1.44 million tonnes. The refinery, which was the first in Nigeria, was put into operation in 2000. The refinery has an internal power generation capability of 16 MW primarily fuelled by petrol and/or Low-Pour Fuel Oil (LPFO). The refinery manufactures non-fortified granulated sugar (packaged in 50kg bags) and 45 ICUMSA (International Commission for Uniform Methods of Sugar Analysis) Vitamin A Fortified refined granulated free flowing crystal white sugar (packaged in 50kg, 1kg, 500g, and 250g bags).

Product Information		
Parameters	**Fortified**	**Non-fortified**
Raw sugar origin	Brazil	Brazil, Nigeria
Specification	Vitamin A fortified refined granulated white sugar	Refined granulated white sugar
Polarisation	Not less than 99.9%	Not less than 99.9%
Moisture	0.04% of weight (max.)	0.04% of weight (max.)
Granulation	Fine, 100% soluble dry and free flowing	Fine, 100% soluble, dry, and free flowing
Colour	Sparkling white, less than ICUMSA 45	Sparkling white, less than ICUMSA 45
Odour and taste	Odourless, sweet pure taste	Odourless, sweet pure taste
Packaging	50kg, 1kg, 500g, and 250g	50kg

DSR has obtained certifications for its Quality Management System (QMS - ISO 9001:2015), Food Safety Management System (FSMS - ISO 22000:2018), Occupational Health and Safety Management System (OHSMS (ISO 45001:2018), and the Food Safety System Certification (FSSC 22000).

The following diagram depicts the value chain for our production:



1. Raw sugar can be purchased from our growers
2. We import raw sugar from Brazil
3. Our industrial process involves the following steps
   a) Storage
   b) Pre-melting and melting
   c) Filtration
   d) Decolourization and More filtration
   e) Evaporation and crystallization
   f) Centrifugation and drying
   g) Blending
   h) Screening
   I) Fortification and finished goods storage
4. Packaging is done in 50kg, 1kg, 500grams and 250grams sizes for fortified sugar
   1000kg and 50kg bags for non-fortified sugar
5. local distribution through distributors, retailers, trade(50kg) customers and corporate customers
6. Export to other West African countries
7. Our customers enjoy our products

Material Use and Production
As much as possible, we strive to increase the use of recyclables in our production process especially during packaging. For production, we used 638,649 tons of renewable raw materials externally sourced while for packaging we used 1,813,073 kg internally sourced recyclable bags. During the production process, we utilised 2,139,858 m3 of water of which 65 % (1,381,545 m3) was recycled water and 1,557,582 tons of steam of which 54 % (835,379 tons) was recycled. Our product output reduced by 25% from 784,276.55 tonnes in 2022 to 590,385.22 tonnes in 2023, mainly due to foreign exchange scarcity required to purchase imported raw sugar to meet the factory's operational optimisation requirements.

Also, we have DSR Numan, a 32,000-hectare brownfield sugar backward integration estate in Numan, Adamawa State. It currently produces more than 22,080 tonnes of refined, granulated white sugar for consumption from about 320,497 tonnes of its own grown sugarcane from more than 6,700 hectares.

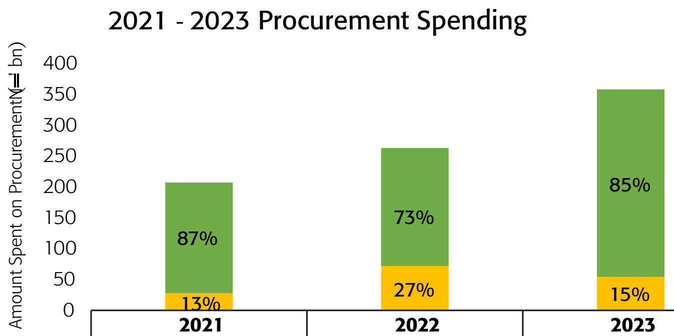
Supply Chain Screening

The DSR procurement process is structured along our Procure-To-Pay process for optimal transparency and value addition. We do not conduct rigorous environmental and social screening of our suppliers. However, we have commenced review of the procurement practices to align with the ISO 20400 Sustainable Procurement Guidelines. Currently, our suppliers' environmental assessment is done using the following screening criteria:

- Environmental Policy
- HSSE statistics
- Certificate of registration with agency in connection with their area of specialization e.g. ISO 140001:2015, ISO 9001:2015, and ISO 450001:2018.
- Competence level

Promoting Local Procurement

Our spending on local businesses that provide us with goods and services often serves as a significant driver of economic activities in their respective communities' micro-economies. We understand that doing business with them helps the Nigerian economy expand by promoting productivity, reduces inequality, and boosts local purchasing power. Foreign exchange rate led to an increase in the amount paid for foreign procurement, thereby making the local procurement to drop significantly to 15% of total procurement.



	2021	2022	2023
Foreign Procurement (₦'000; Thousand Naira)	179,867,366.56	191,777,234.06	304,074,939.16
Local Procurement (₦'000; Thousand Naira)	28,022,156.24	72,180,299.93	54,727,915.86

Food Safety and Quality Control

We employ the best food-grade production facilities in hygienic settings, and we keep effective lines of communication open with stakeholders regarding food safety issues. The following goals guide the monitoring, evaluation, and measurement of compliance with the Company's Food Safety Policy:

- To provide wholesome and nutritious sugar that supports healthy living.
- To achieve 100% compliance with all relevant customers', statutory and regulatory food safety requirements (NIS ARS 58:2019).
- To ensure that all relevant parties in the Food production chain are aware of and comply with the company's food

The DSR production process is FSSC 22000 (Food Safety System Certification) certified and the FSSC 22000 system is based on ISO Standards recognized by the Global Food Safety Initiative (GFSI). As part of our campaigns and initiatives deployed during the year to boost product quality control, quality assurance, and food safety, our Food Safety Internal Auditors were trained on the new FSSC 22000 requirements as we migrated from version 5.1 to version 6.0.

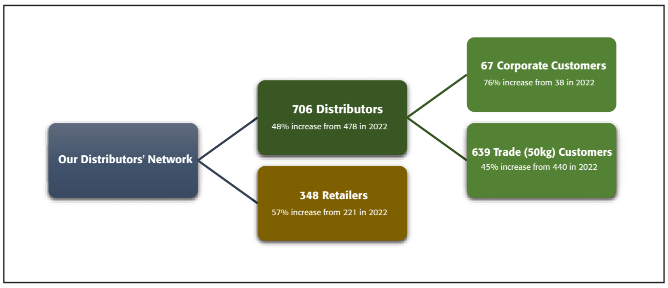
Annual quality certification audits are performed, and where necessary, our global clients conduct validation audits. To maximize client satisfaction, the quality control team supports the sales department. They collaborate to create and fulfil product requirements in accordance with requests, processes, and complaints from customers. To ensure that our quality and food safety criteria are always met, regular awareness sessions and audits of our quality standards are conducted among our quality control, purchasing, production, and sales departments, as well as our suppliers.

Product Information and Labelling

To enable our consumers to make informed decisions, we give clarity and transparency about the ingredients in our products. All nutritional information is clearly displayed on our packaging in strict compliance with all applicable regulatory labelling formats. We ensure that the fortification logo, indicating that our sugar is fortified, is strategically placed in the label as required by the National Agency for Food and Drug Administration and Control (NAFDAC). Regarding the promotion, marketing, labelling, and sales of our products, we abide by all applicable rules and regulations. We also make sure that our communication is accurate, true, accurate, balanced, fair, thorough, and does not contain any misleading information. As a result, we did not receive any penalties for marketing and communication practices in 2023.

Sales and Marketing

Considering that our goal is to be the most dependable and high-quality supplier of refined sugar products on the market, we want to be as close to our clients as possible. This is achieved through our well-established and client-focused distribution network:



Unfortunately for 2023, we had no sales / marketing or consumer promotion campaigns was held in 2023. Also, our Customer Satisfaction Survey was delayed till Q4 2023 and therefore not available for this report. This will be communicated in our 2024 Sustainability Report.

SOCIAL PILLAR:

Building social bridges across communities and markets

Community and Social Investments

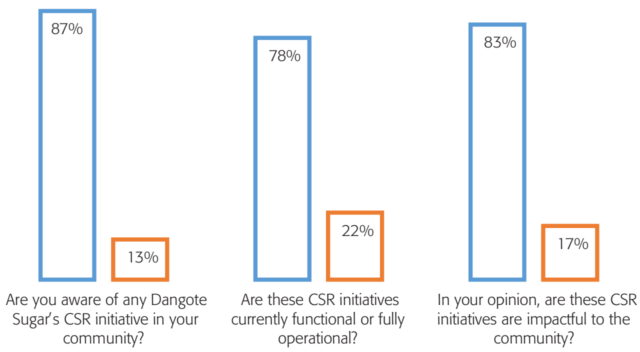
As a responsible organisation, we continue to learn about the needs of our host communities, which we try to satisfy as much as is practical with the aim of having a significant impact on the socio-economic development of the communities.

In 2023, we spent over N228.7 million on community investment projects, representing a 29.6% decline in our spending from 2022 mainly due to the loss the Company made in FY2023.

Year	Total community investment spending (₦'000)	Profit After Tax (PAT) (₦'000)	% of PAT as total community investment spending (Per Year)
2021	1,151,789	22,052,291	5.10%
2022	344,928	54,742,134	0.59%
2023	228,731	(73,760,308)	-0.31%

Investment Areas	Cost (₦'000)	UNSDGs Alignment	% of Total
Health	29,159	2, 11, 17	12.75
Food and agriculture	4,972	1, 2, 3, 14, 15	2.17
Water/sanitation	5,951	3, 6	2.60
Economic/SME development	25,500	1, 2, 8, 9	11.15
Infrastructure (electricity, road, and drainage)	5,811	9, 10, 11	2.54
Education and scholarships	53,526	4, 8, 10, 11, 16	23.40
Sports	450	3, 11	0.20
Donations, support, and grants to host communities	82,862	1, 11, 16, 17	36.23
Donations and grants to CSOs/NGOs and development bodies	20,500	17	8.96

Community feedback from CSR initiatives: Yes No



Our 2023 host community engagement chart is shown below:

Location	Number of engagements	Number of completed projects	Number of social incident or disruption	Reported grievances	Grievances closed
DSR Apapa	55	3	0	0	0
DSR Numan	124	35	4	17	15
DSR Nasarawa	24	16	1	4	4
2023 Total	**203**	**54**	**5**	**21**	**19**
2022 Numbers	209	18	0	12	12
Comparison	-3%	+200%			

Also, we lost zero hours to social incidents even though there were five (5) cases on social incidents. The incidents were resolved amicably, avoiding escalation.

Anti-corruption, Grievance Mechanism and Whistleblowing

At DSR, we do not tolerate any form of bribery and corruption, and we are committed to complying with applicable anti-bribery and anti-corruption laws in all our operations as we pride ourselves on high ethical standards of doing business. We continuously communicate this to all our stakeholders through trainings, webinars, and awareness programmes. We recorded no cases of bribery and corruption within our value chain in 2023.

We have a publicly available whistle blowing policy that mandates all identified cases of fraud and corruption be reported to the relevant authority without fear of reprisals. Our whistle blowing policy is reviewed regularly and every stakeholder is aware of the importance of and the need to report misconduct in any form or against any person. In the reporting year, we had four (4) whistle blowing cases reported and all were resolved.

2023 Whistle-blowing Cases

Location	Number of whistle blowing cases	Number of cases resolved	Number of cases ongoing	Description of whistle-blowing cases	Actions taken on confirmed cases of whistleblowing
DSR Apapa	2	2	0	i. Theft of AGO ii. Theft of raw sugar	Disciplinary action was taken in line with HR procedure
DSR Numan	2	2	0	i. Diversion of office furniture ii. Theft	Disciplinary action was taken in line with HR procedure

DSR did not make any political contribution or donations (financial and in-kind) directly or indirectly to any political organization in all our operations.

Health and Safety

The health and safety of employees is the baseline of any successful business, that is why at DSR we develop and implement a robust occupational health and safety management system which complies with national and international safety standards, and our inhouse 15 Golden Rules. Follow-up on improving awareness on the 15 Golden Rules continued in 2023 and this improved compliance compared to the previous year. Employees are further encouraged to report all incidents and are empowered to stop any unsafe act through the use of SAF-T Card and other available means.

Key initiatives taken to advance safety in the operational sites include:

Operational Sites	Fleet
Conducted training on various safety topics.	Appointment of a dedicated Head of HSSE to Fleet Operations to directly manage HSE operations
Root cause analysis for all critical incidents and high potential near misses.	Engagement of vendors to install in-car dual monitoring cameras on trucks to monitor truck activities and ensure accurate information for RCA in event of accidents.
Management review of incidents conducted.	Intensification of Pep talks for drivers and motor boys.
Periodic sharing of HSE statistics with employees and management to show trends and justify corrective action plans.	Structure Journey Management Plans. Improvement in Pre trip Inspections-acquisition of needed space for truck inspections.
Promotion of participation in sustainability initiatives-tit-bit sharing, weekly quizzes, etc.	Installation of speed limiter and recalibration of speed limits on trucks to control speed.
Structured management review of incidents.	Training of Fleet CPMS and CPOs on Incident reporting, response to incidents, and incident investigation
Tracking, follow up and monthly review of all critical recommended actions from incident investigations.	Visible and felt safety leadership by the executive via regular meetings and communications on safety
Development of HSE systems and SOPs for critical safety processes.	Structured incident investigation process to determine root cause of incidents as well as SMART recommendations to prevent recurrence which includes the use of specific Terms of Reference for each incident investigation, and sharing of lessons learned.
Sharing of learnings within and amongst Group(s).	Training of Fleet CPMS and CPOs on incident reporting, response to incidents, and incident investigation
	Application of positive and negative consequence management based on performance and compliance/noncompliance such as speed violation, harsh breaking, driving under the influence of substances etc.

In 2023, about 3,015 hours were spent on health and safety training for 6,029 employees compared to last year where 1,786 employees (+238%) were trained.

The list of trainings and awareness sessions are displayed below:

S/N	Health and Safety Training and Awareness in 2023	Categories of Employees Trained
1.	Behavioural Safety Observation Process	All personnel
2.	Chemical Handling	HSE Staff, Chemical Storemen, Supply Chain
3.	Effective Tool Handling	Engineering Team
4.	Emergency Response	ERT, Fire Team
5.	Good Manufacturing Practice	HSE, Process, Engineering
6.	Hazard Awareness	All Factory workers
7.	Health and Safety in the Workplace	All Workers
8.	Incident/Accident Investigation Techniques and Report Writing	Supervisors, HSE Team
9.	Industrial Housekeeping	All Factory workers
10.	ISO 14001 EMS Lead Auditors' Training and Certification	HSE Team QA, Internal Auditors
11.	NEBOSH IGC	HSE Officers
12.	Risk Assessment Programme	Supervisors, HSE Team
13.	Spill Prevention, Control, and Countermeasure Technique	HSE, Supply Chain, Factory staff

Summary of Health and Safety Performance (2021-2023)				
Types of incidents	**2021**	**2022**	**2023**	**Percentage Increase (+) or Decrease (-) [2022 vs 2023]**
Total Number of Work Hours	15,779,616	15,944,019	18,531,831	16%
Total Number of Near Misses	33	30	20	-33%
Total Number of First Aid Injuries	20	16	23	44%
Total Number of Medical Treatment	9	6	8	33%
Total Number of Lost Time Injuries (LTI)	11	2	3	50%
Total Number of Fatalities**	1	1	2	100%

Promoting Diversity, Equal Opportunity, and Women Empowerment in DSR

We strive to incorporate diversity and inclusion into all aspects of our business operations, promoting an inclusive workplace that respects workers' diversity and opposes harassment or discrimination based on protected traits. At DSR, hiring decisions, pay scales, trainings, promotions, and transfers of employees are made on the basis of merit, with a focus on experience, performance, qualifications, and skills. We are aware of the gender imbalance within the workforce and remains committed to changing the status quo within our internal operations and value chain and encouraging women to play key roles across the business through a support platform - The Dangote Women Network.

Furthermore, the women distributors in our supply chain are essential to making sure that our products are accessible wherever they are required.

DSR places a high priority on the welfare and rehabilitation of employees who may, regrettably, become disabled while performing their job. We also make sure that, in addition to benefits and rehabilitation provided by the Company, the Nigeria Social Insurance Trust Fund (NSITF) provides workers with a just compensation in the event of an illness, injury, disability, or death that results from or occurs during employment. Currently, we have 15 employees with physical disabilities such as partial stroke, amputated legs, amputated hands, hip dysfunction and speech impairment across our operations with six (6) in DSR Apapa, four (4) in DSR Numan, and five (5) in DSR Fleet Operations. We are always improving our location infrastructure to ensure it is conducive for people living with disabilities (PWDs).

Setting the tone for diversity starts at the top, DSR fosters our culture of inclusion by having a healthy mix of experienced individuals on our Board. These individuals represent several geographic regions and come from diverse backgrounds covering age, gender, race, and nationalities. For 2023, our Board of Directors consisted of four (4) females (40%) and six (6) males (60%), representing a significant increase in female representation from 13% (only two [2] females) in 2022. The average age of our Board is 62 years.

Non-discrimination

We do not condole any act of discrimination, harassment, bullying, or abuse within our workforce, and we strive to engage suppliers who subscribe to similar values. We emphasize the importance of treating individuals justly and in a non-discriminatory manner, in our recruitment activities, operations, and in all engagements with communities and other key stakeholders. In 2023, we recorded zero cases of discrimination in terms of employment, promotion, training, etc. within the workforce and supply chain.

Freedom of Association and Collective Bargaining

We currently have Junior Staff Union (NUBFTE) and Senior Staff (FOBTOB) Associations officially recognized by the Management. In the reporting year, we periodically meet with Junior and Senior Staff associations to discuss staff related issues and NJICs. Also, over 5,000 of our employees were covered under collective bargaining agreements.

Child Labour and Forced or Compulsory Labour

We recognise the long-term harm that child labour causes to our community, which is why we view it as a grave violation. We do not use child labour in any of our operations, and we do not deal with vendors or suppliers who do the same. We follow the International Labour Organization's (ILO) standards regarding child labour as well as the UNGC's tenets. DSR monitors this critically especially in child-labour prone operations – fleets and agriculture-based supply chain. Similarly, we oppose any kind of forced or compulsory employment that leads to bonded labour, slavery, or servitude in our supply chain as well as in our operations. We urge all our stakeholders and workers to report any suspected cases. We did not receive any reports of child labour, forced labour, or compulsory labour during the reviewed year.

Human Rights and Indigenous People's Rights

At DSR, we respect human rights and are committed to the principles set out by the UNGC and other international organisations such as the Universal Declaration of Human Rights, the ILO's Declaration on the Four Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the UN-SDGs. We recorded zero cases of human rights and indigenous people rights violations across our operations in 2023.

ENVIRONMENTAL PILLAR:

Continuously improving on our environmental footprints

Approach to Environmental Management

Our approach to environmental management is precautionary (in line with the UNGC Principles) and centred on minimising the negative environmental impacts of our operations and safeguarding natural resources (specifically sugarcane and water) for future generations.

Evaluations, audits, compliance monitoring exercises, improving the efficiency of our production process, awareness-raising campaigns, executive management, and board level oversight, are some of the integrated tactics utilised to manage environmental impacts and improvements.

In addition to ongoing initiatives on environmental management and new technologies of 2022, we have made the following improvements in 2023 as follows:

- Completed the molasses bund wall.
- Obtained ISO 14001:2015 certification.
- Commenced comprehensive environmental monitoring in the BIP project Numan.
- Conducted Environmental Audit of BIP operations.
- Completed Biodiversity Studies at BIP.
- Design and installation of a protective roof for the waste collection unit to prevent leaching when rainwater soaks the waste.
- Renovation of the dedicated waste van for internal collection of segregated waste.
- Partnering with Coca-Cola on capacity development on GHG Tracking and Science-Based Target Setting
- Subscribed to Bonsucro for independent verification of sustainable agricultural and sugar production processes.
- Embarked on pilot studies involving a 55-45% blend of AGO: Compressed Natural Gas for the DSR trucks.
- Replaced filament bulbs to brighter, low wattage eco lights.
- Worked on Power Factor (PF) correction to increase the active power and reduce the wattage or reactive power.
- Replacement of star delta starters with soft starter and Variable Frequency Drives (VFD) on all electric motors.

Energy Consumption

Reducing our carbon footprint has remained a priority and this has been the driving force behind the efforts we continually put into enhancing our operational efficiency. We have been able to do this through ongoing environmental monitoring and the adoption of steps to save energy all of which have been stated above.

Year-on-year comparison of total energy consumption across the factory locations

Year	Total production (tonnes of product)	Total energy consumption (GJ) across factory locations	% +/-[Year-on-Year]	Energy Intensity (GJ/tonne)	% +/-[Year-on-Year]
2020	720,798	4,172,079	-	5.61	-
2021	798,934	5,545,086	32.91	6.83	21.76
2022	784,277	8,594,880	55.00	10.96	60.47
2023	**590,375**	**6,777,387**	**-21.15**	**11.48**	**4.75**

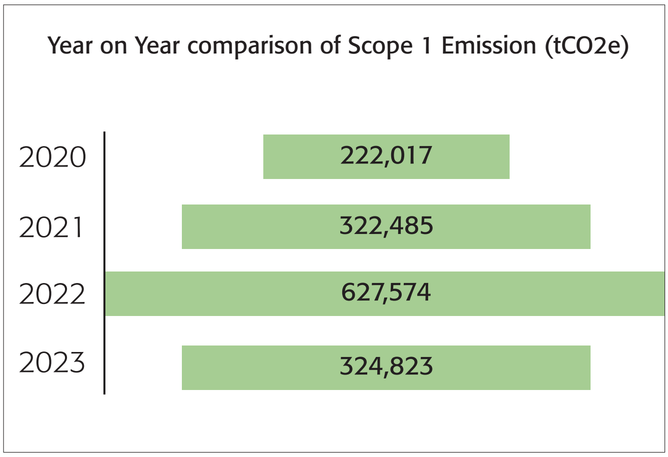
Year-on-year comparison of total energy consumption across the factory locations

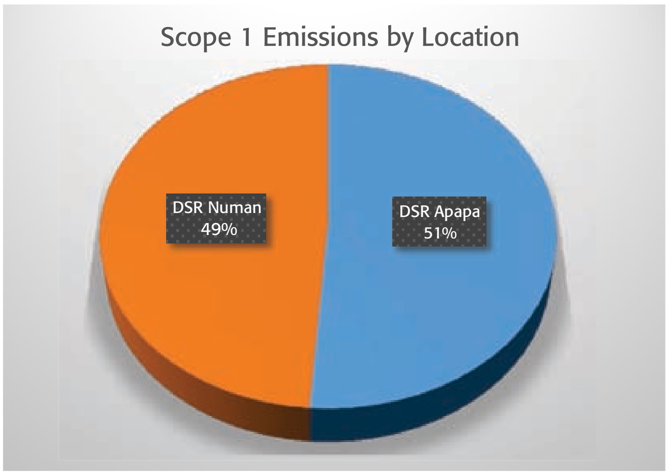
Energy Source	**2023**		2022		2021		2020	
	Energy (GJ)	**%**	Energy (GJ)	%	Energy (GJ)	%	Energy (GJ)	%
Steam	**652,063**	**9.6**	-	-	-	-	-	-
Natural gas	**3,499,878**	**51.6**	7,550,513	87.9	4,109,547	74.1	4,029,660	96.6
Diesel	**682**	**0.1**	767,965	8.9	248,360	4.5	29,200	0.7
Electricity	**-**	**-**	63,071	0.7	-	-	6,327	0.1
LFPO	**36,537**	**0.5**	213,330	2.5	1,187, 179	21.4	106,829	2.6
Alternative Fuel (Bagasse)	**2,588,226**	**38.2**	-	-	-	-	-	-

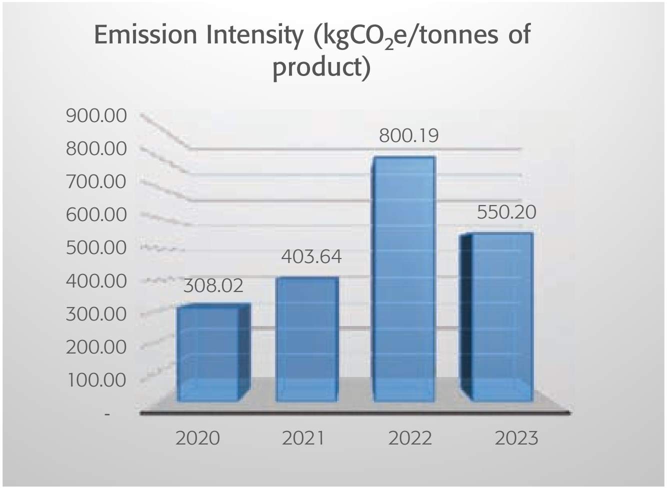
Total energy consumed from DSR Fleet Operations was 42,887 GJ, out of which 72% (30,784 GJ) was from DSR Apapa and 28% (12,103) was from DSR Numan.

GHG Emissions

Our Scope 1 emissions are those produced using fossil fuel-powered generators (natural gas, diesel, and LPFO) while Scope 2 emissions are from electricity purchased from the national grid. In 2023, there was a 48% decrease in our Scope 1 emissions year-on-year which is attributed to reduction in total energy consumption, and our Scope 2 emissions was zero because we did not use electricity from the national grid the whole year.







In DSR Apapa, we recorded a total annual average of 115 mg/Nm3 for NOx and 126 mg/Nm3 for particulate matter while in DSR Numan we only recorded 12 mg/Nm3 for particulate matter. The SOx levels in both locations were too low to detect. Also, we ensured that our air-conditioning systems and chillers do not run on any ozone depleting substances (ODS) and we do not import, export, or generate ODS as a byproduct of our business. In 2023, we had no instances of violation of the emission restrictions.

Climate Risk: Mitigation and Adaptation

We are aware that carbon dioxide, methane, water vapour (from steam) are GHGs from our operations that can contribute to global warming. In an effort to mitigate this, we have put initiatives in place to reduce our GHG footprint as much as is practical:

- Ensuring the use of natural gas with lesser emission factors instead of LFPO.
- Controlling air/fuel ratio on boilers to reduce energy consumption.
- Planting 1,550 trees in schools and communities around our facilities to absorb carbon.
- Use of a 55-45% blend of AGO: Compressed Natural Gas for the DSR trucks to reduce emissions.

From our climate risk assessment 2021 baseline, the following risk and opportunities on climate change mitigation, adaptation, and resilience are still significant:

Transition Risks

- New government policies that may address climate change or GHG emissions could restrict ours' and suppliers' operations.
- Increase in cost of fossil-based natural resources due to transitions to cleaner energy sources.
- Cost of transition to lower emissions technology within production and fleet operations.

Physical Risks

- Extreme heat and drought can have massive effect on our farming operations in DSR Numan increasing cost and reducing yield.
- Significant changes to weather patterns within our supply chain markets could negatively impact raw materials and costs, which will lead to increase in production costs.

Opportunities

Limiting the emissions from the fleet division.
Conversion of the newer trucks from being AGO powered to gas-powered.
Construction of dams to mitigate the effects of heat and drought for farming operations.
Driving public advocacy on polices related to GHG emissions and climate change.

Sustaining Our Relationship with Water

Water is essential to both our production process and supply chain. At DSR Numan, water is used from a dam; at DSR Apapa, we solely use groundwater that is recovered from our industrial boreholes. We utilise water for irrigation of our cane field, steam generation, cooling towers, cleaning, and housekeeping tasks. We also recognise that the way we interact with water will have an impact on it, which is why we implemented the following water conservation and management initiatives in 2023.

All production facilities and farming operations used 137,301,600 m3 of water in 2023, with the DSR Apapa accounting for 2% (2,131,272 m3) and the DSR Numan accounting for the remaining 98% (135,170,328 m3). The over 2,000% increase in water consumption recorded for 2022 is because of the DSR Numan facility water consumption which now includes farming operations being reported for the first time. We recorded a water intensity of 3.6m3/tonne of product (23% increase) compared to the 2.9m3/tonne of product in 2022 due to the need to keep

- Reduction in the use of treated water for factory cleaning purposes
- Recycling of returns from the de-mineralization plant
- Installation of water guns on cleaning water hoses
- Major shutdown maintenance of the factory to repair damaged piping to stop water and steam leakages
- he construction of irrigation canals and oxidation ponds are used to control flooding and surface un-offs
- Water treatment to minimize the incidences of water-borne diseases and supply of potable water to local communities. Water boreholes are dug for various communities and the water is treated to the World Health Organisation (WHO) standards for potable water
- Effluent treatment plant (ETP) for the treatment of effluent and it is ensured that only treated effluent is released back in to the environment in line with NESREA and LASEPA effluent discharge regulatory permits. There is an effluent analysis and monitoring carried out monthly and quarterly to monitor and ensure compliance which DSR did not default in 2023

machines such as boilers running in the plant even when we had shortage of raw sugar as explained previously. Hence, we used more water even when we produced less sugar.

Implementing an Efficient Waste Management System

The kinds of wastes generated by our operations have been categorized as non-hazardous for which we employ the services of waste disposal vendors accredited by the Lagos State Waste Management Authority. In 2023, a total of 563 tonnes of wastes were generated lower from 711 tonnes in 2022 indicating a 21% decrease. There were no significant spills recorded in 2023. We successfully ran a production year free from any non-compliance with the waste management regulations.

Biodiversity Assessment and Optimization

Strictly for production purposes, our Apapa facility is situated on 7.49 hectares of leased land totally on terrestrial ground. On the other hand, the 6,750-hectare Numan complex is dedicated to production and extractive activities, and it is situated in a terrestrial habitat. Both facilities are not located on, next to, or in close proximity to protected areas or high conservation values (HCV). Similarly, there is little to no effect on the marine biodiversity in the areas where our wastewater is discharged.

However, we are conscious that the cultivation of sugarcane as a component of our supply chain could significantly affect biodiversity. This is the basis for the increased focus on our Numan facility, where we have found that expanding the cane field has the potential to destroy the local flora and fauna in addition to contaminating surface water with effluent. We continuously push our suppliers to incorporate good business practices in order to lessen their impact on biodiversity. Utilising the IFC PS 6 on Biodiversity Conservation and Sustainable Management of Living Natural Resources, we also aggressively look for collaborations to further the cause of biodiversity management advocacy.

Environmental Compliance

We had no fines, penalties, or sanctions for environmental compliance in any of our operating areas in 2023. In order to avoid penalties, we also work to guarantee that our licenses and permissions are renewed on a regular basis. Of the eight applicable permits and certificates, we were successful in obtaining six (6) while two (2) are still in progress based on the length of their permit process which is often longer than a year.

Permits and licenses/certificates obtained

1. LAWMA Special Dump Permit (Non-hazardous waste)
2. Chemical Import License
3. Raw Sugar Import License
4. Non-fortified Sugar License
5. Fortified and Non-fortified Sugar New Design License
6. Retail Sugar Package Extension License

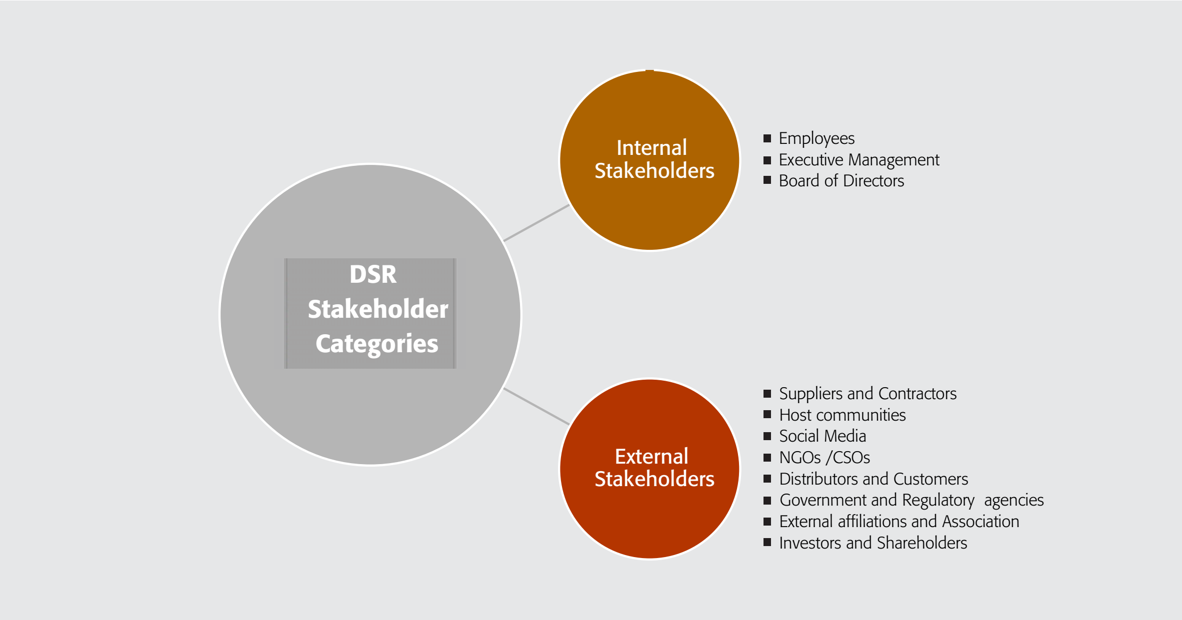
Permits and licenses/certificates with ongoing process

1. EIA Certificate for DSR
2. Provisional membership certificate with Bonsucro

INSTITUTIONAL PILLAR:
Building a global brand that is driven by governance excellence

Stakeholder Engagement

Our stakeholders are entities that are impacted by or impact our business directly or indirectly. So, taking into account their interests and concerns is crucial while making company decisions. These are the primary stakeholder categories for DSR:



It is part of our business obligation to make sure they are actively involved and to develop partnerships with them that will be advantageous to both parties. The stakeholder mapping and influence level for 2023 are displayed below:

Involve & Keep Satisfied
- Staff
- Customers
- Board of Directors
- Shareholders
- Ports Authority
- Supply chain management (Warehouses)
- Traditional Rulers, Emirate Councils, District Heads,
  Village Heads
- Residents Associations
- Security Apparatus & Supports
- Youth and Women Development Associations

Collaborate & Monitor Closely
- Host Communities
- Customs, Immigration, FRSC, Surveyor Generals
- Regulators
- National Sugarcane Producers, Producers, Processors and Marketers Association of Nigeria (NASPPMAN)
- Bankers
- Investment Houses
- Solicitors
- Dangote Group (HQ) Communications Team, HR,
- Media
- Federal Government - Executive, Legislators
- State Governments - Executives, Legislators
- Local Governments Authories (LGAs)
- State Internal Revenue Services (IRS)
- Maritime Workers Union

Monitor & Inform
- Police Commands across all our operations
- Local Government Authorities
- Farmers Associations
- Vendors
- Nigeria Bar Association
- Caterers
- Civil Defense Corps
- Hausa Communities
- Farmers/Herdsmen Vigilante groups

Consult & Keep Informed
- DSR Fleet Truck Drivers
- 3rd Party Truck Drivers
- Consultants (Financial, Management Consultants, Tax Practitioners, Auditors)
- Institute of Chartered Secretaries (ICSAN)
- Education Institutions - Secondary, Technical, College of Agriculture, Tertiary
- Community Development Associations
- National Union of Road Transport Workers
- Cattle Dealers, Timber, Fishermen Association
- Upper Benue River Basin Authority, Yola, Adamawa State.

Influence					
High	Host Communities			Investors & Shareholders	Government & Regulatory Agencies
Medium	Competitors	Employees		Media	Customers & Distributors
Low	External Affiliations & Associations	Suppliers & Contractors	Financial Institutions	NGOs/CSOs	
	Low		Medium		High
	Interest				

As stated in the table below, we have created a variety of platforms via which we may interact with our varied stakeholder base, such as town hall meetings, annual general meetings, management retreats, and other formal and informal sessions:

Stakeholder	Engagement Method	Frequency	Key Topics Raised
Employees	Meetings in small groups, one-on-one engagement, notice board, emails, newsletters, sustainability reporting, surveys, awards, recognition, HSE site meetings etc.	Monthly, Quarterly, and as required.	Career growth and development, compensation and benefits, Sustainability performance and reporting, Equal opportunities for all employees, skills/ knowledge development, health and safety, etc. Other thematic topics include DSR values, corporate goals and objectives; sustainability targets and expected outcomes; strategic Initiative & BIP; DSR Priority SDGs. Employee volunteerism initiative; brand consistency & compliance; corporate communications & other policies.
Suppliers and contractors	Emails, letters, meetings, one-on-one engagements, engagement by proxy via the Procurement Department.	Regular and as required	Requirements, products and service quality, workers' security, pricing, invoices and payments, aftersales support, and efficiency; brand consistency & compliance.
Distributors and customers	Emails, letters, visits/one-on-one engagements, meetings, customer service week.	As required	Meeting targets, value creation, ensuring production continuity, Credit line, distributors' award initiatives, customer experience, brand promise & equity.
Host communities	One-on-one engagements, town hall meetings, Community engagement exercise, interest groups' communications, surveys, empowerment programs.	Weekly and as required	Youth employment, socialinvestments, environmental impacts, safety, scholarships, patronage of local vendors and suppliers. Impacts on existing infrastructure and skill acquisition, community needs & projects, empowerment scheme, outgrowers schemes, sports, infrastructure development & management, security of life & property.
Government/Regulatory agencies	Official letters/emails, periodic assessments, compliance filing and reporting, annual financial report, sustainability report.	As required	Formal notices, applications, policies and regulations, compliance, interventions and applications, etc.
Social Media	Press releases, media parley, sustainability report, annual financial report, conferences, notifications, seasonal messages, product information, corporate event.	Weekly, Monthly, Quarterly, and as required.	Governance restructuring, Advertisement, public service announcements, social and environmental impacts. Company's strategic initiatives, new package design, product usage, seasonal greetings, corporate updates.
Financiers/Banks	Annual financial report, sustainability report, meetings.	As required.	Investments opportunities, loan financing, credit negotiations, interest rates.
Labour Unions	Meetings, emails, letters, sustainability report, courtesy Visits.	As required.	Labour laws and regulations, productivity, employees' rights & obligations, safe working conditions, compensations, and benefits.
External Affiliations/Associations	Letters, meetings, sustainability report, workshops, other forums.	Monthly, biannually, annually, and as required.	Membership subscriptions, partnerships, policy reviews.
Investors/Shareholders	Annual General Meetings, investors relations forum, quarterly and annual financial report, sustainability report, newsletters.	Continuous.	Quality of leadership, business strategy and updates, financial performance, dividends, corporate governance, Board composition, external reporting, ESG compliance, company performance.
Non-Governmental Organisations/CSOs	Annual financial report, sustainability report, meetings, partnerships, courtesy Visits.	As required.	Community development, environmental impacts, social initiatives, partnership for sustainable development and goals.

ESG Compliance

We had no penalties or non-compliance incidents during the year under review as we continue to adhere to the ESG Principles, Guidelines, and Nigerian laws in which we operate such as:

- United Nations Global Compact (UNGC)
- The United Nation's Sustainable Development Goals
- GRI Sustainability Reporting Standards
- The Nigerian Exchange Group's (NGX) Sustainability Disclosure Guidelines
- SEC - Securities & Exchange Commission (Code of Corporate Governance)
- NCCG - Nigerian Code of Corporate Governance
- National Environmental Standards and Regulations Enforcement Agency (NESREA)
- Federal & States Ministry of Environment
- Federal & States Ministry of Agriculture and Rural Development
- Federal & States Ministry of Labour and Productivity
- Federal & States Environmental Protection Agencies (e.g., LASEPA)
- Federal Road Safety Corps (FRSC)
- Host Local Government Areas
- Industrial Training Fund (ITF)
- International Financial Reporting Standards (IFRS) on Sustainability (S1 – General Disclosures and S2 – Climate-related Disclosures)
- National Agency for Food and Drug Administration and Control (NAFDAC)
- Standards Organisation of Nigeria (SON)
- Manufacturers Association of Nigeria (MAN)
- Nigerian Port Authority (NPA)
- Global Food Safety Initiative (GFSI)
- Nigerian Sugar Master Plan (NSMP) - Nigerian Sugar Development Council (NSDC)

Furthermore, we ensure strict compliance with our internal policies on governance matters such as Anti-Bribery & Corruption Policy, Board Appointment Policy, Board Code of Conduct Policy, Board Succession Policy, Conflict of Interest Related Party Transactions Policy, Dividend Policy, Executive Management Succession Planning Policy, Board Training Policy, Insider Trading Policy, Whistle Blowing Policy, Communication Policy, IT Data Governance Framework, and the Enterprise Risk Management Framework.

Association and Membership
DSR continues to use its alliances and membership in the Manufacturers Association of Nigeria (MAN) and the National Sugar Development Council (NSDC) to promote modern operational efficiency and operationalization of sustainability in the sugar manufacturing sector/industry. We also indirectly support the UNGC and the World Economic Forum (WEF), as pledged by our parent firm, Dangote Industries Limited. In 2023, we became the first West African Sugar Refining company to commence the membership and certification process for Bonsucro, the leading global sustainability platform and standard for sugarcane.

ESG Recognitions
In 2023, DSR was recognised by the Carbon Disclosure Project (CDP) for its improvement in Climate Change operations and disclosures and Water Security operations and disclosure, earning a "C" Score in Climate Change and a "C" Score in Water Security from score of "D-" for both aspects in 2022.

Dangote Sugar Refinery
Country/Area Nigeria

Year	Program	Status	Score
2023	Climate Change 2023	Submitted	C
2023	Water Security 2023	Submitted	C

FINANCIAL PILLAR:
Delivering strong and sustainable returns

GROUP CHIEF FINANCE OFFICER'S REVIEW

Oscar Mbeche
Group Chief Finance Officer

Sales volume declined by 21% but was complimented by higher prices, which contributed to revenue growth in 2023 by 9.5% from N403.2 billion to N441.5 billion.

The company recorded a marginal revenue growth of 9.5% moving from N403.2 billion to N441.5 billion. Sales volume declined by 21% but was complimented by higher prices, which contributed to revenue growth in 2023 by 9.5% from N403.2 billion to N441.5 billion. The company continued to grow its supply chain footprint in Nigeria complimented by excellent customer care that sustained customer loyalty to sustain the revenue growth. The company's primary focus remains adding value to its customers with high quality sugar, whilst striving to increase the use locally grown raw sugar through the company's BIP, backward integration program, that is more cost effective.

Impact of further Naira Devaluation

The company remains heavily dependent on imports of raw materials, spare parts, and critical chemicals to sustain its sugar production. This also possess a major risk to the company because of continued scarcity of foreign exchange to procure imports. The year 2023 witnessed further devaluation of the Naira against the USD and major currencies. The escalating costs of procuring foreign exchange have increased the conversion costs for the company, due to dependence on imported critical materials and refined fossil fuels. Production volume decreased by 18.9% in 2023 compared to 2022, but the cost of sales rose by14% while the exchange loss sustained as a result of the devaluation rose by an unprecedented amount of 9014% moving from N1.889 billion in 2022 to N172.2 billion in 2023. Consequently, to sustain operations, sales price increases have been applied when deemed necessary during the year. This has been influenced by the prevailing global macroeconomic factors affecting Nigeria and consequently DSR's operations.

Focus on Nigeria Sugar Master Plan and BIP Performance

DSR's continued to support the development of the Nigerian Sugar Master Plan, DSR's backward integration (BIP) Numan operations saw the highest volumes of sugar processed since the inception of the company, increasing by 27.3 % over 2022 volume. However, significant impediments still need to be overcome, principally, the challenges of securing funds to import capital assets to support BIP development plans, poor infrastructure. For example, the bad conditions of the road networks presents logistical challenges which drive up supply chain costs. The increased timelines it takes to secure CBN (Central Bank of Nigeria) approvals for LCs required to import critical spares and chemicals contribute to additional processing costs and delays that could otherwise be avoidable. These negatively impact the pace at which DSR can achieve further financial and performance efficiencies in the BIP operations.

Strong Governance Framework

The company maintains a strong internal control environment and continued to increase the usage of its SAP ERP systems to automate critical processes and improve internal controls, that contribute to financial reporting and operational efficiency. In 2022, the company started the implementation of ICFR (Internal Controls Over Financial Reporting) governance project, in order to comply with the directives of the SEC, Investments and Securities Act, 2007 the Sections 60 to 63, for all listed companies in Nigeria which are required to implement relevant internal controls over financial reporting and Auditors are required to review the same and issue a statement on the existence, adequacy and effectiveness. This has been successfully completed by December 31, 2023 and the auditors have issued a clean and satisfactory report on the company's internal control adequacy. The successful completion of the ICFR project in DSR is a great milestone achievement.

Excellent Relationships with Banking and Financing Partners
Our financing and banking partners have played a commendable critical role of supporting DSR's financing needs and securing customers' collections. We purposely apply all available legal means to mitigate against costs increases, inflationary effects, to complement DSR's financial performance, by investing excess cash to earn interest. Interest income in 2023 rose by 66% over 2022 income. However, finance costs in 2023 rose by 1957% over 2022 costs on account of FX devaluation, interest costs, and increased banking transaction charges.

Profitability and Cashflow
The company's Operating Profit declined by 12% from N91.96 billion in 2022 to N86.3 billion in 2023, majorly due to increased costs of raw materials by 15%. Consequently, there is increasing pressure on DSR's cashflow and working capital emanating from the delays CBN takes to deliver foreign exchange required to defray existing FX denominated Payables, despite being backed by Naira Cash collateral. The IFRS and FRCN regulations requires that FX denominated liabilities are translated at existing official CBN rates but disallow the booking of any provisions to proactively anticipate future FX costs as a result of CBN delays which will result in higher costs than existing CBN rates. These will negatively impact cashflows when the obligations are eventually settled. These increased post-neg bank interest charges in 2023 and is expected to further escalate in the foreseeable future.

Being the market leader in the industry sector, with 50% market share, DSR will continue to strive for continuous improvements in all areas of its business. DSR Management and I remain cautiously optimistic about the company's future financial performance and is ready to face the prospects 2024 presents.

Below are the 2023 financial performance summary highlights.

FINANCIAL HIGHLIGHTS

Sales Volume

Year ended	31st December 2023	31st December 2022
Volume sold	**000 bags**	**000 bags**
Lagos	5,545	7,315
North	4,952	7,559
West	1,045	1,464
East	425	709
Total volume sold	**11,967**	**17,047**

Volume decreased by 29.8% from 17.05 million bags to 11.97 million bags driven by higher sales in the Lagos region.

Revenue

Year ended	31st December 2023	31st December 2022
Revenue	**N'm**	**N'm**
Lagos	204,537	173,040
North	182,682	178,812
West	38,564	34,623
East	15,670	16,771
Total revenue	**441,453**	**403,246**

Revenue increase by 9.5% from N403 billion in 2022 to N441.5 billion in 2023 driven by higher volume and price increase.

Manufacturing and Operating costs

	N'm	N'm
Raw material	296,028	256,327
Direct labour cost	7,341	6,657
Direct overheads	29,776	26,354
Depreciation	5,908	5,465
Freight expenses	16,096	16,480
Total manufacturing costs	**355,149**	**311,283**

In general, manufacturing costs increased because of higher volume moving from N311.3 billion in 2022 to N355.1 billion in 2023 and also due to general inflation and foreign exchange impacts on USD denominated expenses majorly on raw sugar and spares imported. Consequently, the total group manufacturing costs increased by 14% over that of 2022.

Administration and Selling Expenses

Year ended	31st December 2023	31st December 2022
Administration and selling expenses		
	N'm	**N'm**
Administration expenses	13,281	10,310
Selling expenses	644	741
Total Administration and Selling expenses	**13,925**	**11,051**

Total Administration and Selling expenses increased by 26% from N11.5 billion to N13.9 billion majorly due to costs of refinery repairs and expansions.

Finance Income and Finance Costs

Year ended	31st December 2023	31st December 2022
Interest and similar income/expenses	**N'm**	**N'm**
Interest income	10,560	6,379
Exchange loss	(172,198)	(1,889)
Finance cost on Letter of Credit	(29,186)	(7,670)
Interest on lease payments	(51)	(114)
Interest on intercompany loan	(118)	-
Interest on bank loan	(111)	(129)
Net finance income/(cost)	**(191,104)**	**(3,423)**

Interest income increased by 66% mainly due to increased interest earnings on deposit placements.

The increase in finance cost on letter of credit by 280% is due to the longer time it takes to defray LC obligation because of FX scarcity in the financial market.

PROFITABILITY

	31st December 2023	31st December 2022
EBITDA by operating region	**N'm**	**N'm**
Lagos	40,927	46,984
North	26,113	36,174
West	6,276	7,655
East	1,993	3,175
Total EBITDA	**75,309**	**93,988**

Group earnings before interest, tax, depreciation, and amortization (EBITDA) for the year decreased by 19.9% to N75.3 billion because of increased cost of raw material.

Year ended	31st December 2023	31st December 2022
	N'm	**N'm**
Group EBITDA	75,309	93,988
Depreciation, amortization, and impairment	(10,292)	9,732)
EBIT	**65,017**	**84,256**
EBITDA margin (%)	18.6%	21.3%
Operating profit (N'm)	72,686	82,410
(Loss)/Profit before tax (N'm)*	(108,922)	82,303
(Loss)/ Profit after tax (N'm)	(73,760)	54,742
EPS(Kobo)	**607**	**451**
*Profit before tax is inclusive of change in fair value of biological asset	9,496	3,315

The Groups profit after tax decreased from a profit of N55 billion to a loss of N73.8 billion majorly because of devaluation of foreign exchange.

Taxation

Year ended	31st December 2023 N'm	31st December 2022 N'm
Taxation	35,162	(27,561)
Tax (charge)/credit	**35,162**	**(27,561)**

Taxation comprises

FINANCIAL POSITION

Year ended	31st December 2023	31st December 2022
	N'm	**N'm**
Property, Plant and Equipment	167,083	157,762
Other non -current assets	33,145	-
Intangible assets	-	-
Total Non-Current Assets	**200,228**	**157,762**
Current assets (excluding cash)	195,799	159,814
Cash and bank balances	204,763	174,858
Total Current Assets	**400,562**	**334,672**
Total Assets	**600,790**	**492,434**
Non-current liabilities	330	13,770
Current liabilities	521,214	307,438
Total Liabilities	**521,544**	**321,208**
Equity	**79,246**	**171,226**
Total Equity and Liabilities	**600,790**	**492,434**

Capital Expenditure

Year ended	31st December 2023	31st December 2022
	N'm	**N'm**
Capital expenditure by region		
Lagos	419,905	333,318
North	180,885	159,116
Capital Expenditure	**600,790**	**492,434**

Capital expenditure comprised of assets procured to sustain and develop the Apapa sugar refinery operations in Lagos for production of refined sugar for sales; while the Northern capex comprised of assets procured for the expansion of the existing BIP operations in Numan, and capital works to sustain the development of BIP green field sites in Nasarawa.

Dividend

The Board of Directors has not recommended dividend payment at the Annual General Meeting in view of the need to maintain increased liquidity to purchase the required foreign exchange used to procure critical raw sugar, chemicals, and spare parts.

Going Concern

The Management continue to apply the Going Concern principle in the preparation of the Financial Statements. After considering the liquidity position and the availability of resources, the Directors concluded that there are no significant threats to the Group's Going Concern capabilities.

Working Capital

The Directors continue to closely monitor the operations of the company to ensure that sound Working Capital strategies are applied by Management to generate cashflows to fund the Company's operations; and avail funds needed to support the ongoing development of BIP projects. The Board approved the company's working capital raise in 2024 through the issuance of Commercial Paper and a Bond issue.

Mr. Oscar Mbeche
Group Chief Finance Officer

Risk Management

At DSR, we recognize that navigating business uncertainties is inherent to our operations, and it is through a structured approach to risk management that we can safeguard our strategic objectives and drive sustainable growth. Despite facing ongoing challenges, including the significant increase in energy costs, global inflationary trends, multiple currency devaluations, and international supply chain disruptions, our performance underscores the resilience embedded within our people, business model, and track record of delivery through uncertainty.

Under the oversight of the Board, which holds ultimate responsibility for risk management and setting the Group's risk appetite, DSR has implemented a robust risk management governance framework. This framework enables us to systematically identify, assess, and prioritize both principal and emerging risks. Through proactive risk mitigation strategies, we ensure that risks are managed within our defined appetite levels, thereby safeguarding the interests of our stakeholders, and enhancing the long-term sustainability of our business.

Our Approach to Managing Risk

In alignment with the risk management framework of the Dangote Group, DSR has instituted a comprehensive process equipped with the requisite information, capabilities, and tools to effectively manage our key risks. Our approach incorporates qualitative and quantitative methodologies, including Risk and Control Self-Assessments, Key Risk Indicator Monitoring, and Loss Incident Reporting, to diligently oversee our risk landscape. Furthermore, we conduct ad-hoc, on-site assessments or incident evaluations in response to unexpected high-risk scenarios.

To facilitate the identification, quantification, management, and monitoring of risk exposures, we have established key processes: Risk Identification: We firmly believe that effective risk management is a collective effort. Thus, risk identification is ingrained within our business process planning, change procedures, and development of new product lines or market expansions. This iterative process ensures continuous vigilance. All identified risks are categorized into four types to aid proper risk classification

Risk Type	Definition
Business Continuity	The potential for serious incidents to affect critical operations of DSR and thus cause loss of business and/or reputational damage.
Operational Risk	The potential for risks arising from the failure of people, processes, or technology or the impact of external events.
Financial Risk	The potential losses arising from financial risks such as counterparty defaultsadverse market price movements, liquidity (funding) issues and taxation issues.
Business and Strategic Risk	The potential for damage to the franchise and loss of earnings resulting from stakeholders taking a negative view on DSR.

- **Risk Analysis:** Upon identification, thorough analysis is conducted, and relevant stakeholders are promptly informed. The nature of analysis varies depending on the risk type and applicable policies. For example, assessing credit risk involves financial analysis of counterparties, transaction structure analysis, and forecasting exposure movements.
- **Risk Evaluation:** Once risks have been Identified and analysed, they must be evaluated to determine the degree of impact i.e. evaluated in view of their potential severity and likelihood of occurrence using a standardized approach. Management information systems are in place to allow the risk information to be used by those managing risk and business on a day-to-day basis and, at a suitably aggregated level, for senior management to understand and challenge process owners. Management information presented to senior management enables the identification of concentrations and related activities that occur across our plants.
- **Risk Treatment:** Upon evaluation of the risks, controls

are implemented to ensure that these risks remain within our risk appetite. Controls usually take the form of limits on exposure or to riskier types of business activities.

- **Risk Monitoring:** To ensure effective oversight of our exposures, we utilize various quantitative monitoring tools, including models and Key Risk Indicators (KRIs). These tools are closely monitored alongside associated losses, ensuring the efficacy of implemented controls in mitigating identified risks.

- **Risk Reporting:** The Risk Management Department plays a pivotal role in providing independent risk measurement and reporting to ensure transparency and support the Executive Management and Board in fulfilling their duties effectively. This encompasses the following responsibilities:

o Collating, consolidating, analysing, and evaluating risk-related data sourced from Plants and Support Units.

o Providing financial data and pertinent operational business information for regulatory, external, and internal reporting purposes.

o Implementing risk calculation and allocation methodologies for financial risks, alongside other risk measurement methodologies for operational risks.

o Offering a dedicated risk-specific reporting and tracking tool to augment the Risk Management processes.

Our approach to ensuring effective risk management accountability is a commonly used methodology for managing risk – "The 3 Lines of Defence". The objective of the three lines of defence is to ensure that an independent system of checks and balances is in place to minimize unexpected losses (financial or otherwise). This is achieved by clearly defining roles and responsibilities for the management of risk between the Executive Management, Risk Management, and Internal Control functions, with each of these working together but ultimately operating independently from each other.

The Board

- Set and approve overall risk managemnent framework.
- Regular review of key exposures and approves mitigating action plans.
- Provision of strategic direction of the business and determining the risk appetite.
- Assessing the effectiveness of three above via the audit function.

Senior Management

- Provide oversight and assurance of the Enterprise Risk Management Framework.
- Determine mitigating action plans to manage identified risks.
- Allocating the risk appetite limits to respective departments.
- Regularly monitors the adequacy of the risk mitigation plans.

Business Units	Internal Control	Risk Management	Internal Audit
1st Line of Defence	2nd Line of Defence	2nd Line of Defence	3rd Line of Defence
Identify and manage risk exposure at the job function level.	Identify and manage risk exposure at the job function level.	Develop and promotes Enterprise Risk Management framework to ensure effective management risk.	Provide independence assurance of the effectiveness of the Group's risk management and internal control framework.

- **Risk Appetite**

At DSR all decisions must balance risk and reward to ensure all activities are economically profitable after due consideration of risk. DSR's risk appetite is always considered when making such decisions. Our Board has responsibility for determining the level of risk that will be taken. The Board determines the overall strategic direction for the business and, as part of this process, determines the Group's risk appetite. The risk appetite of the organisation defines the level of risk we are willing to take as a business for the different risk types, whilst considering varying levels of financial and non-financial stress factors.

Risk appetite is key for our decision-making process, including business planning, operations, new product reviews and approvals alongside business change initiatives. The year under review saw the Risk Management function commence the process of quantification of the risk appetite statement hinged on converting DSR's qualitative risk appetite statement to a series of metrics hence translating specific value drivers into a series of limits and tolerance levels for different levels of impact classification ranging from Insignificant to Catastrophic.

Continuous Development Initiatives

At DSR, every decision undergoes rigorous evaluation to balance risks and rewards, ensuring economic profitability while accounting for potential risks. Our risk appetite is a cornerstone in this decision-making process, guiding us in determining the acceptable level of risk across various aspects of our operations. The Board holds the responsibility for establishing the organization's risk tolerance, aligning it with the overall strategic direction set for the business.

The determination of our risk appetite involves careful consideration of both financial and non-financial stress factors, reflecting our commitment to prudent risk management. This framework informs decision-making across the spectrum of our activities, from business planning and day-to-day operations to evaluating new products and implementing business change initiatives.

In the past year, we continued our resolve in the quantification of our risk appetite statement, marking a significant milestone for our Risk Management function. This involved translating our qualitative risk appetite statement into tangible metrics, enabling us to precisely gauge our risk exposure. By defining specific limits and tolerance levels for different levels of impact classification, ranging from Insignificant to Catastrophic, we enhance our ability to proactively manage risks and optimize performance across the organization. This structured approach ensures that risk management remains an integral part of our business strategy, driving sustainable growth and value creation for our stakeholders.

Principal Risks

The Risk Management process at DSR plays a vital role in identifying and prioritizing risks through collaborative discussions and workshops involving Executive Management and business leaders, facilitated by the Risk Management function. Throughout the year, significant risks undergo comprehensive review through a dual approach, encompassing both bottom-up and top-down assessments at the business unit and location levels, ensuring comprehensive awareness and appropriate prioritization.

Risks deemed capable of significantly impacting the performance, prospects, or reputation of the Group are classified as principal risks. These risks are meticulously aligned with the Group's strategic objectives, emphasizing their criticality to our overarching goals. Detailed documentation of DSR's principal risks is meticulously maintained in the risk register of the business, ensuring transparency and accessibility for all stakeholders.

The Board Audit Compliance and Risk Management Committee conducts quarterly reviews of each principal risk, ensuring ongoing vigilance and proactive mitigation measures. In addition to our inherent business risks such as foreign exchange, interest rates, and liquidity risks, we have identified and outlined nine principal risks that have the potential to significantly affect DSR. Proactive measures have been implemented to mitigate each of these risks, safeguarding the interests of our stakeholders and fortifying our resilience in the face of uncertainties.

S/N	Risks	Risk Description	Potential Impact	Mitigation Plan
1.	Devaluation of The Naira	The downward adjustment in the value of the Naira, relative to other foreign currencies.	Adversely impacting the profitability of businesses reliant on imported goods or foreign currency-denominated transactions, potentially affecting revenue streams, margins, and overall financial performance.	Implementing hedging mechanisms Enhancing costefficiencies. Diversifying currency exposures Closely monitoring macroeconomic indicators and government policies
2.	Production Shutdown	Risk of production shutdown arising from non-availability of spares due to lack of FX for spares procurement.	Loss ofmarket share and brand confidence from possible low production output.	Working closely with the in-country regulator of the financial services sector for the sourcing of FX to fund import requirements. Constant engagement with Commercial Banks to fund impot requirements through LC from their FX allocation.
3.	Political Risk Exposures	Vulnerabilities or threats that could compromise the safety, integrity, confidentiality, or availability of an organization's assets, including physical assets, information, data, personnel, and reputation.	Possible disruption of production and distribution of finished goods.	Regular review of Business Interruption and GIT Cover Regular review of distribution routes
4.	Macro-Economic Risks	Possibility that the Nigerian economy would fall back into recession.	Renewed downturn would have negative effects on disposable income of consumers.	Continuous review of costs to ensure the ability to absorb market fluctuations.
5.	Poor Market Growth	New businesses and proposed expansion do not hold their growth prospect or develop as predicted.	Negative impact on revenues, cash flows and profitability sustainability	Ensure a regular opportunity and portfolio financial review to monitor investment and cash allocation across our businesses Target market leadership where we play. Focus on industries where reach is strong.
6.	Loss of Market Share	Change in the business dynamic, whereby a competitor's product may lead to loss of competitive advantage.	Negative impact on revenues, cash flows and profitability sustainability. Inefficient distribution of physical, personnel and financial resources.	Leverage on customer feedback, balancing short-term improvements with longer-term solutions. Promoting agility, benchmarking, and quick market responses.

S/N	Risks	Risk Description	Potential Impact	Mitigation Plan
7.	Decline in Product Quality & Service Delivery	Technical requirements becoming more complex and demanding with increase in customer base and preferred specifications.	Potential reputational damage. Loss of market share.	Continuous review andstress testing of our refining process. Continuous customer engagement to ensure feedback is acknowledged and addressed.
8.	Inability to Retain Best Talent	Inability to retain and motivate the best people with the right skills, at all levels of theorganization due to activities of competition.	Inability to attract, develop and retain highly qualified management and suitably skilled employees, particularly to address our expansion initiatives. Shortage of appropriately skilled manpower.	We have established a robust training, development, performance management and reward programmes to retain, develop and motivate our people. Development of Succession plan for senior management positions.
9.	Health & Safety Risk	Exposures resulting from unsafe acts both within and outside the premises.	Increased insurance premiums Increased legal risk exposure.	• DSR has instituted policies, procedures, and standards in place to ensure compliance with legal obligations and industry standards. • All Management meetings feature Health & Safety updates. • Health & Safety Performance indicators have been included for both production and non-production related roles.

Internal Control and Operating Procedures

Management of DSR is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the Firm's principal executive and principal financial officers, or persons performing similar functions, and effected by DSR's Board of Directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the generally acceptable accounting principles (GAAP).

The key parties involved in DSR internal control system are as follows:

- **The Board of Directors:** Primarily define the policies governing the Company's business activities and ensure their application. It strives to examine the accounting and financial documents and to determine the risks in relation with the Company's internal controls. It ensures the efficiency of the mechanisms and procedures applied as part of the internal controls. To this end, it has access to all documents and reports required to perform this task. Each director may independently require additional information from the Group Managing Director/Chief Executive Officer (GMD/CEO), who is always available to provide relevant information and explanations to the Board of Directors.

- **GMD/CEO:** Defines and directs the Group's strategy. He is responsible for establishing the procedures and mechanisms employed to ensure both the functioning and monitoring of the internal control system. He takes charge of the internal control system, more specifically as part of his duties as CEO with the Board of Directors and the assistance of the Internal Control department, the internal and external auditors.

- **Executive Management:** In collaboration with senior management are collectively involved in setting the key accounting, finance, legal, tax, IT, and human resources policies, and supporting the business units with their implementation. Specific visits are made to the business units to carry out audits and training and to make recommendations to ensure that the internal control system is sufficient.

Control Activities

In addition to the risk management system, the Group has many control processes at all levels of the Company. Functional departments at head office play a critical role by ensuring that business unit's initiatives comply with Group guidelines, and by providing support for risk management, especially when local teams lack sufficient expertise. The centralized organization of these support functions enables consistent dissemination of the major policies and goals of the senior management:

- **The financial control unit** monitors the Company's performance, using operational monitoring based on monthly reports from all Group business units. It also coordinates meetings between senior management and the operational and finance departments at which the various reporting indicators are reviewed, the differences between actual performance and budget forecasts are analysed, and the interim and annual budgets can be fine-tuned based on actual figures and the market outlook as received from business units and other operational teams. The financial controllers monitor the whole financial reporting cycle and constantly query subsidiaries on their performance levels, earnings, and business activity.

- **The management accounts unit** draws up the Group's monthly consolidated accounts, centralizing all advice on their preparation and analysis. It publishes the accounting procedures applicable within the Group, particularly via the Group's accounting policies manual. It ensures compliance with applicable standards and regulations to provide a true picture of the Group's business activities and position.

- **The treasury unit** arranges foreign-exchange contracts and coordinates cash flow management at corporate and business unit levels, by overseeing the dissemination of cash pooling solutions and cash flow forecasting. It checks the suitability and smooth interaction of exchange-rate and liquidity risk management policies, as well as the publication of financial information, and manages off-balance sheet commitments (bank guarantees relating to purchase financing or L/Cs, comfort letters, share price guarantees, deposits, etc.). It centralizes and verifies the authorizations granted to a limited number of employees, who are exclusively authorized by senior management to handle certain financial transactions – subject to predefined thresholds and authorization procedures – and helps implement tools to ensure effective control (dual signature procedure, secure payment mechanisms, frequently updated authorization and signature system, controlled IT access, etc.).
- **The Legal departments**, which are specialized in company law, contract law, litigation, and intellectual property, assist and advise the group and business units on legal matters (acquisitions, contracts, leases, stock market regulations, corporate governance, etc.). They coordinate joint studies or those of interest for the Group and support local entities on legislative issues to control the risks in the various fields.
- **The tax department** assists and advises the Group and business units within the companies with the analysis of the tax aspects of their projects and transactions. In coordination with the various internal departments, it ensures the Group's tax security by organizing risk prevention, identification, and management. It implements the Group's transfer price policy and ensures that this is applied correctly.
- **The information systems department** is involved in selecting the Group's IT solutions and ensures their technical and functional compatibility. One of its principal aims is integrating those solutions and it oversees changes to the ERP applications (SAP and other Applications) deployed in all the business units. It also regularly monitors IT projects and ensures that they are in line with the requirements identified by the functional teams and the budgets approved by management. The IT security unit is responsible for ensuring and organizing the protection of the company's information system as concerns the security of the various applications, server architecture, the premises, etc.

Internal Control System

The DSR internal control system is an ongoing process supported by a programme that ensures the testing, evaluation, and monitoring of key controls across the business units, key processes, and functions. Continuous test of design adequacy and operating effectiveness is performed and reported by the internal control department for insights and risk remediation. This is in addition to the test of the internal control environment performed by internal audit during its review of key processes and that of the statutory auditors during their review and annual certification of the company's financial statements. Furthermore, the responses to internal control questionnaires and the risk and control self-assessment questionnaires serve as a basis for picking up useful signals of the group's control environment. Their goal is both to contribute to establishing and updating procedures and, above all, to help managers to pinpoint the fundamental issues regarding the effectiveness of the processes and controls in question.

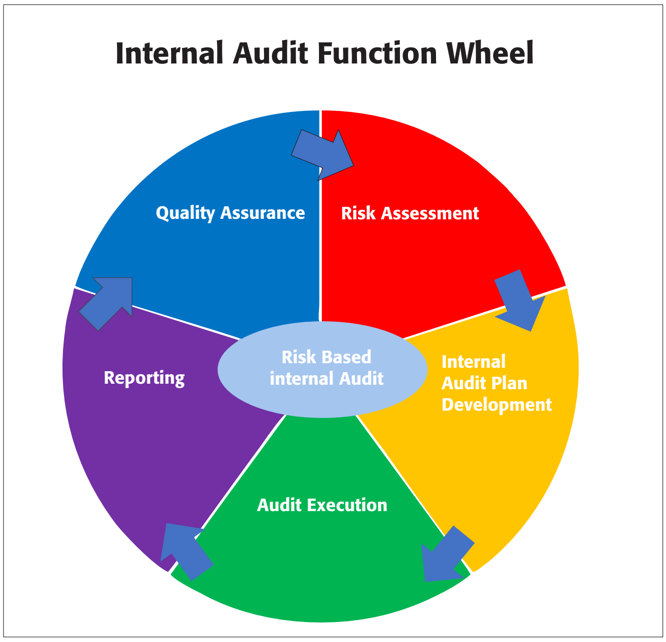
Limitations: However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management has completed an assessment of the effectiveness of the Firm's internal control over financial reporting as of December 31, 2023. In making the assessment, management used the "Internal Control — Integrated Framework" ("COSO 2013") promulgated by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Internal Audit

At DSR, the approach to internal audit is centred on an Enterprise Risk Management (ERM) Framework and a Risk-Based Audit Approach, both of which strengthen and complement how we manage risk. This approach provides an assurance that the processes that manage risks to a level considered acceptable by the Board, are working effectively and efficiently, whilst focusing on key processes, governance, and The Board of Directors of DSR Plc. recognizes the importance of internal auditing and has adopted the definition of internal auditing by the Institute of Internal Auditors. Consequently, the Board documented its operating model for carrying out internal audit activities within the Company in an Internal Audit Charter. The Charter describes the objectives, scope, authority, and responsibility of the Internal Audit Function in achieving internal audit objectives within the Company and is adhered to strictly by both the Board Risk Management Assurance Committee, Statutory Audit Committee, and the Internal Audit Function.

The Internal Audit department in DSR Plc. has been fully resourced consistent with the agreed manning level as approved by the Board Risk Management and Assurance Committee.

DSR's outlook for the future is based on an intentional and entrepreneurial vision for growth, sustainability, and value creation. As it continues to grow and expand its business, a more dynamic methodology would be employed in the management of the company risk profile.



Whistle Blowing

The Company has set up regulations to identify noncompliant events, as well as the implementation of a whistle blowing policy, which allows all employees and business partners to raise genuine concerns, in good faith, without fear of retaliation. Guiding principles over the Whistle-Blowing process include ensuring that the confidentiality of the whistleblower is maintained and not disclosed without his/her formal consent. Furthermore, if the whistleblower raises a concern in good faith, he or she will not be held liable, should the whistleblower be proven to be incorrect thereafter.

GRI CONTENT INDEX

Statement ofuse	Dangote Sugar Refinery (DSR) Plc has reported in accordance with the GRI Standards for the period 1st January 2023 to 31st December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standard (S1 & S2)	Page Number(s) and/or Direct Answer(S)
GENERAL STANDARDS							
GRI 2: General Disclosures 2021	2-1	Organizational details					
	2-2	Entities included in the organization's sustainability reporting					
	2-3	Reporting period, frequency and contact point					
	2-4	Restatements of information					No Restatements
	2-5	External assurance			4.3: Format of Report		
	2-6	Activities, value chain and other business relationships					
	2-7	Employees	Goal 8				
	2-8	Workers who are not employees	Goal 8				
	2-9	Governance structure and composition			Principles 1 and 2: Governance	IFRS S1- Governance	
	2-10	Nomination and selection of the highest governance body			Principles 1and 2: Governance	IFRS S1- Governance	
	2-11	Chair of the highest governance body			Principles 1 and 2: Governance	IFRS S1- Governance	
	2-12	Role of the highest governance body in overseeing the management of impac			Principles 1 and 2: Governance	IFRS S1- Governance IFRS S1- Strategy	
	2-13	Delegation of responsibility for managing impacts			Principles 1 and 2: Governance	IFRS S1- Governance IFRS S1- Strategy IFRS S1- Risk Management	
	2-14	Role of the highest governance body in sustainability reporting			Principles 1 and 2: Governance	IFRS S1- Governance	
	2-15	Conflicts of interest				IFRS S1- Governance	
	2-16	Communication of critical concerns				IFRS S1- Governance	
	2-17	Collective knowledge of the highest governance body			Principles 1 and 2: Governance	IFRS S1- Governance	
	2-18	Evaluation of the performance of the highest governance body			Principles 1 and 2: Governance	IFRS S1- Governance	
	2-19	Remuneration policies				IFRS S1- Governance	
	2-20	Process todetermine remuneration				IFRS S1- Governance	
	2-21	Annual total compensation ratio	Goal 10				
	2-22	Statement on sustainable development strategy				IFRS S1- Governance IFRS S1- Strategy	
	2-23	Policy commitments				IFRS S1- Governance IFRS S1- Strategy IFRS S1- Risk Management	
	2-24	Embedding policy commitments			Principle 3: Governance	IFRS S1- Governance IFRS S1- Strategy IFRS S1- Risk Management	
	2-25	Processes to remediate negative impacts		Principle 7: Environment	Principles 8 and 9: Socia and Environment	IFRS S1- Governance IFRS S1- Strategy IFRS S1- Risk Management	
	2-26	Mechanisms for seeking advice and raising concerns				IFRS S1- Governance IFRS S1- Strategy IFRS S1- Risk Management	
	2-27	Compliance with laws and regulations	Goal 16				
	2-28	Membership associations	Goal 17				

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standar (S1 & S2)	Page Number(s) and/or Direct Answer(S)
	2-29	Approach to stakeholder engagement					
	2-30	Collective bargaining agreements	Goals 8 and 10	Principle 3: Labour			
GRI 3: Material Topics 2021	3-1	Process to determine material topics				IFRS S1- Risk Management IFRS S1- Materiality	
	3-2	List of material topics				IFRS S1- Risk Management IFRS S1- Materiality	
ECONOMIC STANDARDS							
Financial performance; Transparency, reporting and disclosure on Sustainability/ESG; International financial risk management; Monetary policy and capital markets; Regulatory approvals and compliance							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Goals 8 and 9				
	201-2	Financial implications and other risks and opportunities due to climate change	Goal 13			IFRS S2- Governance IFRS S2- Strategy	
	201-3	Defined benefit plan obligations and other retirement plans					
	201-4	Financial assistance received from government					
Market Presence in Community; Community engagement and relations; Host community development							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 202: Market Presence 2016	202-1	Ratiosof standard entry level wage by gender compared to local minimum wa	Goals 1, 5 and 8				
	202-2	Proportion of senior management hired from the local community	Goal 8				
Investor engagement and relations; Sustainable Development Goals; Transparency, reporting and disclosure on Sustainability/ESG; ESG performance and considerations							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Goal 5,9, and 11				
	203-2	Significant indirect economic impacts	Goals 1, 3, and 8				
Procurement practices; Suppliers contract and payment processing; Supply chain engagement and relations)							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 204: Procurement Practices 2016	204-1	204-1 Proportion of spending on local suppliers	Goal 8				
Anti-corruption policies and practices							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 205: Anti corruption 2016	205-1	Operations assessed for risks related to corruption	Goal 16	Principle 10: Anti-corruption	Principles 1 and 2: Governance		
	205-2	Communication and training about anti corruption policies and procedures	Goal 16	Principle 10: Anti-corruption	Principles 1and 2: Governance		
	205-3	Confirmed incidents of corruption and actions taken	Goal 16	Principle 10: Anti-corruption	Principles 1 and 2: Governance		
Business strategy; Corporate governance; Transparency, reporting and disclosure on Sustainability/ESG; Company's reputation and brand perception; International financial risk management; Monetary policy and capital markets							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 206: Anti competitive Behavior 2016	206-1	Legal actions for anti competitive behaviour, anti trust, and monopoly practices	Goal 16		Principles 3 and 4: Economic		
Financial performance; Business strategy							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 207: Tax 2019	207-1	Approach to tax	Goals 1, 10 and 17				
	207-2	Tax governance, control, and risk management	Goals 1, 10 and 17		Principles 1 and 2: Governance		
	207-3	Stakeholder engagement and management of concerns related to tax	Goals 1, 10 and 17				
	207-4	Countryby-countryreporting	Goals 1, 10 and 17				
ENVIRONMENTAL STANDARDS							
Circular economy and Resource Utilization							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Goals 8 and 12			IFRS S2- Governance IFRS S2- Strategy	
	301-2	Recycled input materials used	Goals 8 and 12	Principle 8: Environment	Principles 3 and 9: Economic and Environment		
	301-3	Reclaimed products and their packaging materials	Goals 8 and 12				
Climatechange, Emissions and Energy; Environmental responsibility & management							

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standard (S1 & S2)	Page Number(s) and/or Direct Answer(S)
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Energy Management	
	302-2	Energy consumption outside of the organization	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	IFRSS2- Industry-based Climate related Metrics & Targets: Energy Management	
	302-3	Energy intensity	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate-related Metrics & Targets: Energy Management	
	302-4	Reduction of energy consumption	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Energy Management	
	302-5	Reductions in energy requirements of products and services	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Energy Management	
Water, waste and effluents; Environmental responsibility & management							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 303: Water and Effluents 201	303-1	Interactions with water as a shared resource	Goals 6 and 12	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Strategy IFRS S2 Industry-basedClimaterelated Metrics & Targets: Water Management	
	303-2	Management of water discharge related impacts	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Strategy IFRS S2 Industry-based Climate-related Metrics & Targets: WaterManagement	
	303-3	Water withdrawal	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Strategy IFRS S2 Industry-based Climate related Metrics & Targets: Water Management	
	303-4	Water discharge	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Strategy IFRS S2 Industry-based Climate-related Metrics & Targets: Water Management	
	303-5	Water consumption	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Strategy IFRS S2 Industry-based Climate-related Metrics & Targets: Water Management	
Biodiversity & Land Management							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Goals 6, 14 and 15	Principle 7: Environment	Principle 9: Environment		
	304-2	Significant impacts of activities, products and services on biodiversity	Goals 6, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment		
	304-3	Habitats protected or restored	Goals 6, 14 and 15	Principle 7: Environment	Principle 9: Environment		
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Goals 6, 14 and 15	Principle 7: Environment	Principle 9: Environment		
Climate change, Emissions and Energy; Pollution; Environmental responsibility & management							
GRI 3: Material Topics 2021	3-3	Management ofmaterial topics					
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Goals 3, 12, 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Greenhouse Gases Emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	Goals 3, 12, 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Greenhouse Gases Emissions	
	305-3	Other indirect (Scope 3) GHG emissions	Goals 3, 12, 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Greenhouse Gases Emissions	
	305-4	GHG emissions intensity	Goals 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Industry-based Climate related Metrics & Targets: Greenhouse Gases Emissions	
	305-5	Reduction of GHG emissions	Goals 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	IFRS S2 Strategy IFRS S2 Risk Management IFRS S2 Industry-based Climate-related Metrics & Targets: Climate Resilience	
	305-6	Emissions of ozone depleting substances (ODS)	Goals 3 and 12	Principles 8 and 9: Environment	Principle 9: Environment		
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Goals 3, 12, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment		
Water, waste and effluents; Environmental responsibility & management							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 306: Waste 2020	306-1	Waste generation and significant waste related impacts	Goals 3, 6, 12 and 14	Principles 8 and 9: Environment	Principle 9: Environment		
	306-2	Management of significant wastelated impacts	Goals 3, 6 and 12	Principles 8 and 9: Environment	Principle 9: Environment		

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standar (S1 & S2)	Page Number(s) and/or Direct Answer(S)
	306-3	Waste generated	Goals 3, 6, 12, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment		
	306-4	Waste diverted from disposal	Goals 3 and 12	Principles 8 and 9: Environment	Principle 9: Environment		
	306-5	Waste directed to disposal	Goals 6, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment		
Procurement practices							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria		Principle 7: Environment	Principles 3 and 9: Economic and Environment	IFRS S2 Strategy IFRS S2 Industry-based Climate related Metrics & Targets:*Supply Chain Management & Food Sourcing*	
	308-2	Negative environmental impacts in the supply chain and actions taken				IFRS S2 Strategy IFRS S2 Industry-based Climate related Metrics & Targets:*Supply Chain Management & Food Sourcing*	
			SOCIAL STANDARDS				
Career growth and progression; Employee wellbeing and satisfaction)							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Goals 5, 8 and 10	Principles4, 5 and 6: Labour	Principle 5: Social		
	401-2	Benefits provided to full time employees that are not provided to temporary or part-time employees	Goals 3, 5 and 8	Principles 4, 5 and 6: Labour	Principle 5: Social		
	401-3	Parental Leave	Goals 5 and 8	Principles 4, 5 and 6: Labour	Principle 5: Social		
Employee compensation and benefits							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Goal 8		Principle 5: Social		
Occupational health and safety; Community health and safety							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 403: Occupational Health an Safety 2018	403-1	Occupational health and safety management system	Goal 8	Principle 6: Labour	Principle 5: Social		
	403-2	Hazard identification, risk assessment, and incident investigation	Goal 8	Principle 6: Labour	Principle 5: Social		
	403-3	Occupational health services	Goal 8	Principle 6: Labour	Principle 5: Social		
	403-4	Worker participation, consultation, and communication on occupational health and safety	Goals 8 and 16	Principle 6: Labour	Principle 5: Social		
	403-5	Worker training on occupational health and safety	Goal 8	Principle 6: Labour	Principle 5: Social		
	403-6	Promotion of worker health	Goal 3	Principle 6: Labour	Principle 5: Social		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Goal 8	Principle 6: Labour	Principle 5: Social		
	403-8	Workers covered by an occupational health and safety management system	Goal 8	Principle 6: Labour	Principle 5: Social		
	403-9	Work-related injuries	Goals 3, 8 and 16	Principle 6: Labour	Principle 5: Social		
	403-10	Work-related ill health	Goals 3, 8 and 16	Principle 6: Labour	Principle 5: Social		
Employee training and knowledge development; Employee engagement and relations							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Goals 4, 5, 8 and 10	Principle 6: Labour	Principle 6: Social		
	404-2	Programs for upgrading employee skills and transition assistance programs	Goal 8	Principle 6: Labour	Principle 6Social		
	404-3	Percentage of employees receiving regular performance and career developm reviews	Goals 8 and 10	Principle 6: Labour	Principle 6: Social		
Diversity, inclusioand equity; Executive pay and shareholders' dividends; Quality of management							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Goals 5 and 8	Principle 6: Labour	Principles 5 and 6: Social		

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standards (S1 & S2)	Page Number(s) and/or Direct Answer(S)
	405-2	Ratio of basic salary and remuneration of women to men	Goals 5, 8 and 10	Principle 6: Labour	Principles 5 and 6: Social		
Human rights							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Goals 5 and 8	Principle 6: Labour	Principle 6: Social		
Employee engagement and relations; Employee compensation and benefits							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Goal 8	Principle 3: Labour		IFRS S1- Risk Management IFRS S2- Strategy IFRS S2- Risk Management IFRS S2- Industry-based Climate related Metrics & Targets: Supply Chain Management & Food Sourcing	
Child labour							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	Goals 8 and 16	Principle 5: Labour	Principle 5: Social	IFRS S1- Risk Management IFRS S2- Strategy IFRS S2- Risk Management IFRS S2- Industry-based Climate related Metrics & Targets: Supply Chain Management & Food Sourcing	
Child labour; Human rights							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Goal 8	Principle 4: Labour	Principle 5: Social	IFRS S1- Risk Management IFRS S2- Strategy IFRS S2- Risk Management IFRS S2- Industry-based Climate related Metrics & Targets: Supply Chain Management & Food Sourcing	
Human rights							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Goal 16	Principles 1 and 2: Human rights	Principle 7: Social		
Community engagement and relations; Host community development; Social/community impact investments; Standard of living; Other socioeconomic factors							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Goal 2				
Community engagement and relations; Host community development; Social/community impact investments; Standard of living; Other socioeconomic factors; Empowerment of young people							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs			Principle 8: Social		
	413-2	Operations with significant actual and potential negative impacts on local communities	Goals 1 and 2		Principle 8: Social	IFRS S1- Strategy IFRS S1- Risk Management	
Procurement practices; Supply chain engagement and relations							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Goals 5, 8 and 16	Principles 1 and 2: Human rights	Principles 3 and 7: Economic and Social	IFRS S1- Risk Management IFRS S2- Strategy IFRS S2- Risk Management IFRS S2- Industry-based Climate related Metrics & Targets: Supply Chain Management & Food Sourcing	
	414-2	Negative social impacts in the supply chain and actions taken	Goals 5, 8 and 16	Principles 1 and 2: Human rights	Principles 3 and 7: Economic and Social		
Transparency, reporting and disclosure on Sustainability/ESG; Company's reputation and brand perception; International financial risk management; Monetary policy and capital markets							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 415: Public Policy 2016	415-1	Political contributions	Goal 16				
Customer satisfaction and consumer wellbeing							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories			Principles 3 and 4: Economic		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Goal 16		Principles 3 and 4: Economic		
Company's reputation and brand perception; Customer satisfaction and consumer wellbeing							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labelling	Goal 12				

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standard (S1 & S2)	Page Number(s) and/or Direct Answer(S)
2016	417-2	Incidents of non compliance concerning product and service information and labelling	Goal 16				
	417-3	Incidents of non compliance concerning marketing communications	Goal 16				
Customer satisfaction and consumer wellbeing							
GRI 3: Material Topics 2021	3-3	Management of material topics					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Goal 16				

DSR Numan Poly Bag Sugarcane Nursery

03.

Corporate Governance

Leadership & Resilience

Aliko Dangote is the Chairman of the Board of Directors, Dangote Sugar Refinery Plc. He is the founder and President/Chief Executive of Dangote Industries Limited, the largest conglomerate in West Africa, with presence in 17 African countries and subsidiaries that cut across cement production, sugar refining etc. A graduate of Business Studies from Al-Azhar University in Cairo, Egypt, he started business in 1978, trading in commodities, before he ventured into full-scale manufacturing. He has been conferred several Honorary Doctorate degrees from various prestigious Universities, including Coventry University in the United Kingdom (2016), University of Ibadan in Nigeria (2016), and Ahmadu Bello University (2019). He is well known for his philanthropic engagements in local and international initiatives via the Aliko Dangote Foundation; committed to improving healthcare, education, and social wellbeing. In addition, he seats on the Board of notable international bodies involved in global economic growth, sustainable development, and healthcare initiatives. These include the JP Morgan International Council, the Clinton Health Access Initiative, the McKinsey Advisory Council, the International Business Council of the World Economic Forum, the Harvard Advisory Council, amongst others. The Nigerian Government conferred on him the Grand Commander of the Niger (GCON), the first person outside government functionaries to bag this honour.

ALIKO DANGOTE, GCON
CHAIRMAN

RAVINDRA SINGH SINGHVI

GROUP MANAGING DIRECTOR/CEO

Ravindra Singh Singhvi is the Group Managing Director/CEO of Dangote Sugar Refinery Plc. He has over 42 years of proven experience in leadership positions in Manufacturing and Processes Industry, Sugar, Petrochemicals, Cement, Textiles industries in India. Mr. Singhvi is a Chartered Accountant with background in Company Secretaryship and General Management. He possesses a Bachelor's Degree in B. Com (Hons) from the University of Jodhpur, India. He has extensive stints in the diversified industries and has been successful in turning around several companies financially and operationally. Mr. Singhvi has been holding senior level positions in large and diversified groups rising to the position of Chief Financial Officer, Head of Operations, Executive Director/Managing Director in reputed companies in India. Prior to joining Dangote Sugar Refinery Plc, Mr. Singhvi was the Managing Director & CEO of NSL Sugar Limited, Hyderabad, India. Before NSL Sugar, he was the Managing Director, EID Parry (1) Limited, Chennai, India, one of the top three sugar producing companies and the oldest listed company of India. During his stint as the Managing Director in EID Parry Limited, the company bagged first prize in Corporate Governance awarded by the Confederation of India Industry, a Premier Industry Association in collaboration with the Ministry of Corporate Affairs, Government of India. He was instrumental in completing Power Purchase Agreement of 2,500 megawatts with the Government of Karnataka (India) on behalf of the Sugar Industries of Karnataka which changed the fortunes of the industry. Mr. Singhvi is focused on strategy, business development, improving the company's top and bottom lines.

Committee Membership

- Board Finance Committee
- Board Technical & Sustainability Committee

OLAKUNLE ALAKE

NON – EXECUTIVE DIRECTOR

Olakunle Alake is the Group Managing Director of the Dangote Group. He holds a BSc in Civil Engineering from Obafemi Awolowo University, Ile–Ife Nigeria and is also a Fellow of the Institute of Chartered Accountants of Nigeria. He started his working career with PricewaterhouseCoopers, a firm of Chartered Accountants, in September 1984 in financial consultancy and development of strategic plans. Mr. Alake has extensive stints in strategic planning and financial control having served variously as Strategist and Financial Controller with indigenous companies of high repute spanning Banking, Audit Consultancy and Manufacturing. He also served as a Management Consultant and part of the team that turned around the fortunes of International Trust Bank Plc for a smooth take-over by the Dangote Group in August 1996. Mr. Alake joined the Dangote Group in 1997 as the Financial Controller and Head of Strategic Services. He was later charged with the responsibility of supervising the Finance and Accounts, Group Treasury, Import & Procurements Divisions of the Group as the Group Strategist/Executive Director. In January 2007, he was appointed the Chief Operating Officer of the Group with overall supervisory responsibility of the various Strategic Business Units, Human Resources & Administration, Information Systems and Strategic Planning & Control. Mr. Alake has been a critical driver in the growth and evolution of the Dangote Group from a pure regional trading entity to a large conglomerate in diverse industry sectors in fourteen African countries. With the Group's aspiration to grow to a market cap of $100 billion by 2023, Mr. Alake has successfully secured over $16billion for funding of various Group projects in multiple African countries. He currently sits on the Board of the Group Holding Company as well as all the subsidiary companies listed on the Nigerian Stock Exchange and manages multiple relationships with several agencies of States and Federal Government.

Committee Membership

- Board Finance Committee
- Board Governance Committee
- Board Risk Management & Assurance Committee
- Board Technical & Sustainability Committee

MS. BENNEDIKTER MOLOKWU

NON-EXECUTIVE DIRECTOR

Bennedikter China Molokwu built her early career in Telecommunications and Financial Services. She holds a Master's degree in International and Comparative Law and being ardent in sharpening her knowledge and skills has Management and Leadership certificates from top institutions like Citibank, Columbia University, Harvard Business School, IMD, Wharton etc. She consistently contributes to the development of Corporate Governance in Nigeria specifically participating in the drafting of three Codes including the SEC Code of Corporate Governance (2011) and the Nigerian Code of Corporate Governance (2018). She had been a President of the Institute of Directors and is a Member of the Nigerian Bar Association, International Federation of Women Lawyers (FIDA). She had served in several capacities at the State and Federal government levels. Ms. Molokwu brings over forty years' experience to bear on a portfolio of multi-sectorial Boards and is active on the Board of Dangote Sugar Refinery Plc where she chairs the Governance Committee.

Committee Membership

- Board Governance Committee - Chairperson
- Board Finance Committee
- Board Risk Management & Assurance Committee

MS. MARYAM BASHIR

NON-EXECUTIVE DIRECTOR

PROF. KONYINSOLA AJAYI

NON-EXECUTIVE DIRECTOR

UZOMA NWANKWO

NON-EXECUTIVE DIRECTOR

Ms. Maryam Bashir is a strong achiever with broad experience in finance and investments with particular focus on strategy, business development and bottom-line enhancement. She holds a Bachelor of Science (B.Sc.) Degree in Business Administration from the Ahmadu Bello University, Zaria and an MBA from the University of Jos. She started her banking career in 1985 with the International Merchant Bank (IMB), working in various functions in Credit & Marketing and Operations divisions. In 1992, Ms. Bashir was a member of the leadership team of the investment company that developed the strategy and consummated the acquisition of United Bank for Africa (UBA), the 3rd largest bank in Nigeria at the time. She joined UBA and successively held positions in top management from Assistant General Manager to Executive Director over a period of 10 years. She was a Director at UBA Capital and Trust Limited, a fully owned subsidiary of UBA Plc. Her 10 years work experience at UBA afforded her a unique opportunity to execute at the highest levels of strategy, deal-origination, business development and decision-making. In 2004, Ms. Bashir formed and presently manages (as the CEO) Creditcorp Limited, a consulting and advisory services firm, which provides consulting solutions in the areas of strategy and business development for clientele in the Financial Services Sector and multinationals. She has participated in National assignments including serving as a member of the Federal Government Steering Committee on Solid Minerals (2003–06) and member of the Federal Government Special Task Force on Corporate Governance and Controls in NNPC (2012). Ms. Bashir is the Chairperson of the Board Risk Management & Assurance Committee. She also serves on the Board of companies in the Manufacturing, Technology and Financial services sectors and a founding member of WIMBIZ, a non-profit organization.

Committee Membership

- Board Risk Management & Assurance Committee -Chairperson
- Board Finance Committee
- Board Governance Committee
- Statutory Audit Committee

Prof. Konyinsola Ajayi, SAN is a leading Senior Advocate of Nigeria and the erstwhile Managing Partner of the law firm, Olaniwun Ajayi LP, one of Africa's leading and largest Law Firms. Prof. Ajayi is a trusted Advisor and Lawyer in the fields of Energy & Natural Resources, Infrastructure & Power, Banking & Capital Markets, Privatization, Project Finance, Litigation and Arbitration. He is a highly regarded member of the International Bar Association, the Nigerian Bar Association, and the Nigerian Economic Summit Group. He is Chairman, Nasarawa State Investment & Economic Council, and Chairman, Capital Markets Master Plan Implementation Committee.

Committee Membership

- Board Governance Committee
- Board Risk Management & Assurance Committee
- Board Finance Committee

Uzo Nwankwo holds a Bachelor of Engineering from University of Nigeria, Nsukka, a Master of Engineering from Michigan State University and MBA from University of Michigan, Ann Arbor. Mr. Nwankwo is an accomplished and outstanding financial executive, with over 40 years' experience across several sectors of the economy. In January 2020, he retired from Amni International Petroleum Development Company Limited as Executive Director/Chief Financial Officer after six (6) years of meritorious service, where he re-organized the Finance Department and raised over $1billion for the company's operations. Mr. Nwankwo began his career with Citibank-Citicorp in New York in 1987 as a Management Trainee and rose to become a Vice President in the asset-based finance division of the bank structuring and executing multi-million transactions in the airline, computer and FMCG industries. In 1994 he returned to Nigeria to join Citibank Nigeria as Executive Director, Corporate Banking and was later transferred to Citibank Africa Division in 1997 as Africa Head of Structured and Asset Based Finance in Johannesburg. In 2000 he joined First Bank of Nigeria Plc as Executive Director, Risk and Management Control, and in joined the Dangote Group in 2002 as the Group Executive Director, Corporate Finance and Strategy. Mr. Nwankwo oversaw the unbundling of the Dangote Group business into operating subsidiaries and managed the subsequent listing of the Sugar Refinery, Dangote Cement.

Committee Membership

- Board Finance Committee – Chairman
- Board Governance Committee
- Board Risk Management & Assurance Committee
- Board Technical & Sustainability Committee – Chairman
- Statutory Audit Committee

ABDU DANTATA
NON – EXECUTIVE DIRECTOR

MRS YABAWA LAWAN WABI mni
INDEPENDENT DIRECTOR

HAJIYA MARIYA ALIKO DANGOTE
EXECUTIVE DIRECTOR

Alhaji Abdu Garba Dantata is a Non-Executive Director. He has attended various local and international trainings, including the famous Kellogg School of Management, United States of America. He had served as the Executive Director, Sales and Marketing at Dangote Group, with the responsibility for coordinating the sales and marketing of all the Groups' products. He is currently the Group Executive Director, in charge of Logistics. He is a Fellow of the Nigerian Institute of Shipping.

Committee Membership

- Board Finance Committee
- Board Risk Management & Assurance Committee
- Board Technical & Sustainability Committee

Mrs. Yabawa Lawan Wabi (mni) is an Independent Non-Executive Director of Dangote Sugar Refinery Plc. A graduate of the Ahmadu Bello University, Zaria, and a Fellow of the Association of National Accountants of Nigeria. Mrs. Wabi is a versatile professional with experience in various finance and administrative functions in the public and private sectors. She has served as Permanent Secretary in various Ministries, was a Director of Finance & Accounts at the Ministry of Works & Housing, and Accountant General of Borno State. Also, Mrs. Wabi served as a Minister of Finance of the Federation from 2010 – 2011. She is a Member of the Infrastructure Concession Regulatory Commission and a member of the Board of several companies including Unity Bank Plc, Veritas Kapital Assurance and Veritas Healthcare Ltd. Mrs. Wabi is a member of several Professional Bodies and Associations and has attended many local and international professional training programmes on Leadership, Business Development and Finance.

Committee Membership

- Board Risk Management & Assurance Committee
- Board Finance Committee
- Board Technical & Sustainability Committee

Hajiya Mariya Aliko Dangote is the Executive Director, Operations for Dangote Sugar Refinery Plc. Prior to the announcement on July 2023, she was the Director Strategy/BIP Support with several years' experience in Risk Management and Business Strategy. Mariya holds a Bachelor's degree in law from the Bayero University, Kano, and a Master's Degree in Business Administration from the Coventry University, United Kingdom. She was a Group Strategy Lead, Dangote Industries Limited a position she held until her redeployment to Dangote Sugar Refinery Plc in 2019. Mariya also serves on the Board of Dangote – Peugeot Automobiles Nigeria Limited (DPAN), Dangote Cement Limited and Al–Ummah Development Foundation amongst others. She is a fellow of the National Institute of Credit Administration, has attended many local and international professional training programmes on Leadership, Business Development and Law.

Committee Membership

- Board Technical & Sustainability Committee

MANAGEMENT TEAM

Ravindra Singh Singhvi is the Group Managing Director/CEO of Dangote Sugar Refinery Plc. He has over 43 years of proven experience in leadership positions in Manufacturing and Processes Industry, Sugar, Petrochemicals, Cement, Textiles industries in India. Mr. Singhvi is a Chartered Accountant with background in Company Secretaryship and General Management. He possesses a Bachelor's Degree in B. Com (Hons) from the University of Jodhpur, India. He has extensive stints in the diversified industries and has been successful in turning around several companies financially and operationally. Mr. Singhvi has been holding senior level positions in large and diversified groups rising to the position of Chief Financial Officer, Head of Operations, Executive Director/Managing Director in reputed companies in India. Prior to joining Dangote Sugar Refinery Plc, Mr. Singhvi was the Managing Director & CEO of NSL Sugar Limited, Hyderabad, India. Before NSL Sugar, he was the Managing Director, EID Parry (1) Limited, Chennai, India, one of the top three sugar producing companies and the oldest listed company in India. During his stint as the Managing Director in EID Parry Limited, the company bagged first prize in Corporate Governance awarded by the Confederation of India Industry, a Premier Industry Association in collaboration with the Ministry of Corporate Affairs, Government of India. He was instrumental in completing Power Purchase Agreement of 2,500 megawatts with the Government of Karnataka (India) on behalf of the Sugar Industries of Karnataka which changed the fortunes of the industry. Mr. Singhvi is focused on strategy, business development, improving the company's top and bottom lines. He brings a wealth of experience from Manufacturing Sector.

RAVINDRA SINGH SINGHVI
GMD/CEO

HAJIYA MARIYA ALIKO DANGOTE
Executive Director, Operations

OSCAR MBECHE
Group Chief Finance Officer

CHINNAYA SYLVIAN
Chief Executive DSR Numan

BELLO DAN-MUSA
Group General Manager Operations, DSR Numan

Mariya Aliko Dangote is the Executive Director, Operations for Dangote Sugar Refinery Plc. Prior to the announcement on July 2023, she was the Director Strategy/BIP Support with several years' experience in Risk Management and Business Strategy. Mariya holds a Bachelor's degree in law from the Bayero University, Kano, and a Master's Degree in Business Administration from the Coventry University, United Kingdom. She was a Group Strategy Lead, Dangote Industries Limited a position she held until her redeployment to Dangote Sugar Refinery Plc in 2019. Mariya also serves on the Board of Dangote – Peugeot Automobiles Nigeria Limited (DPAN), Dangote Cement Limited and Al–Ummah Development Foundation amongst others. She is a fellow of the National Institute of Credit Administration, has attended many local and international professional training programmes on Leadership, Business Development and Law.

Oscar Mbeche is the Group Chief Finance Officer of Dangote Sugar Refinery Plc. An astute Finance Executive who is also experienced in Business Development and Organizational Management, with over 30 years work experience, spanning industry sectors of FMCG, Oil & Gas, Hi-Tech, Banking & Finance, Accounting, Auditing, and NGO. Oscar is a proven executive with laudable achievements in Financial Reporting, Governance, Integrated Risk Management, Compliance, Internal Audit, IT, Process Optimization, and Business Development. He trained with PWC and Deloitte and went on to develop a successful career working in 7 industry sectors with private and publicly listed companies, that includes internationally known brand names like Unilever, UDV-Diageo, HSBC, Royal Bank of Scotland, Take Two Interactive, and Petroplus. His international experience includes having worked or managed projects in 25 EMEA countries including Nigeria, Kenya, Switzerland, the UK, France, Germany, Singapore, Australia, India, China and Hong Kong. He was formally, the Group CFO for Philia Group based in Geneva, Dubai, and Singapore; and prior to that he has been Finance Director, Compliance Director, CRO, Internal Audit Director, and CIO for other international companies he worked for in Europe and Asia. Oscar brings to Dangote Sugar Refinery Plc, his wealth of experience in all aspects of Financial Management including Fund Raising, Corporate Finance, Trade Finance, and international Taxation. He is a qualified chartered accountant, and holds an MBA from the University of Oxford, United Kingdom.

Chinnaya Sylvian is the Chief Executive, Dangote Sugar Refinery Plc Numan operations. Chinnaya holds a B.Tech degree in Sugar Engineering, Diploma in Chemical Engineering and Certificate in Sugar Analysis from the University of Mauritius. Chinnaya was a lecturer for engineers in cane sugar manufacture. With over 30 years work experience in the FMCG sector, and management of sugar projects in East and West Africa. He worked for 17 years in four different African countries, 10 years in Cameroun where he managed two sugar farms: Cameroun Societe Sucriere du Cameroun (SOSUCAM 1 & 2) Cameroun; where he was responsible for increasing profitability of the company, as well as raising and developing the local personnel to achieve sustainable manpower in the company. Until his appointment as the Chief Executive of Dangote Sugar Refinery, Numan Operations, Chinnaya was the Factory Manager at Transmara Sugar Company Ltd, in Kenya, East Africa, for 5 years. He is a member of the International Society of Sugarcane Technologists.

Bello Dan-Musa is the Group General Manager Operations, Dangote Sugar Refinery Plc, Numan Operations. He holds a Bachelor's degree in Accounting from Bayero University Kano, and a Master of Science (MSc) in Finance & Accounting from the Ahmadu Bello University, Zaria, Kaduna State. Mr. Dan Musa's experience spans over two decades that cuts across banking, public sector, consulting, real estate manufacturing, and government relations in several local and international organisations. He started his career at the United Bank for Africa (UBA) Plc, as a Business Development Officer in 1997, and later proceeded to the Federal Civil Service Commission (FCSC) as Senior Accountant in year 2000. In 2006, he joined Accenture, an International Management Consulting, IT and Outsourcing company, as a Lead Consultant and Project Manager for many transformation projects for companies in Nigeria, South Africa and several government organisations. In 2013, he became the Pioneer Lead for Accenture Development Partnership (ADP) Practice for Nigeria and West Africa, and led implementation of many development projects between Accenture and Development Partners like the World Bank, USAID, Oxfam, VSO, GAIN, Bill & Melinda Gates Foundation, Cherie Blair Foundation, Aliko Dangote Foundation, Tony Elumelu Foundation, TY Danjuma Foundation etc. In 2014 he joined MHF Properties Ltd., a subsidiary of Dangote Group, as the Chief Operating Officer. In 2016, he was transferred to Dangote Industries Limited as General Manager Stakeholder Management. In 2017, he was deployed to Dangote Industries Ltd, Abuja Regional Office to head Finance, HR, and Administration and subsequently the Head, State Liaison & Project Support Department. Until his deployment to Dangote Sugar Refinery Plc, Numan Operations as Group General Manager Operations in March 2023, Mr. Dan Musa was the Group General Manager Government and Strategic Relations, overseeing the development of Dangote Group Agribusiness in Nigeria, and led technical teams responsible for the establishment of Six Dangote Integrated Rice Mills that are currently at different levels of implementation.

DR. ISIAKA BELLO
Chief Finance Officer

HASSAN SALISU
Group GM Human Resources and Admin

TEMITOPE HASSAN (MRS)
Company Secretary/Legal Adviser

BELLO SADIQ
Head Sales & Marketing

Isiaka Bello is the Chief Finance Officer of Dangote Sugar Refinery Plc. With over 30 years' experience in external auditing and taxation services, internal auditing, financial and management accounting and reporting, budgeting and treasury activities, corporate financial reporting and administration, management consulting/training in finance and strategy in Nigeria, South Africa, and Tanzania. Dr. Bello holds a degree in Business Administration from The Federal Polytechnic Ado-Ekiti and was the best graduating student in the class, a Master of Business Administration degree from the University of Ibadan, and a PhD in Accounting and Taxation from Babcock University, Ogun State. He joined Dangote Industries Limited in 2013 as the Chief Finance Officer of Dangote Packaging Limited, where he worked until his deployment to Dangote Sugar Refinery Plc, as the Chief Finance Officer in June 2023. Prior his joining Dangote Group, Dr. Bello had worked in Audit, the Manufacturing sector at CarnaudMetalBox/Nampak Nigeria Plc, SCOA Nigeria Plc and in Management Consulting at Phillips Consulting. Dr. Bello is a fellow of the Institute of Chartered Accountants of Nigeria (FCA), and the Chartered Institute of Taxation of Nigeria (FCIT), and a Member, Nigerian Institute of Management (MNIM). He has attended various courses in Advanced Management (AMP 19) of The Lagos Business School and is a Certified Management Trainer of the Centre for Management Development, Lagos since 2011.

Hassan Salisu is the General Manager Human Resources & Administration, Dangote Sugar Refinery Plc. He has several years of work experience in Financial Services and Manufacturing. Mr. Salisu holds a BSc. in Business Administration from Ahmadu Bello University, Zaria and MSc in Technology and Development from Olabisi Onabanjo University, Ago- Iwoye in Ogun State. He was GM, Corporate Services at the Bank of Industry (with responsibilities for Human Resources, Administration, Finance & Treasury, and Information Technology) and later GM, Organization Resourcing at Federal Mortgage Bank of Nigeria. Mr. Salisu joined Dangote Industries Limited in 2012 as Head Management Development. He later became the GM Dangote Academy and Group Lead, Learning & Development, a position he held until his redeployment in 2018 to Dangote Sugar Refinery Plc as the GM, Human Resources and Administration. He is a professional member of CIPMN, NIM, NITAD, Fellow, Institute of Management Consultants of Nigeria, and Fellow Institute of Credit Administration.

Temitope is a multi-disciplined Lawyer. She holds a Bachelor degree in Law from the London South Bank University, U.K, a Bachelor degree in Insurance from the University of Lagos, Akoka and a Master degree in Business Administration from the Obafemi Awolowo University, Ile-Ife. She joined Dangote Sugar Refinery Plc in January 2020 as the Company Secretary/Legal Adviser from UBA Pensions Custodian Limited where she was also the Company Secretary/Legal Adviser and previously the Head of the Company Secretariat of Skye Bank Plc (now Polaris Bank Limited). With over 26 years work experience, she has developed valuable cognitive skills and expertise in Legal Advisory & Drafting, Company Secretariat Practice, Dispute Resolution, Corporate Governance Advisory, Investor Relations, Regulatory Compliance and Corporate Services. She has attended several courses overseas and within Nigeria. She has worked in several Law firms including Olaniwun Ajayi LP, and has advised Boards on Governance over the years and has been involved in major transactions such as Mergers and Acquisitions, Schemes of Arrangement and Company Restructures. She is a certified Trainer and an Accredited Mentor of the National Mentoring Pilot Project, UK and a Fellow of the Institute of Chartered Secretaries & Administrators of Nigeria.

Bello Alkali Saddiq is the General Manager Sales & Marketing of Dangote Sugar Refinery Plc. He holds a Master's degree in Marketing, A postgraduate diploma in management from the Bayero University, Kano, and a Higher National Diploma in Business Administration from the Kaduna State Polytechnic, both in Nigeria. Prior to joining Dangote Sugar Refinery Plc, Bello was the Head of Sales and Key Accounts at Lafarge Africa Plc. With over 29 years post work experience, out of which 18 years was in the FMCG sector; sales and project management positions across Multinational companies, where he also facilitated various change programmes. Bello was the pioneer project manager of Unilever Trade Resource Administration. He is a fellow of the National Institute of Marketing of Nigeria and a Fellow of the Institute of Professional Managers and Administration of Nigeria.

CHRIS OKOH
Head Refinery Operations

BABAFEMI GBADEWOLE
Chief Internal Auditor

ITORO UNAAM
Head HSSE/Sustainability

NGOZI NGENE
Head Corporate Affairs

Chris Okoh is the Head, Refinery Operations of Dangote Sugar Refinery Plc. He has over 30years work experience in the Fast Moving Consumer Goods sector of the manufacturing industry in Nigeria. He joined Dangote Sugar Refinery Plc, as the pioneer Lab Chemist in 1999, and has held various positions in Dangote Sugar including Chief Chemist, Head, Quality Assurance & Process Control, and Process Manager, a position he held until his elevation as Ag. Head, Refinery Operations in July 2022. Prior to joining Dangote Sugar Refinery Plc, Chris has worked in Nigerian Breweries Plc as a Technological Analyst. He holds a Master's degree in Chemistry from the University of Ibadan, and a Bachelor of Science degree in Biochemistry of the University of Benin. He is a member of the Institute of Public Analysts of Nigeria and an Associate member, International Society of Sugar Cane Technologists and have attended several local and international courses in cane sugar manufacture and processing.

Femi Gbadewole is the Head of Internal Audit, Dangote Sugar Refinery Plc. He has over 25 years' experience in the Food & Beverage (FMCG) sector, where he worked in various Finance functions across Finance Operations, Planning and Corporate Finance. Mr. Gbadewole was the Head of Internal Audit and Control of Cadbury (West Africa), before he joined Dangote Sugar in October 2020. Mr. Gbadewole holds a Master's degree in Business Administration (MBA) from the University of Ado Ekiti, Ekiti State and a Higher National Diploma (HND) in Accounting from Yaba College of Technology Lagos, both in Nigeria. He is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA) and Associate of Chartered Institute of Taxation of Nigeria (ACIT).

Itoro Unaam is the Head, Health, Safety, Social & Environment/Sustainability for Dangote Sugar Refinery Plc. He has over 25 years work experience in the oil and gas sector in Nigeria and sub–Saharan Africa where he worked in various capacities. Prior to joining Dangote Sugar Refinery on December 14, 2020; he was the Managing Director of Treadsafe Conzults, HSSEQ Manager, Seadrill Africa, HSSE Manager, Seadrill Africa North, Shore Base QHSE Advisor 111, Safety Performance Coach, Offshore HSE Advisor, Transocean – Gulf of Guinea amongst others. Mr. Unaam has BSc. Public Health from the University of Nigeria, MPhil in Environmental Management Rivers State University of Science and Technology, Port Harcourt, and Diploma in General Nursing from St. Margaret School of Nursing, Calabar, Cross River State. He is a professional Health and Safety expert with vast trainings globally and holds membership in the National Institute of Safety Professionals of Nigeria (NISPON), Institute of Occupational Safety and Health (IOSH), and a a Fellow of OSHAssociation United Kingdom.

Ngozi Ifesinachi Ngene is the Head Corporate Affairs of Dangote Sugar Refinery Plc. With over 28 years multi-industry experience in Corporate Communications, PR, Media Relations Management, Sales & Marketing, Journalism, Events Management; in addition to Stakeholder Engagement, Sustainability/Social Impact Management functions in the public and private sectors of the manufacturing and oil & gas industry in Nigeria. Ngozi holds a Master's degree in Public Administration and Post Graduate Diploma Business Administration from the Nnamdi Azikiwe University, Awka, Anambra State. She has a Higher National Diploma in Mass Communication from the Federal Polytechnic, Oko, in Anambra State, and has attended various Conferences, Local and international Training on Reputation Management, Corporate & Strategic Communications, Stakeholders Engagement & Social Impact Management, Leadership and Sustainability. She is a member of the Nigerian Institute of Public Relations and Chartered Institute of Public Relations, London.

AYOKUNLE USHIE
Head Risk Management

Ayokunle Ushie is the Head Risk Management of Dangote Sugar Refinery Plc. He was a Corporate Finance and Risk Management practitioner with several local and international banks. He joined the Dangote Group Risk Management Department in 2016 and subsequently Nascon Allied Industries in 2018 and most recently Dangote Sugar Refinery Plc in 2021. Ayokunle has a bachelor's degree in Geography from the University of Ilorin and a Master's in Business Administration from the University of Nicosia, Cyprus. He is a member of the Institute of Operational Risk (IOR) and an Alumni of the Risk Certification Program of the Global Association of Risk Professionals (GARP). Ayokunle's core experiences are within data mapping, risk modeling (Operational, Credit and Market), estimated loss projections and engineering risk surveys.

GANIYU OLUWAKEMI BAKARE
Head Supply Chain

Ganiyu Oluwakemi Bakare is the Head Supply Chain of Dangote Sugar Refinery Plc, with over 25 years work experience in various sectors of the economy in Audit & Tax Consultancy, Food and Beverage, Secured Telecom Hardware and Plastic and Recycling Manufacturing industries. Prior to his appointment as Head of Supply Chain DSR in November 2022, Ganiyu has held various positions in Papilon Plastics Company Limited PPCL Sango Otta, Ogun State, Altech West Africa Limited, Ilupeju Lagos, Namitech (Altech) West Africa Limited, Ilupeju Lagos, Consolidated Breweries Plc a member of Heineken Inc., and Audit Senior at Layo Sipe & Co.- An Audit and Tax Consultancy Firm. Mr. Bakare holds a Master Business Administration in Management (MBA) from University of Calabar and a Higher National Diploma in Accountancy, from The Federal Polytechnic, Idah, Kogi State. A graduate of Lagos Business School-Specializing in Logistics and Supply Chain Management and London Corporate Training School UK specializing in Procurement, Contract and Negotiations. He is a Chartered member of The Chartered Institute of Logistics and Transportation UK (CILT), Certified Practitioner in Procurement and Logistics (CPPL) of The Institute of Professional Financial Managers - London, Member Chartered Institute of Supply Chain Management MCISM, The Certified Institute of Warehousing and Materials Management MCIWM; and a Fellow of The Institute of Credit Administration (FICA).

ADEREMI ADEPOJU
Head Quality Assurance

Aderemi Adepoju is the Head Quality Assurance of Dangote Sugar Refinery Plc, with over 24 years work experience in Quality Assurance and Control. He was the Special Analysis Chemist before his appointment as the Head Quality Control. Prior to joining Dangote Sugar Refinery Plc Aderemi was a Shift Laboratory Analyst, at Oregun Cocoa Mills Ltd, Oregun Ikeja Lagos. Aderemi holds a Higher National Diploma (HND) in Biochemistry from Yaba College of Technology, Yaba Lagos; a BSc in Accounting from Olabisi Onabanjo University Ago-Iwoye; and a Certified Cane Sugar Refiner from Nicholls State University, Thibodaux Louisiana, USA. He is a Certified Public Analyst in the Federal Republic of Nigeria, a Lead Auditor in EMS ISO 14001:2015, ISO 9001:2015, ISO 17025:2017, FSSC 22000 and ISO 22301.

GODFREY OJO
Head Internal Control

Godfrey Ojo is the Head, Internal Control of Dangote Sugar Refinery Plc with the responsibility of leading the implementation of the company's internal control framework and optimizing the company' internal processes and procedures. He is an accomplished professional with extensive experience spanning the Banking, Consultancy, Public Utilities, Power, and Manufacturing Sectors of the Nigerian Economy. Prior to his appointment as Head, Internal Control in September 2021, he was the Head Internal Audit and Control at Transcorp Power Limited and Transafam Power Plc where he played significant roles in strengthening the companies control environment. He was also the pioneer Fraud Risk Manager at Port Harcourt Electricity Distribution Plc where he laid the foundation and built the structure to combat fraud and significantly reduce financial losses resulting from fraud and fraudulent activities. Godfrey has also held various entry and mid-level management positions in Intercontinental Bank and First Bank of Nigeria Plc respectively. He holds a Master of Science Degree in Financial Engineering from WorldQuant University, New Orleans, Louisiana USA; a BSc in Accounting from Bayero University, Kano-Nigeria, and has attended various training programmes in Governance, Risk and Compliance (G R C) in Nigeria. He is a Fellow of the Institute of Chartered Accountants of Nigerian (ICAN), ab Associate of the Chartered Institute of Bankers of Nigeria (CIBN) and the Chartered Institute of Taxation of Nigeria (CITN). Godfrey is also a member of the Society for Corporate Governance Nigeria (SCGN) and the Global Association of Risk Professionals (GARP), New Jersey USA.

In compliance with the Companies & Allied Matters Act, 2020, the Directors of Dangote Sugar Refinery PLC "DSR" or "The Company" are pleased to present this Report on the affairs of the Company and the Audited Financial Statements for the financial year ended 31st December, 2023.

1 Corporate Structure and Business History

Dangote Sugar Refinery PLC was established in 1999 and commenced its sugar business in the year 2000 as a division within the Dangote Group held through its holding company, Dangote Industries Limited (DIL). Following a strategic decision of DIL to unbundle its various operations, DSR was incorporated as a public limited liability company in 2005. The restructuring was completed in January 2006, following the court sanction of the scheme of arrangement wherein all the assets, liabilities and undertakings of the erstwhile sugar division of DIL were transferred to DSR.

DSR was listed on the Nigerian Stock Exchange (now the Nigerian Exchange Group Plc) in March 2007 following an initial public offering of its shares in 2006. Pursuant to obtaining requisite shareholders and regulatory approvals, on September 1, 2020, DSR completed a Scheme of Arrangement, which successfully effected the merger of DSR and its former subsidiary Savannah Sugar Company Limited. The Company has approximately 103,243 Shareholders with a Shareholders' Fund of almost N80 Billion.

The principal business activity of DSR is the refining of raw sugar to produce fortified and non-fortified granulated white sugar. The Company distributes refined white sugar to consumers and industrial customers in Nigeria. DSR has its Headquarters in Lagos, Nigeria and has an installed capacity of 1.44 million metric tons (MT) per annum with expansion plans in place.

2 Backward Integration Project (BIP)

In alignment with the Federal Government of Nigeria policy guidelines, DSR continues to focus on its Backward Integration Project (BIP) by deploying and reviewing project strategies from time to time. The 10-year sugar development plan to produce 1.5 million MT Sugar per annum from locally grown sugarcane remains a germane roadmap to attainment of the Company's objectives. Currently, the Company is channeling resources towards ongoing BIP in Dangote Taraba Sugar Limited, Dangote Adamawa Sugar Limited and Nasarawa Sugar Company Limited.

In line with the core objective of the National Sugar Master Plan which is for Nigeria to attain self-sufficiency in sugar production, Dangote Sugar is working on enhancing its existing refinery operations in Numan, Adamawa State, as well as developing its greenfield sites at the Nasarawa Sugar Company Project, amongst other sites. The Company intends to achieve 1.5MT annually from locally grown sugarcane.

Furthermore, upon completion of the ongoing refinery upgrade in Numan, this operation is anticipated to generate 32 megawatts of electricity through the installation of new turbines and 2 high-pressure boilers capable of producing 90 tonnes of steam per hour. Additionally, the Company intends to produce ethanol and animal feed from by-products such as molasses and bagasse.

The benefits of the upgrading prospects of energy security improvement from ethanol derived from sugarcane, contribute to the reduction of greenhouse gas emissions as well as strengthen the capacity of sugar production to 9,800 metric tonnes per day.

On 29th June, 2023, Dangote Sugar (Ghana) LTD. was established in Ghana as a subsidiary of the Company in line with the mandate to expand the Company's presence and frontiers across Africa.

3 Share Capital Structure Since Incorporation

Below is a summary of the authorized and issued share capital history of the Company since incorporation.

Year	Authorised (N)		Issued and fully paid (N)		Consideration		
Date	Increase	Cumulative	increase	Cumulative		Cancelled	Cumulative
2004	50,000,000	50,000,000	500,000	500,000	**Cash**		
2006	-	50,000,000	49,500,000	50,000,000	Scheme Shares		
2006	5,950,000,000	6,000,000,000	4,950,000,000	5,000,000,000	Bonus and Stock Split		
2008	-	6,000,000,000	1,000,000,000	6,000,000,000	Bonus		
2020	1,500,000,000	7,500,000,000	73,439,121	6,073,439,121	Scheme Shares	*(1,426,560,879.50)	6,073,439,121

4 Analysis of Shareholding as at 31st December 2023

Range (Units)			No of Holders	Holders %	Holders Cum	Units	Units%	Units Cum
1	-	500	12,017	11.64%	12,017	2,386,704	0.02%	2,386,704
501	-	1,000	22,731	22%	34,748	15,541,482	0.13%	17,928,186
1,001	-	5,000	43,177	42%	77,925	93,024,940	0.77%	110,953,126
5,001	-	10,000	10,131	10%	88,056	71,877,825	0.59%	182,830,951
10,001	-	50,000	11,461	11%	99,517	236,706,125	1.95%	419,537,076
50,001	-	100,000	1,842	2%	101,359	127,515,108	1.05%	547,052,184
100,001	-	500,000	1,453	1%	102,812	285,476,618	2.35%	832,528,802
500,001	-	1,000,000	185	0%	102,997	138,377,946	1.14%	970,906,748
1,000,001	-	5,000,000	173	0%	103,170	346,521,526	2.85%	1,317,428,274
5,000,001	-	10,000,000	32	0%	103,202	212,368,726	1.75%	1,529,797,000
10,000,001	-	50,000,000	28	0%	103,230	605,894,975	4.99%	2,135,691,975
50,000,001	-	100,000,000	7	0%	103,237	585,062,277	4.82%	2,720,754,252
100,000,001	-	1000,000,000	4	0%	103,241	650,582,694	5.36%	3,371,336,946
1,000,000,001	-	5,000,000,000	1	0%	103,242	653,095,014	5.38%	4,024,431,960
5,000,000,001	-	9,000,000,000	1	0%	103,243	8,122,446,281	66.87%	12,146,878,241
	Grand Total		**103,243**	**100%**		**12,146,878,241**	**100%**	

As at December 31, 2023, the 12,146,878,241 Ordinary Shares of N0.50 each in the issued Ordinary Share Capital of DSR were beneficially held as follows:

Shareholder	No. of Ordinary Shares Held	Percentage (%)
Dangote Industries Limited	8,122,446,281	66.87
Alhaji Aliko Dangote	653,095,014	5.38
Other Shareholders	3,371,336,946	27.75
TOTAL	**12,146,878,241**	**100.00**

**Except as stated above, no shareholder holds more than 5% of the issued share capital of the company.*

5 Operating Results

The Group and Company's Results for the year ended December 31, 2023 are set out on page 31 of this Report.
The summarised results are presented below:

	Group 31/12/2023 ₦'000	Group 31/12/2022 ₦'000	Company 31/12/2023 ₦'000	Company 31/12/2022 ₦'000
Gross Profit	86,303,842	91,963,038	86,303,842	91,963,038
(Loss)/Profit before Income Tax	(108,922,106)	82,302,820	(107,161,258)	81,907,076
Taxation	35,161,798	(27,560,686)	35,161,798	(27,560,686)
(Loss)/Profit for the year	(73,760,308)	54,742,134	(71,999,460)	54,346,390
Non-controlling interest	(17,608)	3,957	-	-
(Loss)/Profit attributable to owners of the Parent Company	(73,777,916)	54,738,177	(71,999,460)	54,346,390

As at the date of approval of the Consolidated Financial Statements of the Company, Dangote Sugar Refinery PLC's outlook for 2024 and beyond shows there is no going concern threat to the enterprise.

6 Board of Directors

The following persons served as the Directors of the Company during the period under review:

S/N	Director	Role
1.	Alhaji Aliko Dangote (GCON)	Chairman
2.	Mr. Ravindra Singhvi	Group Managing Director/CEO
3.	Hajiya Mariya Aliko Dangote	Executive Director
4.	Mr. Olakunle Alake	Non-Executive Director
5.	Ms. Bennedikter Molokwu	Non-Executive Director
6.	Prof. Konyinsola Ajayi, SAN	Non-Executive Director
7.	Mr. Uzoma Nwankwo	Non-Executive Director
8.	Alhaji Abdu Dantata	Non-Executive Director
9.	Ms. Maryam Bashir	Non-Executive Director
10.	Mrs. Yabawa Lawan Wabi	Independent Non-Executive Director

The Directors' biographical details appear on pages 97 & 100 of this Report.

7 Appointment of Directors

The Board of Directors made the following appointments during the period:

1. The appointment of Mrs. Yabawa Lawan Wabi (mni) as an Independent Non-Executive Director on the Board of the Company on February 28, 2023. Her appointment was ratified at the Annual General Meeting held on April 14, 2023.
2. The appointment of Ms. Mariya Dangote as Executive Director on July 28, 2023. Her appointment is subject to the ratification of Members at the Annual General Meeting of the Company to receive the Audited Financial Statement for the year ended December 31, 2023.

The Company's Articles of Association, the Board Appointment Policy, the Companies and Allied Matters Act, 2020 and any applicable extant Code and Regulation govern the appointment of Directors.

8 Retirement of Directors

No Director retired from the Company during the year under review and no Director's service contract is not determinable within five years. In accordance with Article Company's Articles of Association, the Directors retiring by rotation are Ms. Bennedikter Molokwu, Ms. Maryam Bashir and Professor Konyinsola Ajayi, SAN, and being eligible, hereby offer themselves for re-election.

9 Directors' Fees

The Directors were paid a total of N20,000,000.00 (Twenty Million Naira) as Directors fees. The Annual Fees for the Non-Executive Directors is proposed at N4million per Director. Only Non-Executive Directors are entitled to Annual fees. A resolution will be proposed to approve the payment of these amounts for the 2024 financial year.

10 Directors Code of Conduct & Ethics

The Company has a code of conduct and ethics for Directors' business which sets out the standards that Directors are expected to adhere to while conducting their fiduciary duties.

11 Corporate Governance

The Board of Directors is committed to continually ensure sustainable long-term success and implementation of corporate governance best practices within the Company. Through its oversight functions, the Board is committed to delivering value to all stakeholders in the Company whilst also driving initiative to actualise the Company's sustainability goals.

The Company is very intentional at ensuring compliance with applicable laws and regulations in Nigeria such as but not limited to the Listing Rules of the Nigerian Exchange Limited, the Securities & Exchange Commission, Corporate Governance Guidelines 2020, the Nigeria Code of Corporate Governance 2018 and any other applicable corporate governance rules promulgated from time to time.

12 Fixed Assets
Details of changes in fixed assets during the year are shown in Note16 to the financial statements. In the opinion of Directors, the market value of the Company's properties is not less than the value shown in the financial statements.

13 Statement of Directors' Responsibilities for Financial Statements
In compliance with the provisions of Sections 377 and 378 of the Companies and Allied Matters Act 2020, the Directors are responsible for the preparation of the Financial Statements which give a true and fair view of the state of affairs of the Group and the profit or loss for the year.

In so doing, the Directors ensure that:
I. Adequate internal control procedures are instituted to safeguard the assets, prevent and detect frauds and other irregularities;
ii. Proper accounting records are maintained;
iii. Applicable accounting standards are adhered to;
iv. Suitable accounting policies are adopted and consistently applied;
v. Judgments and estimates made are reasonable and prudent and;
vi. The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

14 Statement of Affairs
In the opinion of the Directors, the state of the Company's affairs is satisfactory and there has been no material change since the reporting date which would affect the financial statements as presented.

15 Direct and Indirect Interest of Directors
The direct interest of Directors in the issued share capital of the Company as stated in the Register of Directors Shareholding and as notified by the Directors, in compliance with Sections 301 of the Companies and Allied Matters Act (CAMA) 2020 and the listing requirements of the Nigerian Exchange Limited is as follows:

S/N	DIRECTOR	31ST DECEMBER 2023		31ST DECEMBER 2022	
		Direct	Indirect	Direct	Indirect
1.	Alhaji Aliko Dangote (GCON)	653,095,014	Nil	653,095,014	Nil
2.	Mr. Ravindra Singhvi	Nil	Nil	Nil	Nil
3.	Mr. Olakunle Alake	7,194,000	Nil	7,194,000	Nil
4.	Ms. Bennedikter Molokwu	1,483,400	Nil	1,483,400	Nil
5.	Prof. Konyinsola Ajayi, SAN	Nil	Nil	Nil	Nil
6.	Mr. Uzoma Nwankwo	384,692	Nil	384,692	Nil
7.	Mr. Abdu Dantata	1,044,000	Nil	1,044,000	Nil
8.	Ms. Maryam Bashir	Nil	Nil	Nil	Nil
9.	Mrs. Yabawa Lawan Wabi	Nil	Nil	Nil	Nil
10.	Ms. Mariya Aliko Dangote				

16 Directors' Interest in Contracts
In compliance with Section 303 of CAMA, all contracts with related parties during the year were conducted at arm's length. Information relating to related party transactions are contained in Note 35 of the Financial Statements

17 Employment and Employee Relationship
a. Employment and Employees
Dangote Sugar Refinery PLC had a total of 2,956 staff as at December 31, 2023. The Company reviews its employment policy in line with the needs of business, and remains an equal opportunities employer, with policies that prohibit discrimination against gender, race, religion or disability to its existing and potential employees. The Company focuses on attracting and retaining outstanding talents that will add value and ensure that all stipulated high-performance indices are met.

b. Health, Safety, Security and Environment
The Company enforces strict health and safety rules and practices in the work environment. It maintains a high standard of hygiene in all its premises by upholding excellent sanitation practices and regular fumigation exercises, which have been enhanced by the installation of pest and rodent control gadgets. Fire-fighting prevention and drills are carried out periodically, while fire-fighting equipment and alerts have been installed in the offices and plants. In addition, personal protective equipment (PPE) are provided for individual employee to enhance safety measures while at work.

Health, Safety, Security and Environment workshops and other health awareness programs are organized for all employees from time to time to engender a safety culture on an ongoing basis.

The Company operates canteen facilities where fully paid nutritionally balanced meals are provided for staff. The Company maintained a communication line giving regular updates to staff on current health issues relating to diseases including HIV/AIDS, High Blood Pressure and other serious diseases through health talks, health assessments and information sharing.

c. Employee Training and Development
The Company remains consistent in its value proposition on human capital development for improved efficiency whilst maintaining strategic manpower advantage over competition. During the year under review, the Company invested in the training and development of its workforce through in-house and external trainings.

d. Industrial/Employees Relations
The Company places premium on ensuring effective channels of communication with its employees by keeping

them informed on matters affecting them and the performance of the Company. To this end, Management maintains an open-door policy whilst also ensuring accurate and timely dissemination of information through all available communication channels with the Company. The relationship between Management and the in-house employee Unions remains very cordial. Regular dialogue takes place at informal and formal levels, and the Unions help to foster employee motivation and welfare initiatives.

e. Employment of Physically Disabled Persons

Dangote Sugar Refinery PLC is an equal opportunity employer. It acknowledges that physically challenged people can participate in, and contribute to the society in all aspects of life. It provides equal opportunities for disabled persons, ensuring that there is no discrimination against them on recruitment for employment, determination of salaries, promotion and other benefits. The Company also considers of utmost importance, the welfare and rehabilitation of staff members who may unfortunately become disabled during the course of their duties, and ensures that in addition to compensation and rehabilitation by the Company, the Nigeria Social Insurance Trust Fund (NSITF) pays a fair, guaranteed and adequate compensation to employees in case of any injury, disease, disability or death arising out of, or in the course of employment. Currently, there are 15 physically challenged employees in the Company with disabilities such as speech impairment and mobility (limb) impairment.

f. Staff Welfare

The Company has retainership agreement with several private hospitals for its employees' health management. The Company provides subsidy to employees in respect of transportation, lunch, housing and health care. Incentive schemes include awards, bonuses, promotions and salary/wage review. During the period and on a quarterly basis, the best staff in each Department were given Awards of Recognition.

g. Retirement Benefits

In line with the provisions of the Pension Reform Act of 2014, the Company operates the uniform contributory pension scheme for all employees, the scheme is funded by the employees and the Company's contribution of 10% each of the employees' monthly basic, housing and transport allowances, and remitted monthly to the employee's choice of Pension Fund Administrator.

18 Donations and Charitable Gifts

At Dangote Sugar Refinery PLC, we believe our impact in the communities we operate in is as important as our products and the services we render. We are committed to being thoughtful stewards of the environment and empathetic corporate citizen in the communities where we operate. We are passionate about our support for charitable and worthy causes in the areas of education, health, skills acquisition, poverty alleviation and sports amongst others. During the year under review, the beneficiaries of our CSR were as follows:

S/N	BENEFICIARY	AMOUNT
1	Manufacturers Association of Nigeria 20th AGM Sponsorship	20,000,000
2	Ibidunni Ighodalo foundation on Fertility project	5,000,000
3	Federal College of Education (TECH) - Annual Home	400,000
4	Sponsorship of Boyz to Men 2023 Foundation Conference	250,000
5	Sponsorship of Methodist Nursery & Pry School, Apapa and DSR Numan's Staff School 2023 Childrens Day celebration.	2,100,000
6	Maritime Workers 2023 May Day Celebration	100,000
7	Financial Support to Watch Word Shareholder Association	200,000
8	2023 Lagos State Ministry of Agriculture World Food Day Schools Quiz Competition	1,357,014
9	Financial Support to Aba Citizen Shareholders Association	200,000
10	Sponsorship of NSCDC Adamawa State Volleyball team to Nigeria Premier League Finals Tournament	350,000
11	2023 DSR Annual Charity Day	1,000,000
12	DSR NUMAN 1st 100 beneficiary's empowerment scheme skills acquisition programme	25,500,000
13	Construction of Kwapukai Community Primary Health Center	16,000,000
14	Rebuilding of Gundo Community Primary Health Centre, Shelling LGA	7,500,000
15	DSR Numan Primary & Secondary Schools Free Education Scheme	21,900,000
16	Renovation of DSR Numan High School	12,201,057
17	Scholarship for Tertiary & Secondary Schools Students across the five Local Government Areas	7,200,000
18	Medical Treatment Support for members of Libbo Community Shelleng LGA Mass Knife Attack Victims	400,000
19	DSR Numan Secondary Schools Quiz Annual Competition	1,500,000
20	Rehabilitation of 15 boreholes in (Gywana, Shelleng, Demsa, Numan, Guyuk) communities	4,797,979
21	Repair of Bare Community Transformer	850,000
22	Sponsorship of Annual Cultural Festivals in DSR Numan immediate host communities across the 5 LGAs	6,700,000
23	Support For Hama Bachama 3-Years Anniversary	1,000,000
24	Donation to Demsa Turbaning Ceremony	500,000
25	Support Lamurde LGA Chairman's Cup Football Competition	100,000
26	Support For Community Development Activities in DSR Numan 5 Immediate Host Communities	49,500,000
27	DSR Numan 5 Host Communities' Stakeholders Engagement Meetings.	4,300,000
28	Donation of groceries to Orphans and Widows in Tunga	250,000
29	Sustainability Week Feeding Outreach for Street Children (Almajiri) in Tunga and Awe LGA	98,800
30	NSCL Scholarship for Indigent students in the host communities.	7,975,000
31	Rehabilitation of Roads in Tunga, Azara, Ribi and Awe	4,961,250
32	Supply of diesel (AGO) to Tunga's Community	6,261,504
33	Community development support for Tunga project immediate communities.	13,600,000
34	Provision of portable water for Special Force, Tunga and GSS Tunga	1,152,900
35	Ramadan and Sallah hampers to key stakeholders in the immediate host communities	3,266,500
36	Donation of anti-snake venom vials for Tunga Community Clinic	259,000
	TOTAL	**228,731,004**

**No donation was made to any political party or organization.*

19 Post Balance Sheet Events

Refer to note 38 for details of events after the reporting period.

20 Auditor

The Auditors, Messrs. PricewaterhouseCoopers (PwC), have indicated their willingness to continue in office, in accordance with Section 401 of the Companies & Allied Matters Act, 2020. A resolution will be proposed at the Annual General Meeting to authorize the Directors to determine their remuneration.

By Order of the Board

TEMITOPE HASSAN,
Company Secretary/Legal Adviser
FRC/2017/NBA/00000016669
3rd Floor, Greenview Development Nigeria Ltd Building
Terminal "E" NPA Complex, Apapa
Lagos, Nigeria

Dated February 29, 2024

BOARD STRUCTURE & COMPOSITION

The Board of Directors of the Company was composed of the following ten (10) members during the 2023 Financial Year:

Aliko Dangote, GCON
Chairman

Mr. Ravindra Singhvi
Group Managing Director/CEO

Mr. Olakunle Alake
Non-Executive Director

Ms. Bennedikter Molokwu
Non-Executive Director

Prof. Konyinsola Ajayi, SAN
Non-Executive Director

Mr. Uzoma Nwankwo
Non-Executive Director

Alhaji Abdu Dantata
Non-Executive Director

Ms. Maryam Bashir
Non-Executive Director

Mrs Yabawa Lawan Wabi mni
Independent
Non-Executive Director

Hajiya Mariya Aliko Dangote
Executive Director

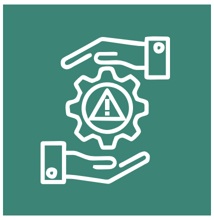
BOARD CHARACTERISTICS & SKILL SETS

Strategy

Industry & Knowledge

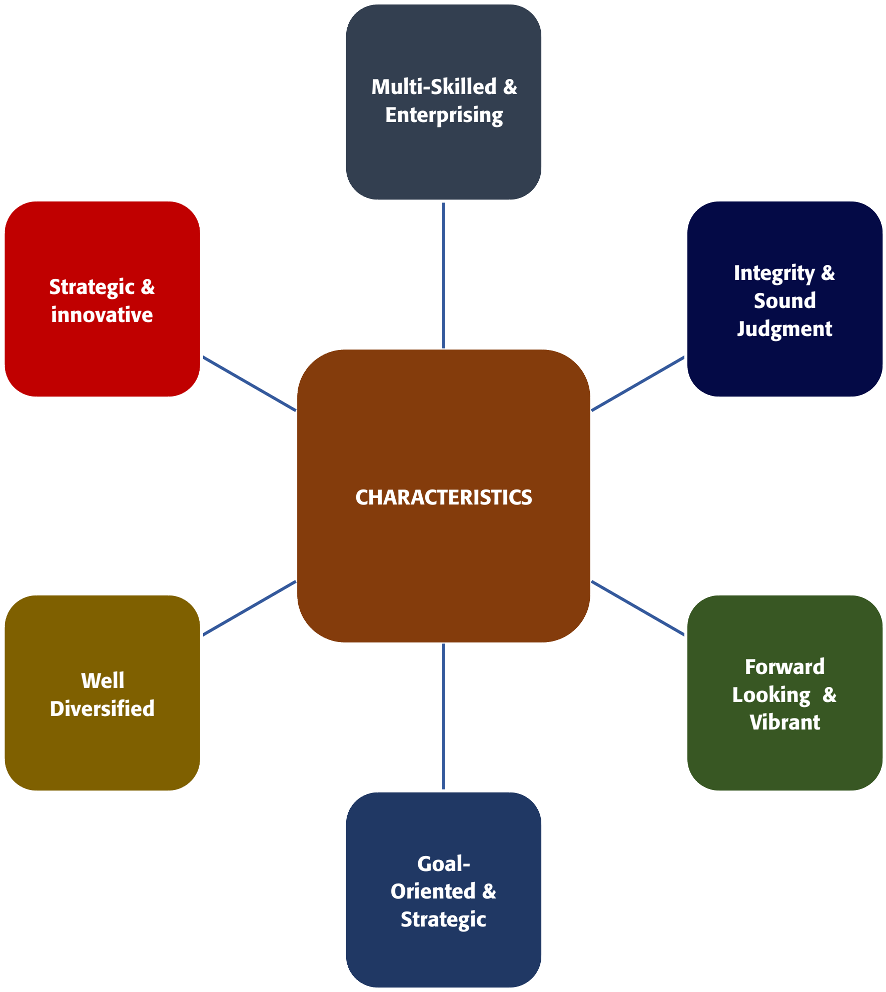
Leadership

Accounting & Finance



Risk Management

Legal, Regulatory & Governance



Changes in the Structure & Composition of Board
The Board exercises leadership, enterprise, integrity and judgment in its oversight and control of the Company. No member has unfettered powers of decision making and there is no cross-membership on the Board of competing companies.

Changes to Board Composition

- Ms. Maryam Bashir retired as an Independent Director on January 31, 2023, having completed her tenure as Independent Non-Executive Director on the Board. She thereafter continued on the Board in the capacity of Non – Executive Director.
- Mrs. Yabawa Lawan Wabi (mni), was appointed as Independent Non-Executive Director on the Board of the Company on February 28, 2023, her appointment was ratified by shareholders at the Annual General Meeting held on April 14th 2023.
- Ms. Mariya Aliko Dangote was appointed as Executive Director on July 28, 2023, subject to the ratification of the Members of the Company at its next General Meeting.

Gender Diversity
The Board achieved significant improvement in its gender balance which improved to 40% female with the addition of two (2) female directors.

Disclosure on the Attainment of 70 years- Ms. Bennedikter Molokwu attained the age of 70 years on January 31, 2024.

The Roles & Responsibilities of the Board
The Board is the highest governing body in the Company with oversight of the strategic goals of the Company. The Board considers the long-term and short-term strategies of the Company and monitors the implementation by Management.

The primary responsibilities of the Board are the performance, oversight of affairs and direction of the Company. It is responsible for defining the Company's strategic goals and deploying the relevant personnel for the attainment of these goals. In addition, the Board has supervisory oversight in ensuring that the Company's affairs are run in compliance with the law, its Articles of Association and principles of good corporate governance.

The Board defines the vision, goals, objectives and strategic priorities of the Company, monitors the integrity of financial and internal control policies and management information systems. It presents the audited financial statements to the Shareholders and ensures the accuracy and efficiency of the accounting and financial management.

THE ROLES OF THE OFFICERS OF THE BOARD

CHAIRMAN

Aliko Dangote (GCON)

The Chairman provides overall leadership and direction to the Board. His primary responsibility is to ensure effective operation of the Board such that it works towards achieving the Company's strategic objectives and enhancing shareholder value.

GROUP MANAGING DIRECTOR/CEO

Ravindra Singhvi

The Group Managing Director/CEO is the Head of Management and is responsible for the day-to-day operations of the Company. He has a broad understanding of the Company's business and delegates duties to Management and Management Committees to ensure the achievement of the Company's goals and strategic objectives.

COMPANY SECRETARY

Temitope Hassan (FCIS)

The Company Secretary is accountable to the Board as a whole and advises the Board through the Chairman and the Group Managing Director on all matters of governance and ethics, including their duties and responsibilities.

THE ROLE OF THE NED, INED & ED

INDEPENDENT NON-EXECUTIVE DIRECTOR (INED)

- The Independent Director provides objective and independent advice and guidance to the Board on various issues, and ensures that the interests of all stakeholders, including those of minority shareholders, are well considered in decisions taken by the Board.

NON-EXECUTIVE DIRECTOR (NED)

- The Non-Executive Directors bring to bear their knowledge and expertise on issues of strategy and performance on the Board.
  The Non-Executive Directors are not involved in the day-to-day management of the Company, but have unfettered access to the Company Secretary, the Internal Auditor, and other senior Management Staff.

EXECUTIVE DIRECTOR (ED)

- Executive Directors support the Chief Executive Officer in the operations and management of the Company.
  Executive Directors have a broad understanding of the Company's business in addition to having the requisite skills, knowledge, experience and qualification required for their specific roles and responsibilities.

Appointment to the Board

The Board Governance Committee (BGC) has the primary responsibility for initiating Board appointments. The criteria for the appointment of members to the Board are laid down in the Board Succession Planning and Board Appointment Policies which is through a formal, transparent and rigorous process.

New members to the Board are selected based on their wealth of experience, relevant leadership skills, and competence amongst others. The process of Board appointments is well defined and helps to ensure continuity in the operations of the Company thereby enhancing stakeholders' confidence. The process is concluded when the nominees are duly approved by Shareholders at the Annual General Meeting.

Induction of New Board Members

The Company has in place a robust Induction and Onboarding Programme to familiarize newly appointed Directors with their role, duties and responsibilities; the Company's business and operations; and the nature of the sugar refinery industry amongst others. The Induction programme includes meetings with key officers of the Company, and a tour of the Refinery, Backward Integration Project sites, and the Subsidiaries. Newly appointed Directors are also provided with a library of useful reports, policies, and relevant extant laws and regulations amongst others to help them in their new roles.

The Board Induction and Tour for the new Directors, Mrs. Yabawa Wabi Lawan and Ms. Mariya Dangote held during the period.

Some of the highlights of the Induction were the GMD's presentation focused on the history of the Company and an overview of the Business environment, the Company's short-term and long-term strategic plan, a presentation by the Chairman of the Board Governance Committee, titled 'About DSR Board – Personal Experience', which bordered on Meetings modalities and requisite skills for Board relationship management. Critical Office Holder of the Management Team made brief presentations to intimate the new Directors of their areas of operations - Finance, Human Resources & Admin, Refinery Operations, Sales & Marketing and Health, Safety, Sustainability & Environment and Company Secretariat & Legal Department. The Company Secretary concluded with a presentation on the topic 'Roles and Responsibilities of Directors' to refresh the knowledge of the Directors.

The Directors in the company of the Management Team led by the GMD and GM, Refinery Operations took a tour of the Refinery to critical areas, such as Utilities, WTP, Boilers, VHP storage, pre-melting, Power-House,Taloclarification, Laboratory, Centrifugal Station amongst others. The directors had the opportunity to observe the condition of the equipment and facility as a whole, to understand the processing of the Sugar from the raw Sugar stage to finished product, bagged and conveyed into waiting trucks. They also had the opportunity to speak with the factory staff, and examine the sugar.

Establishment of the Board Technical & Sustainability Committee

Dangote Sugar Refinery Plc. prioritises sustainability as an ethical and responsible corporate citizen. In furtherance of this, it approved the establishment of the Board Technical and Sustainability Committee to have oversight of the operations of the Company in areas such as Production, Transportation and Logistics, Environment, Social & Governance' (ESG) and Health, Safety, Security & Environment (HSSE), and implementation and monitoring of ongoing Projects.

The Board of Directors view sustainability as an essential part of facing current and future global challenges. Below is the composition of the Committee:

S/N	NAMES	
1	Mr. Uzoma Nwankwo	Chairman
2	Alhaji Abdu Dantata	Member
3	Mr. Olakunle Alake	Member
4	Mrs. Yabawa Lawan Wabi (mni)	Member
5	Mr. Ravindra Singhvi	Member
6	Hajiya Mariya Aliko Dangote	Member

Board Training & Retreat

A Board Training was facilitated by Messrs. Ernst & Young (EY) during the period. The Training was to upskill the Board of Directors on areas identified during the FY 2022 Board Evaluation. The Training comprised of five (5) modules, which were Strategic Leadership and Optimizing Board Effectiveness, the Sugar Industry, Opportunities and Priorities for DSR, the Role of the Board and Executive Management in Risk Management & Compliance, Date Protection & Cyber Security, and the Concept of ESG and the role of Governance in ESG.

The training was informative, interactive and engaging. EY's methodology involved the use of theories, ice-breakers, practical scenarios and the assessment of Participants ideologies and understanding of the topics by matrixes, case studies and discussions.

The Board Retreat was planned for members to explore emerging issues, address concerns, set goals and priorities, and develop a cohesive Board. The focus of the Board Retreat was:

- Strategy for Achieving the 2024 FY Budget & BIP Targets
- BIP Strategy Implementation Plan (Update on Improved Mechanism)

Other subjects discussed were International financing, options for raising debt/ financing in Africa in the present volatile FX markets,Trade and Currency Management, and Risk Management to cover volatility including hedging in soft commodity trading to mitigate global price fluctuations.

At the Retreat, the Chairman reinstated his commitment to stakeholders to develop value; and was confident that the Company's ambitious targets would be achieved through quality leadership of members, their wealth of experience and commitment to sustainability.

Announcement of the Proposed Merger of Dangote Sugar Refinery Plc., NASCON Allied Industries Plc. and Dangote Rice

On July 31st, 2023, Dangote Sugar Refinery Plc notified the Nigerian Exchange Limited and the investing public that the Board of Directors of the Company resolved to recommend the proposed merger between the Company, NASCON Allied Industries Plc and Dangote Rice Limited to the Shareholders of the Company for consideration and approval, subject to parties agreeing terms and conditions.

It stated that the proposed merger will be an internal restructuring executed through a Scheme of Merger ("Scheme"), under Section 711 of the Companies & Allied Matters Act, 2020 (as amended) and other applicable rules and regulations. The Company will apply for the Securities and Exchange Commission's approval of the Scheme, and other requisite approvals. The Scheme is also subject to the approval of the Shareholders of the Merging Entities at the respective Court-Ordered Meetings of the companies, as well as the sanction of the Federal High Court.

Benefits of the Scheme

It is expected that the Transaction will consolidate and solidify the Group's market position and ultimately reposition the Group to harness future opportunities in the foods industry. Further details will be communicated to the market upon relevant approvals being obtained from Shareholders and Regulators. Shareholders of the Company are advised to exercise caution when dealing with the shares of the Company until a further announcement is made.

About NASCON Allied Industries Plc

NASCON, formerly known as National Salt Company of Nigeria, was incorporated in 1973 as a salt refinery to address the identified need for Nigeria's self-sufficiency in the production of salt. It was listed on the Nigerian Stock Exchange in 1992 and acquired by Dangote Industries Limited in 2007. NASCON has a wide variety of products which it manufactures and offers to consumers, including salt retail packs sold under the brand name Dangote Refined Salt as well as Seasoning under the brand name of Dangote Classic Seasoning.

About Dangote Rice Limited

Dangote Rice Limited was incorporated in 2014 and is a subsidiary of Dangote Industries Limited. It is in the business of creating rice processing facilities across the country, along various models to satisfy its paddy rice needs, customised to each catchment area's situation.

Scheme Consideration

Eleven (11) ordinary shares of 50 Kobo each in DSR, credited as fully paid-up shares, for every Twelve (12) NASCON shares of 50 Kobo each, which totals 2,428,651,847 new ordinary shares of DSR; and Fourteen (14) ordinary shares of 50 Kobo each in DSR, credited as fully paid-up shares, for every one (1) ordinary shares of N1.00 Kobo each in DRL share, which totals 2,775,792,508 new ordinary shares of DSR.

The Annual General Meeting of the Company

The Annual General Meeting (AGM) to consider the Annual Report and the Financial Statements for the year ended December 31, 2022 was held on April 14, 2023 at the Eko Hotel and Suites, Victoria Island, Lagos.

The Meeting was very well attended by Shareholders and representatives of the Securities & Exchange Commission (SEC), Corporate Affairs Commission (CAC), The Nigerian Exchange Limited (NGX) and the Financial Reporting Council (FRC). The Chairman of the Statutory Audit Committee and other members of the Committee were present.

The Meeting was streamed live to enable shareholders and other stakeholders who were unable to physically attend the meetings to follow the proceedings. The link for the live streaming of the Meeting was made available on the Company's website 48 hours before the meeting.

At the AGM, seven (7) items were proposed - 6 Ordinary and 1 Special Business and all resolutions were passed, and the necessary post-AGM filings completed within time.

Shareholder's Rights & Investor Relations

General Meetings are important platforms for the Board to engage shareholders to facilitate greater understanding of the Company's business, governance and performance.

The AGM was conducted in the best manner possible. Shareholders were encouraged to send their comments and questions to the Company Secretary ahead of the AGM, and responses were provided to every question received.

The AGM was conducted in an open manner and sufficient time was allocated to shareholders present as they participated fully and contributed effectively at the Meeting. The venue of the Meeting was accessible to shareholders, and the Notice of Meeting was published on March 15, 2023 in two (2) leading newspapers more than 21 days before the Meeting. Copies of the Annual Reports, Audited Financial Statements and all other information pertaining to the resolutions to be voted upon; including voting or proxy instructions and relevant papers were dispatched to shareholders along with the Notice of Meeting. All relevant information about the Meeting and the Audited Financial Statements were also hoisted on the Company's website and published on the Issuers' Portal of the NGX.

The Board ensures that dealings of the Company with Shareholder Associations are transparent and in the best interest of the Company and that all Shareholders are treated fairly and equitably, and adequate information is provided to facilitate their investment decisions.

Investor Relations

The Company publishes investor newsletters and its annual results, and interim results on its website at www.sugar.dangote.com Other relevant investor information such as questions about shareholding or share certificates, (including the replacement of lost certificates or the consolidation of several certificates into one), or guidance to notify a change of address or to mandate dividend) are provided by the Company's Investor Relations Team. Investors are encouraged to send emails to InvestorRelationsDSR@dangote.com or contact our Registrars for answers to their enquiries.

Adoption of IFRS Sustainability Disclosure Standards

Following Nigeria's early adoption of IFRS Sustainability Disclosure Standards and subsequent inauguration of an Adoption Readiness Working Group (ARWG) on sustainability reporting, the Financial Reporting Council (FRC) of Nigeria has developed a Roadmap Report for Adoption of IFRS Sustainability Disclosure Standards in Nigeria

At Dangote Sugar Refinery, we have put in place the necessary structures to commence the Sustainability reporting once the standards are confirmed.

Update on Compliance within the Internal Control over Financial Reporting (S.60-63 of the Investment & Securities Act (ISA) 2007

The Directors and Reporting Officers are required to implement relevant internal controls over financial reporting, and Auditors are required to review the same and issue a statement on the existence, adequacy and effectiveness or otherwise.

The Company has fully complied with the requirements of S.60-63 of the Investment & Securities Act (ISA) 2007 as it relates to 2023 Financial Year End. Evidence of the Tests of Control Design and Operating Effectiveness for all the Financial Statement Line Items (FSLIs) together with relevant working papers and process documentations have been validated.

Conflict of Interest & Insider Related Transactions

The Board has a policy of openness and transparency. Conflict of Interest situations are well addressed by the Conflict of Interest and Related Party Transaction Policy. Insiders are precluded from buying and selling any security in breach of their fiduciary duty and other relationship of trust and confidence while in possession of material, privileged, non-public and price-sensitive information about the Company.

- The Company's 'Closed Periods' are triggered in compliance with the Rules of the Nigerian Exchange Limited.
- Insiders are precluded from engaging in unlawful or improper transfers of assets and profits for their personal benefits or for the benefit of related parties.
- Disclosure of all transactions between related parties, (natural persons or company) are made to the Board, and controls triggered to ensure that the transactions are carried out at arms-length and on normal market terms.

Whistle Blowing Policy

The Company has an effective whistle-blowing framework pursuant to which its employees and stakeholders can raise their concerns relating to any illegality or unethical behavior, fraud, malpractice or any other activity or event which is against the interest of the Company or society as a whole. The Statutory Audit Committee at its quarterly meetings reviews the whistle-blowing reports and procedure in line with the approved Whistle-Blowing Policy.

The whistle-blowing facility is managed by an independent Ethics Line Provider, Messrs. KPMG and has the assurance of confidentiality which is required to protect the identity and interest of the Whistle-blower. The Board ensures that the Whistle-blower is not subject to any detriment on the grounds of the disclosure made in good faith.

Information on the whistle blowing procedure is available to staff and stakeholders and is published in conspicuous places in the Company's premises and circulated to staff online via the Company's intranet.

Code of Conduct & Ethics

The Company's Code of Business Conduct and Ethics commits the Board, Management, employees, contractors, suppliers and the Company's controlled entities to the highest standards of professional and ethical behaviour, business conduct and sustainable business practices.

The Board is responsible for monitoring adherence to the Code of Business Conduct and Ethics to ensure that breaches are effectively sanctioned. The Directors annually attest to the Code of Conduct for Directors and the Anti-Bribery & Corruption Policy which has a zero tolerance for all forms of fraud including but not limited to bribery and corruption, asset misappropriation and financial statements fraud.

Commitment to Reducing Gender Gaps

The Company concluded the two-and-a-half-year program - the Nigeria2Equal Gender Program implemented by the International Finance Corporation (IFC), the private sector arm of the World Bank, in partnership with The Nigerian Exchange Limited (NGX). The Program was the first multi-stakeholder country project focused on reducing gender gaps across leadership, employment, and entrepreneurship in the Nigerian private sector companies.

In collaboration with the Dangote Group, the Company took significant strides in promoting women's leadership and employment, promoting women's entrepreneurship, supporting the education of the girl-child, and promoting gender equity,

Annual Board Evaluation & Corporate Governance Evaluation

The Board is required to establish a system to undertake a formal and rigorous evaluation of its own performance, that of its Committees, and individual Directors as well as a review of its Corporate Governance practices annually. The aim of the assessment is to provide the Board with the opportunity to reflect and obtain feedback on its performance.

In line with the provisions of the Nigerian Code of Corporate Governance 2018 (NCCG), the Company conducted its

Board and Corporate Governance Evaluation for the year ended December 31, 2023 internally.

Our Approach to Sustainability
The Company adopted a total of six (6) Sustainable Development Goals and launched a 3-year Sustainability Implementation & Performance Enhancement Roadmap for 2021-2023. The baseline year (2020) was for setting up building blocks for the Company's sustainability vision while the Year 1 (2021) was for solidifying the sustainability vision. The Year 2 (2022) was for entrenching the company's vision while the Year 3 (2023) was for consolidating the Sustainability journey by embracing five (5) of the United Nation's Sustainable Development Goals.

In 2023, alongside science-based targets on greenhouse gas (GHG) emissions, DSR further consolidated its journey with intense focus on Sustainable Supply Chain. This led to a review of internal processes, including agricultural practices, to identify opportunities for refining those processes to entrench sustainable culture within both upstream and downstream supply chains. To remain aligned with current and advanced global practices, DSR secured the membership of Bonsucro, an international, independent verifier of sustainable agricultural practices

We are happy to inform stakeholders that DSR is the first organization in Nigeria to be admitted to Bonsucro. This membership is expected to position the Company as an organization certified in sugar production based entirely on sustainable agricultural processes.

Board Meetings
The Board of Directors held six (6) meetings during the period. At Board meetings, the Board received reports on the implementation of its strategic initiatives and the financial performance of the Company and its subsidiaries and other matters for the Board's notification and/or approval. The agenda for each meeting and the supporting Board papers are sent to Directors at least seven (7) days before the meeting to give them sufficient time to review the Papers and request for additional information, where necessary Directors had access to Management through the Company Secretariat and obtained independent advice from Consultants at the expense of the Company where required.

At the commencement of the year, Board Members attested to their compliance with the various governance codes and policies and provided information on their interest on other Boards as well as information on relevant changes.

BOARD OF DIRECTORS MEETINGS ATTENDANCE (6 MEETINGS)

S/N	DIRECTORS	ATTENDANCE						
		Feb 28	April 27	July 28	Aug 29	Oct 27	Dec 14	%
1	Alhaji Aliko Dangote, GCON (Chairman)	√	√	√	√	√	√	100
2	Mr. Ravindra Singhvi	√	√	√	√	√	√	100
3	Mr. Olakunle Alake	√	√	√	√	√	√	100
4	Alhaji Abdu Dantata	√	√	√	√	√	√	100
5	Ms. Bennedikter Molokwu	√	√	√	√	√	√	100
6	Ms. Maryam Bashir	√	√	√	√	√	√	100
7	Prof. Konyinsola Ajayi, SAN	√	√	√	√	√	√	100
8	Mr. Uzoma Nwankwo	√	√	√	√	√	√	100
9	Mrs. Yabawa Lawan Wabi (mni)	*	√	√	√	√	√	100
10	Hajiya Mariya Aliko Dangote	*	*	*	√	√	√	100

*Mrs. Yabawa Lawan Wabi was appointed to the Board on February 28, 2023.
*Ms. Mariya Aliko-Dangote was appointed to the Board on July 28, 2023.

Board Committees
The Committees of the Board as at December 31, 2023 were as follows:
- Board Governance Committee
- Board Finance Committee
- Board Risk Management & Assurance Committee
- Board Technical & Sustainability Committee

BOARD GOVERNANCE COMMITTEE (BGC)

The primary purpose of the Board Governance Committee is to exercise oversight on all governance matters and to ensure that the procedures for appointments to the Board are formal and transparent.

During the period, the Committee carried out its role and duties including oversight of governance matters, policies and practices, and oversight of the human resources strategy amongst others. The Committee initiated the appointment process of two directors, reviewed new laws impacting governance practices and reviewed several governance policies. amongst others. At each meeting of the Committee, the Company's compliance with governance codes and best practices was reviewed. The main functions of the Committee are as follows:

Ensures that a Succession Plan/Policy exist for critical roles on the Board, Senior Executives of the Company and its subsidiary companies Executive Management.

Reviews the structure, size and composition of the Board annually, and makes recommendations on proposed changes.

Advises the Board on staff welfare matters in accordance with relevant laws and regulations.

Ensures that periodic evaluation of the Board and the Company's corporate governance practices is conducted.

Ensures that the Company has a formal programme for the induction and training of Directors.

Establishes an effective system for monitoring compliance with the various corporate governance codes and practices.

The schedule of the composition of the Committee and meeting attendance is as follows:

BOARD GOVERNANCE COMMITTEE COMPOSITION & MEETING ATTENDANCE (4 MEETINGS)

S/N	DIRECTORS	ATTENDANCE				
		Feb 21	April 18	July 11	Oct 13	%
1	Ms. Bennedikter Molokwu (Chairman)	√	√	√	√	100
2	Prof. Konyinsola Ajayi (SAN)	√	√	√	√	100
3	Mr. Uzoma Nwankwo	√	√	√	√	100
4	Ms. Maryam Bashir	√	√	√	√	100
5	Mr. Olakunle Alake	√	√	√	√	100

BOARD FINANCE COMMITTEE (BFC)

The Board Finance Committee is established to assist the Board in fulfilling its oversight responsibilities with respect to strategic, financial and corporate development matters. The Committee's key performance indicators include monitoring capital projects, capital expenditures and the Company's major investments and subsidiaries. During the year, the Committee extensively reviewed the Backward Integration Projects and the on-going expansions projects and monitored the Capital Expenditure Budget to ensure efficient deployment of resources. The Committee's major terms of reference include the following:

Reviews the Company's financial policies, capital structure, matters affecting the capital like mergers and acquisitions.

Monitors the Company's financial performance against set targets.

Recommends strategic projects to the Board.

Monitors the financial performance of the Company's Subsidiaries of major projects.

Reviewing the financial and business plan of the Company.

Developing alternative strategies to improve funding and ensuring a balance between strategic priorities and resource availability.

The schedule of the composition of the Committee and meeting attendance is as follows:

BOARD FINANCE COMMITTEE COMPOSITION & MEETING ATTENDANCE (5 MEETINGS)

S/N	DIRECTORS	ATTENDANCE					
		Feb 23	April 26	July 26	Oct 24	Dec 14	%
1	Mr. Uzoma Nwankwo (Chairman)	√	√	√	√	√	100
2	Ms. Bennedikter Molokwu	√	√	√	√	√	100
3	Mr. Olakunle Alake	√	√	√	√	√	100
4	Alhaji Abdu Dantata	√	√	√	√	√	100
5	Ms. Maryam Bashir	√	√	√	√	√	100
6	Mr. Ravindra Singhvi	√	√	√	√	√	100
7	Prof. Konyinsola Ajayi, SAN	√	√	√	√	√	100
8	Mrs. Yabawa Lawan Wabi (mni)	*	*	√	√	√	100

* Mrs. Yabawa Lawan Wabi was admitted to the Board Finance Committee on April 27, 2023

BOARD RISK MANAGEMENT & ASSURANCE COMMITTEE (BRMAC)

The Board Risk Management and Assurance Committee is established to ensure oversight by the Board of Directors regarding the risk appetite and risk tolerance levels of the Company and provide assurance of the process and system of internal control.

During the period, the Committee reviewed the Risk Management, Internal Audit and Legal Risk Reports and monitored the implementation of the key recommendations of the external Auditors. It approved the Audit Plan and requested Management to conduct special reviews where required.

The Committee's major terms of reference include the following:

- Review of the effectiveness of the Risk Management framework and ensuring that appropriate controls are in place to address identified risks.
- Monitor the effectiveness of the Internal Audit and Internal Control and assess the qualifications and independence of the external auditors.
- Ensure the preparation, completeness, accuracy of financial statements and proper disclosure of financial information.
- Review significant accounting and reporting issues, proposed adjustments and areas of judgment.
- Review of the Company's compliance with applicable laws and regulatory requirements.
- Review the Company's IT data governance framework & legal risks.

BOARD RISK MANAGEMENT & ASSURANCE COMMITTEE - COMPOSITION & MEETINGS (4 MEETINGS)

S/N	DIRECTORS	ATTENDANCE				
		Feb 23	April 26	July 26	Oct 25	%
1	Ms. Maryam Bashir (Chairman)	√	√	√	√	100
2	Mr. Uzoma Nwankwo	√	√	√	√	100
3	Ms. Bennedikter Molokwu	√	√	√	√	100
4	Mr. Olakunle Alake	√	√	√	√	100
5	Prof. Konyinsola Ajayi, SAN	√	√	√	√	100
6	Alhaji Abdu Dantata	√	√	√	√	100
7	Mrs. Yabawa Lawan Wabi (mni)	*	*	√	√	100

* Mrs. Yabawa Lawan Wabi was admitted to the Board Risk Management & Assurance Committee on April 27, 2023

STATUTORY AUDIT COMMITTEE (SAC)

The Statutory Audit Committee was established in accordance with the provisions of the Companies & Allied Matters Act 2000 (CAMA) and its functions are as prescribed under Section 404(7) of the Act. The Statutory Audit Committee has responsibility for the following:

1. Ascertain whether the accounting and reporting policies of the Company are in accordance with the legal requirements and agreed ethical practices.
2. Review the scope and planning of audit requirements
3. Review the findings on management matters in conjunction with the external auditors and Management responses thereon.
4. Keep under review the effectiveness of the Company's system of accounting and internal control.
5. Make recommendations to the Board in regard to the appointment, removal and remuneration of the external auditors of the Company.
6. Authorize the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern to the Committee.

The Committee is composed of two (2) Non-Executive Directors and three (3) Ordinary Shareholders elected at the Company's Annual General Meeting in line with CAMA. The Chairman of the Committee is an Ordinary Shareholder.

In line with S.11.4.8 of the Nigerian Code of Corporate Governance 2018, the Statutory Audit Committee invited the External Auditors and the Head of Internal Audit for discussions (without the presence of Management), to facilitate an exchange of views and concerns that may not be appropriate for open discussion. The exchange was useful for the Committee's oversight role.

The Securities & Exchange Commission in collaboration with its Training Institute, the Nigerian Capital markets Institute (NCMI) organized a Workshop on Internal Controls over Financial Reporting (ICFR) for public companies Audit Committee members and other critical office holders in September 2023. The Workshop provided the Audit Committees with the context and background for internal controls, an understanding of the components of the ICFR Framework for compliance by December 31, 2023.

In furtherance of continuous capacity building, the members of the Audit Committee attended the Training.

STATUTORY AUDIT COMMITTEE- COMPOSITION & MEETINGS ATTENDANCE (4 MEETINGS)

S/N	MEMBERS	ATTENDANCE				
		Feb 25	April 22	July 22	Oct 24	%
1	Mr. Olusegun Olusanya (Chairman)	√	√	*	√	75
2	Hadjia Muheebat Dankaka	√	*	√	√	75
3	Mallam Dahiru Ado	√	√	√	√	100
4	Mr. Uzoma Nwankwo	√	√	√	√	100
5	Ms. Maryam Bashir	√	√	√	√	100

Remuneration of Directors

The Board ensures that the Company remunerates fairly, responsibly, and transparently in line with its Remuneration Policy. Only Non-Executive Directors are paid Annual Fees as well as Sitting Allowances for attendance at Board and Committee meetings, they are however not entitled to be paid any performance- based compensation. The schedule of Annual Fees and Sitting Allowances payable to Non-Executive Directors for the year ended December 31, 2023 is as follows:

S/N	ANNUAL FEES	₦
1	Non-Executive Directors	4,000,000
2	Independent Non-Executive Directors	4,000,000

S/N	SITTING ALLOWANCES	₦
1	Board of Director's Meetings (for NEDs)	400,000
2	Board Committee Meetings (for NEDs)	400,000

Statement on Compliance with the Securities & Exchange Commission's Code of Corporate Governance for Public Companies, 2011 & Nigerian Code of Corporate Governance 2018

The Directors are responsible for ensuring compliance with the extant Codes of Corporate Governance. The Board has reviewed both the Nigerian Code of Corporate Governance 2018 and the Securities & Exchange Commissions' Code of Corporate Governance for Public Companies 2011 and is satisfied that the Company has achieved significant improvement in its compliance with their provisions.

The Board will continue to closely monitor the Company's compliance with best governance practices with a view to improving its governance practices.

We are pleased to inform our esteemed stakeholders that during the period, there were no regulatory sanctions, fines or penalties on the Company.

By Order of the Board

TEMITOPE HASSAN,
Company Secretary/Legal Adviser
FRC/2017/NBA/00000016669
3rd Floor, Greenview Development Nigeria Ltd Building
Terminal "E" NPA Complex, Apapa
Lagos, Nigeria

Dated February 29, 2024

04.

Financial Statements

REPORT OF THE AUDIT COMMITTEE

To the Members of Dangote Sugar Refinery PLC,

In compliance with Section 404(7) of the Companies and Allied Matters Act, 2020 , we have reviewed the consolidated and separate Financial Statements of Dangote Sugar Refinery PLC for the year ended 31st December, 2023 and hereby state as follows:

1. We have exercised our statutory functions under Section 404(7) of the Companies and Allied Matters Act, 2020;
2. We deliberated with the external Auditors, who confirmed that necessary cooperation was received from Management in the course of their statutory audit and we are satisfied with Management's responses on the Auditors' Memorandum of recommendations, and with the effectiveness of the Company's system of accounting and internal control;
3. The accounting and reporting policies of the Company for the year ended 31st December, 2023 are in accordance with legal requirements and agreed ethical practices, and the scope and planning of both the external and internal audits were adequate in our opinion; and
4. In our opinion, the scope and planning of the audit for the year ended 31st December, 2023 were adequate, and the Management Responses to the Auditors' findings were satisfactory.

Mr. Olusegun Olusanya
Chairman, Audit Committee
FRC/2018/ICAN/00000018192

Dated this 29th Day of February, 2024

Members of the Audit Committee are:

1	Mr. Olusegun Olusanya	– Chairman/Shareholder
2	Mallam Dahiru Ado	– Shareholder
3	Hadjia Muheebat Dankaka (OON)	– Shareholder
4	Ms Maryam Bashir	– Independent Non-Executive Director
5	Mr. Uzoma Nwankwo	– Non-Executive Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies and Allied Matters Act, 2020 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Group and Company at the end of the year and of their profit or loss. The responsibilities include ensuring that the Group.

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and Company and comply with the requirements of the Companies and Allied Matters Act;
b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other regularities; and
c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS) and both the requirements of the Financial Reporting Council of Nigeria (Amendment) Act 2023 and the Companies and Allied Matters Act.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and Company and of their profit. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Going Concern

The Directors have made an assessment of the Group's and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern for at least twelve months from the date of this statement

The consolidated and separate financial statements of the Group and Company for the year ended December 31, 2023 were approved by the Directors on February 29, 2024.

Signed on behalf of the Board of Directors By:

Alh. Aliko Dangote, GCON
Chairman
FRC/2013/IODN/00000001766

Mr. Ravindra Singh Singhvi
Group Managing Director/CEO
FRC/2021/003/000000/22565

In compliance with Sections 405 of the Companies and Allied Matters Act (CAMA) 2020, we certify that:

a) We have reviewed the audited financial statements, and based on our knowledge:

i) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statement misleading; and

ii) the audited financial statements and all other financial information included in the statements fairly present, in all material The financial condition and results of operation of the company as of and for, the periods covered by the audited financial statements.

b) We are responsible for establishing and maintaining internal controls and we have:

i) designed internal controls to ensure that material information relating to company and its subsidiary is made known to us during the year ended 31 December 2023; and

ii) evaluated the effectiveness of the company's internal controls within 90 days prior to the date of the audited financial statements; and

iii) we certify that the company's internal controls are effective of that date.

c) We disclosed to the auditors and audit committee:

i) that there are no significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarise and report financial data; and has identified for the company's auditors, any material weaknesses in internal controls; and

ii) that there are no fraud that involves management or other employees who have a significant role in company's internal control.

d) That there are no significant changes in internal controls or in other factors that significantly affected internal controls subsequent to the date of evaluation, including any corrective actions with regard to significant deficiencies and material weakness.

Mr. Ravindra Singh Singhvi
Group Managing Director/CEO
FRC/2021/003/000000/22565

Dated this 29th day of February, 2024

Mr. Oscar Mbeche
Group Chief Finance Officer
FRC*
* "Waiver granted by FRCN"

Dated this 29th day of February, 2024

Management of Dangote Sugar Refinery Plc. ("DSR" or the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the Company's principal executive and principal financial officers, or persons performing similar functions, and effected by DSR's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the generally acceptable accounting principles (GAAP).

DSR's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of DSR's management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, 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. anagement has completed an assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. In making the assessment, management used the "Internal Control — Integrated Framework" ("COSO 2013") promulgated by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Based upon the assessment performed, management concluded that as of December 31, 2023, DSR's internal control over financial reporting was effective based upon the COSO 2013 framework. Additionally, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as of December 31, 2023.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2023, has been audited by PricewaterhouseCoopers (PwC), an independent registered public accounting firm, as stated in their report, which appears herein:

Mr. Ravindra Singh Singhvi
Group Managing Director/CEO

Mr. Oscar Mbeche
Group Chief Finance Officer

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

We, Ravindra Singhvi (the Group Managing Director) and Oscar Mbeche (the Group Chief Finance Officer) of Dangote Sugar Refinery Plc, certify that:

a) We have reviewed this Management's Report on the Assessment of Internal Control Over Financial Reporting of Dangote Sugar Refinery Plc;

b) Based on our 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 our 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 company as of, and for, the periods presented in this report;

d) We:

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, is made known to us by others, 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 generally accepted accounting principles;

4) Have evaluated the effectiveness of the company'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) We have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors:

1) There were no significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

2) There were no fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.

f) We have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated this 29th day of February 2024.

Mr. Ravindra Singh Singhvi
Group Managing Director/CEO
FRC/2021/003/000000/22565

Mr. Oscar Mbeche
Group Chief Finance Officer
FRC*
* "Waiver granted by FRCN"

Independent practitioner's report

To the Members of Dangote Sugar Refinery Plc

Report on an assurance engagement performed by an independent practitioner to report on management's assessment of controls over financial reporting

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of Dangote Sugar Refinery Plc ("the company's") are not adequate as of 31 December 2023, based on the SEC Guidance on Implementation of Section 60 – 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission.

What we have performed

We have performed an assurance engagement on Dangote Sugar Refinery Plc's internal control over financial reporting as of December 31, 2023, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The company's management 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 assessment of Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our assurance engagement.

Basis for opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance 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.

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.

PricewaterhouseCoopers Chartered Accountants, Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, 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.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the consolidated and separate financial statements of Dangote Sugar Refinery Plc and our report dated 1 March 2024 expressed an unqualified opinion.

Yinka Yusuf

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Yinka Yusuf
FRC/2013/ICAN/00000005161

1 March 2024

Independent auditor's report

To the Members of Dangote Sugar Refinery Plc

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Dangote Sugar Refinery Plc ("the company") and its subsidiaries (together "the group") as at 31 December 2023, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

Dangote Sugar Refinery Plc's consolidated and separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of material accounting policies.

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

Independence

We are independent of the group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our aud it 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.

PricewaterhouseCoopers Chartered Accountants, Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria

Key audit matter	How our audit addressed the key audit matter
Valuation of biological assets (N14.5 billion)	
Biological assets comprise growing sugar cane held for harvesting purposes. In accordance with IAS 41 - Agriculture, they are valued at fair value less cost to sell. We focused on the valuation of the biological assets due to the materiality of the balance. Furthermore, the determination of the fair value estimates is complex and involves a significant amount of judgement. The directors have developed a model using the multi-period excess earnings method (MPEEM) under the income approach for the valuation of growing sugar cane. In order to generate a stream of cash flows to be used in this model, the directors calculate tonnage using information on hectares of farmland planted, the age of growing sugar cane per hectare and the yield rate per hectare. The cane price is then applied on the tonnage and discounted to arrive at the fair value of the sugar cane. The cane price is based on the industry out-grower price. The directors exercise significant judgement in determining the yield rate per hectare, the discount rate, cost of sales, selling and distribution expenses, administrative expenses and contributory assets charges. This is considered a key audit matter in the consolidated and separate financial statements. See notes 2.22, 3ii and 17 to the consolidated and separate financial statements.	We adopted a substantive approach to testing this balance by obtaining and performing audit procedures on the directors' valuation of the biological assets. With the help of our Corporate Finance experts, we reviewed the group's model for calculating the fair value of biological assets. We assessed the valuation methodology against the criteria in IAS 41-Agriculture and IFRS 13 - Fair value measurement. We reviewed the forecast cash flows, discount rates applied and underlying assumptions adopted by management against internal projections and publicly available information. We tested the farm information used in the valuation model (such as the yield rate per hectare, hectare of farmland planted and age of growing cane per hectare) by comparing with data from the farm and factory reports. Furthermore, we assessed information on yield rate by comparing it against our expectation based on relevant industry data available. We tested the tonnage used in the valuation model by applying the yield rate per hectare on the hectare of farmland planted. We checked the determination of cane price by comparing to the industry out-grower price for the year. We assessed the reasonableness of the discount rate used by comparing to the independent calculation done by our valuation experts. We assessed the reasonableness of costs of sales, selling and distribution expenses, administrative expenses and contributory assets charges by comparing to historical information and amounts determined based on current work standard. We tested the mathematical accuracy of the valuation model used by the directors. We assessed the reasonableness of disclosures in the consolidated and separate financial statements.

Other information

The directors are responsible for the other information. The other information comprises General Information, Report of the Directors, Corporate Governance Report, Report of the Audit Committee, Statement of Directors' Responsibilities, Statement of Corporate Responsibility for the Financial Statements, Management's Report on the Assessment of Internal Control over Financial Reporting, Certification of management's assessment on internal control over financial reporting, Statement of value added and Five-year Financial Summary (but does not include the consolidated and separate financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the Dangote Sugar Refinery Plc 2023 Annual Report, 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 an audit opinion or 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 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 other sections of the Dangote Sugar Refinery Plc 2023 Annual Report, 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 and those charged with governance for the consolidated and separate financial statements

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with International Financial reporting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, 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'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 or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

uditor'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 efectiveness of the Group'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'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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, 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.

pwc

Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

I) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from locations not visited by us;

iii) the company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assuranceengagement and reported on management's assessment of Dangote Sugar Refinery Plc's internal control over financial reporting as of 31 December 2023. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unqualified opinion in our report dated 1 March 2024.

Yinka Yusuf

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Yinka Yusuf
FRC/2013/ICAN/00000005161

1 March 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER, 2023

	Note(s)	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Assets					
Non-current assets					
Property, plant and equipment	16	167,082,812	157,761,631	101,177,856	93,696,015
Deferred tax assets	13	33,145,294	-	33,145,294	-
Investment in subsidiaries	20	-	-	297,000	297,000
Deposit for shares	21	-	-	67,035,291	64,025,068
Total non-current assets		**200,228,106**	**157,761,631**	**201,655,441**	**158,018,083**
Current assets					
Inventories	22	47,916,853	44,264,068	47,061,249	43,387,050
Biological assets	17	14,464,427	6,942,660	14,464,427	6,942,660
Trade and other receivables	23	131,804,186	107,434,891	131,569,672	106,797,356
Other assets	18	745,008	304,179	743,612	297,929
Asset held for sale	19	868,642	868,642	868,642	868,642
Cash and cash equivalents	24	204,762,703	174,858,294	204,677,479	174,658,116
Total current assets		**400,561,819**	**334,672,734**	**399,385,081**	**332,951,753**
Total assets		**600,789,925**	**492,434,365**	**601,040,522**	**490,969,836**
Equity					
Attributable to owners of Parent company					
Share capital	25	6,073,439	6,073,439	6,073,439	6,073,439
Share premium	25	6,320,524	6,320,524	6,320,524	6,320,524
Retained earnings	26	66,882,220	158,845,237	69,415,945	159,635,722
		79,276,183	**171,239,200**	**81,809,908**	**172,029,685**
Non-controlling interest	27	(30,398)	(12,790)	-	-
		79,245,785	**171,226,410**	**81,809,908**	**172,029,685**
Liabilities					
Non-Current Liabilities					
Deferred tax liabilities	13	-	13,238,074	-	13,238,074
Lease liability	31.1	83,948	-	83,948	-
Borrowings	28	246,109	531,563	246,109	531,563
		330,057	**13,769,637**	**330,057**	**13,769,637**
Current Liabilities					
Current tax liabilities	12.3	14,445,581	25,542,640	14,450,510	25,542,640
Lease liability	31.1	116,260	981,142	61,932	933,022
Borrowings	28	285,454	243,719	285,454	243,719
Trade and other payables	30	487,862,445	273,746,757	485,598,318	271,527,073
Employee benefits	29	712,047	762,567	712,047	762,567
Other liabilities	31	17,792,296	6,161,493	17,792,296	6,161,493
Total current liabilities		**521,214,083**	**307,438,318**	**518,900,557**	**305,170,514**
Total liabilities		**521,544,140**	**321,207,955**	**519,230,614**	**318,940,151**
Total equity and liabilities		**600,789,925**	**492,434,365**	**601,040,522**	**490,969,836**

The consolidated and separate financial statements on pages 135 to 185, and other national disclosures on pages 186 to 189 were approved and authorised for issue by the board of directors on February 29, 2023 and were signed on its behalf by:

Alh. Aliko Dangote, GCON
Chairman
FRC/2013/IODN/00000001766

Mr. Ravindra Singh Singhvi
Group Managing Director/CEO
FRC/2021/003/000000/22565

Mr. Oscar Mbeche
Group Chief Finance Officer
FRC*
* "Waiver granted by FRCN"

The accompanying notes on pages 139 to 185 form an integral part of the consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

DANGOTE SUGAR

	Note(s)	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Continuing operations					
Revenue	5	441,452,953	403,245,988	441,452,953	403,245,988
Cost of sales	7	(355,149,111)	(311,282,950)	(355,149,111)	(311,282,950)
Gross profit		**86,303,842**	**91,963,038**	**86,303,842**	**91,963,038**
Other income	11	1,233,279	1,435,482	1,233,163	533,276
Selling and distribution expenses	8	(644,496)	(741,408)	(644,496)	(741,408)
Administrative expenses	8	(13,280,725)	(10,310,342)	(12,210,566)	(9,357,639)
Impairment (loss)/gains on financial assets	23.3	(926,288)	63,537	(926,288)	63,537
Operating profit	14	**72,685,612**	**82,410,307**	**73,755,655**	**82,460,804**
Finance income	9	10,559,617	6,379,475	10,559,616	6,379,475
Finance cost	10	(201,663,325)	(9,802,295)	(200,972,519)	(10,248,536)
Finance costs - net		**(191,103,708)**	**(3,422,820)**	**(190,412,903)**	**(3,869,061)**
Change in fair value of biological assets	17	9,495,990	3,315,333	9,495,990	3,315,333
(Loss)/profit before tax		**(108,922,106)**	**82,302,820**	**(107,161,258)**	**81,907,076**
Taxation	12.1	35,161,798	(27,560,686)	35,161,798	(27,560,686)
(Loss)/profit for the year		**(73,760,308)**	**54,742,134**	**(71,999,460)**	**54,346,390**
Other comprehensive income:		-	-	-	-
Total comprehensive (loss)/income for the period		**(73,760,308)**	**54,742,134**	**(71,999,460)**	**54,346,390**
(Loss)/profit attributable to:					
Owners of the parent		(73,742,700)	54,738,177	(71,999,460)	54,346,390
Non-controlling interest		(17,608)	3,957	-	-
		(73,760,308)	**54,742,134**	**(71,999,460)**	**54,346,390**
Total comprehensive (loss)/income attributable to:					
Owner of the parent		(73,742,700)	54,738,177	(71,999,460)	54,346,390
Non-controlling interest		(17,608)	3,957	-	-
		(73,760,308)	**(54,742,134)**	**(71,999,460)**	**54,346,390**
Earnings per share					
Basic and diluted (losses)/earnings per share (Naira)	15	**(6.07)**	**4.51**	**(5.93)**	**4.47**

The accompanying notes on pages 139 to 185 form an integral part of the consolidated and separate financial statements

Group	Share Capital ₦'000	Share Premium ₦'000	Retained Earnings ₦'000	Attributable to owners of parent company ₦'000	Non-controlling interest ₦'000	Total ₦'000
Balance as at 1 January 2022	6,073,439	6,320,524	116,253,934	128,647,897	(16,747)	128,631,150
Profit for the year	-	-	54,738,177	54,738,177	3,957	54,742,134
Other comprehensive Income						
Total comprehensive income for the year	6,073,439	6,320,524	170,992,111	183,386,074	(12,790)	183,373,284
Transaction with owners:						
Dividend paid	-	-	(12,146,874)	(12,146,874)	-	(12,146,874)
Balance as at 31 December 2022	**6,073,439**	**6,320,524**	**158,845,237**	**171,239,200**	**(12,790)**	**171,226,410**
Loss for the year	-	-	(73,742,700)	(73,742,700)	(17,608)	(73,760,308)
Transaction with owners:						
Dividend paid	-	-	(18,220,317)	(18,220,317)	-	(18,220,317)
Balance as at 31 December 2023	**6,073,439**	**6,320,524**	**66,882,220**	**79,276,183**	**(30,398)**	**79,245,785**
Note(s)	25	25	26		27	

Company	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Total N'000
Balance as at 1 January 2022	6,073,439	6,320,524	117,436,206	129,830,169
Profit for the year	-	-	54,346,390	54,346,390
Other comprehensive Income				
Total comprehensive income for the year	**6,073,439**	**6,320,524**	**171,782,596**	**184,176,559**
Transaction with owners:				
Dividend paid	-	-	(12,146,874)	(12,146,874)
Balance as at 31 December 2022	**6,073,439**	**6,320,524**	**159,635,722**	**172,029,685**
Loss for the year	-	-	(71,999,460)	(71,999,460)
Transaction with owners:				
Dividend paid	-	-	(18,220,317)	(18,220,317)
Balance as at 31 December 2023	**6,073,439**	**6,320,524**	**69,415,945**	**81,809,908**
Note(s)	25	25	26	

The accompanying notes on pages 139 to 185 form an integral part of the consolidated and separate financial statements.

	Note(s)	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Cash flows for operating activities					
(Loss)/ profit before taxation		**(108,922,106)**	**82,302,820**	**(107,161,258)**	**81,907,076**
Adjustments for non-cash income and expenses:					
Depreciation of property, plant and equipment	16	10,268,323	9731508	9,245,056	8,814,028
Depreciation written off	16	(343,233)	-	(343,233)	-
Impairment of financial assets	23.3	926,288	(63,537)	926,288	(63,537)
Government grant	11	(43,719)	(65,109)	(43,719)	(65,109)
Impairment of CWIP	16	268,623	-	268,623	-
Profit on sale of assets	11	-	(174,602)	-	(174,602)
Interest income	9	(10,559,617)	(6,379,475)	(10,559,616)	(6,379,475)
Interest expense (lease, bank and intercompany)	10	279,756	242,444	279,756	241,700
Exchange loss	10.1	148,328,367	1,889,423	148,328,367	2,336,430
Fair value gain on biological assets	17	(9,495,990)	(3,315,333)	(9,495,990)	(3,315,333)
Changes in working capital					
(Increase)/decrease in Inventory		(3,652,785)	11,735,475	(3,674,199)	10,766,083
Net usage of biological assets		1,974,223	1,028,227	1,974,223	1,028,227
(Increase) in trade and other receivables		(25,295,583)	(57,215,821)	(25,698,604)	(60,431,549)
Increase in other assets		(440,829)	(165,546)	(445,683)	(160,778)
Increase in other liabilities		11,591,534	1,655,678	11,591,534	1,655,687
Increase in trade payables		70,293,074	73,878,285	70,242,426	82,485,058
Cash generated from operations		**85,176,325**	**115,084,435**	**85,433,971**	**118,643,903**
Tax paid	12.3	(22,318,629)	(9,661,007)	(22,313,700)	(9,661,007)
Gratuity paid	29	(50,520)	(3,698)	(50,520)	(3,698)
Net cash generated from operating activities		**62,807,179**	**105,419,732**	**63,069,750**	**108,979,200**
Cash flows from investing activities					
Purchase of property, plant and equipment	16.1	(19,514,894)	(26,151,897)	(16,652,286)	(22,037,672)
Proceeds on disposal of property, plant and equipment	11.1	-	203,162	-	203,162
Interest received	9	10,559,617	6,379,475	10,559,616	6,379,475
Net cash used in investing activities		**(8,955,277)**	**(19,569,260)**	**(6,092,670)**	**(15,455,035)**
Cash flows from financing activities					
Dividends paid	26	(18,220,317)	(12,146,874)	(18,220,317)	(12,146,874)
Unclaimed dividend received	24.1	39,268	39,269	39,268	39,269
Deposit for shares	21	-	-	(3,010,223)	(6,940,916)
Interest paid	28	(67,473)	(63,783)	(67,473)	(63,783)
Lease Liabilities paid - Interest	31.1	(51,102)	(113,552)	(51,102)	(112,808)
Lease Liabilities paid - Principal	31.1.0	(1,746,939)	(1,409,999)	(1,746,939)	(1,389,678)
Repayment of borrowings	28	(287,438)	(274,314)	(287,438)	(274,314)
Net cash used in financing activities		**(20,334,001)**	**(13,969,252)**	**(23,344,224)**	**(20,889,103)**
Net increase in cash and cash equivalents		33,517,901	71,881,220	33,632,855	72,635,063
Cash and cash equivalents at beginning of the year		174,858,294	103,009,804	174,658,116	102,055,783
Effect of exchange rate changes on cash and cash equivalents		(3,613,492)	(32,730)	(3,613,492)	(32,730)
Cash and cash equivalents at the end of the year	24	**204,762,703**	**174,858,294**	**204,677,479**	**174,658,116**

The accompanying notes on pages 139 to 185 form an integral part of the consolidated and separate financial statements.

1 General information

Dangote Sugar Refinery Plc (the Company) (DSR) was incorporated as a Public Limited Liability company on 4 January 2005, commenced operation on 1 January 2006 and became quoted on the Nigerian Stock Exchange in March 2007. Its current shareholding is 67% by Dangote Industries Limited and 33% by the Nigerian public.

The ultimate controlling party is Greenview International Corporation, Cayman Island.

The registered address of the Company is located at GDNL Administrative Building, Terminal E, Shed 20 NPA Apapa Wharf Complex, Apapa, Lagos.

The consolidated financial statements of the Group for the year ended 31 December 2023 comprise the Company and its subsidiaries - Dangote Taraba Sugar Limited, Dangote Adamawa Sugar Limited and Nasarawa Sugar Company Limited.

1.1 The principal activity

The principal activity of the Group is the refining of raw sugar into edible sugar and the selling of refined sugar. The Group's products are sold through distributors across the country.

Reporting entity

Dangote Industries Limited was incorporated as a private limited liability company on 18 April 1985 and commenced business in July, 1999. Dangote Nigeria Limited owns 0.01% and Greenview International Corp. of Cayman Island owns 99.99%. However, Alhaji Aliko Dangote is the ultimate controlling party.

1.2 Going Concern status

The Group has consistently been making profits. The Directors believe that there is no intention or threat from any party to curtail significantly its line of business in the foreseeable future. Thus, these financial statements are prepared on a going concern basis.

The company made a net loss of N 73.76 (2022: net profit 54.74) for the year ended 31 December 2023 and as at that date, its total assets exceeded its total liabilities by 79.2.bn (2022: net assets 171.2 bn). In 2023, the company's revenue grew by 9%, an increase of N38.21bn and the operating profit margin stood at 16.5%.

Despite the strong operational performance, the net profit is impacted by significant devaluation of the naira. The company believes that as macroeconomic situation stabilizes, the same would yield positive impact to the overall economy as well as company results.

The company has taken robust margin management and cost management initiatives to address significant forex volatility and cost inflation. The returns from our Numan operations have been positive and the company is poised to increase the pace in its backward integration efforts. Other specific actions are being reviewed by management and board of the company management to improve the overall operational and profitability of the company in a very difficult operating environment.

The financial statements of Dangote Sugar Refinery Plc have been prepared on a going concern basis which assumes the Company will be able to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future as the Company has the continuing support from her Group holding company.

1.3 Operating environment

Emerging markets such as Nigeria are subject to different risks than more developed markets, including economic, political and social, and legal legislative risks. As has happened in the past, actual or perceived financial problems or an increase in the perceived risks associated with investing in emerging economies could adversely affect the investment climate in Nigeria and the country's economy in general. The global financial system continues to exhibit signs of deep stress and many economies around the world are experiencing lesser or no growth than in prior years. These conditions could slow or disrupt Nigeria's economy, adversely affecting the Group's access to capital and cost of capital for the Group and more generally, its business, result of operation, financial condition and prospects.

1.4 Financial period

These financial statements cover the financial year from 1 January 2023 to 31 December 2023 with comparative for the year ended 31 December 2022.

1.5 Functional currency

For the purpose of these financial statements, the results and financial position of the Group and Company are expressed in Naira, which is the Group's functional and presentation currency.
All amounts have been rounded to the nearest thousand, unless otherwise indicated.

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.

In addition, the CBN on 14 June 2023 issued a circular titled Operational Changes to the Foreign Exchange markets abolishing segmentation and introducing willing buyer willing seller on the Investors and Exporters (I & E) Window. Based on the prevailing market rates, the Group changed its USD/Naira closing rate of 461 as at 31 December 2022 to 756 as at 30 June 2023 and now to 951.79 as at 31 December 2023. Monetary Assets and liabilities for the Nigeria operations were revalued at this rate resulting in a revaluation loss of N172 billion for the Company mainly driven by Letters of Credit and foreign vendor balances.

2.1 Statement of compliance

These consolidated and separate financial statements have been prepared in accordance with International Financial Reporting standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) of IASB (together "IFRS") that are effective at 31 December 2023 and requirements of the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council (FRC) Act 2011 of Nigeria.

2.2 Basis of preparation

The consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- Financial instruments: Initially measured at fair value and subsequently measured at amortised cost;
- Defined benefits obligations: Present value of the obligation
- Biological assets: Fair value less costs to sell;
- Inventories: Lower of cost and net realisable value.
- Lease liabilities- measured at present value of future lease payments.

2.3 Consolidation of subsidiaries

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss is attributed to the owners of the Company and to the non-controlling interests. Total profit for the year of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The results of subsidiaries acquired or disposed of during the year are included in the Group statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal as appropriate.

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.

2.4 Revenue recognition

a) Accounting policy

Revenue is measured at the fair value of the consideration received or receivable for goods or services, in the ordinary course of the Group's activities and it is stated net of value added tax (VAT), rebates and returns. A valid contract is recognised as revenue after;

- The contract is approved by the parties.
- Rights and obligations are recognised.
- Collectability is probable;
- The contract has commercial substance;
- The payment terms and consideration are identifiable.

a) Accounting policy

The probability that a customer would make payment is ascertained based on the evaluation done on the customer as stated in the credit management policy at the inception of the contract. The Group is the principal in all of its revenue arrangement since it is the primary obligor in all of the revenue arrangements, has inventory risk and determines the pricing for the goods and services.

Sale of goods

Revenue is recognised when the control of the goods and service are transferred to the customer being at the point when the goods are delivered to the customer and customer's acceptance is received or when goods are picked up by the customers. Payment for the transaction price is done by the time goods are collected otherwise a receivable is recognised at that point.

Revenue from sale of sugar and molasses is recognised based on the price specified in the contract, net of the estimated rebates and returns. Rebates are estimated at the inception of the contract except where the time lag between the recognition of revenue and granting rebates is within one month. Returns on goods are estimated at the inception of the contract except where the timing between when the revenue is recognised and when the returns occur is considered immaterial. In these instances, the returns are accounted for when they occur.

Freight Income

The delivery service provided by the Group is a sales fulfilment activity and the income earned is recognised at the point in time when the goods are delivered to the customer.

Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and when the customer has accepted the products in accordance with the sales contract, or the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied.

Contract liability is recognised for consideration received for which the performance obligation has not been met.

Disaggregation of revenue from contract with customers

The Group recognises revenue from the transfer of goods and services at a point in time in the following product lines. The Group derives revenue from the sale of sugar, molasses and freight services.

Significant financing component

Using the practical expedient in IFRS15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component since it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2.5 Interest income recognition

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, 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.

2.6 Segment reporting

An operating segment is a distinguishable component of the Group and Company that earns revenue and incurs expenditure from providing related products or services (business segment) or providing products or services within a particular economic environment (geographical segment), and which is subject to risks and returns that are different from those of other segments.
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director of Dangote Sugar Refinery Plc.

The Group and Company's primary format for segment reporting is based on business segments.The business segments are determined by management based on the Group's internal reporting structure.

Segment results that are reported to the Company's Executive Management Committee include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses and tax assets and liabilities.

2.7 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted.

Current income tax is the expected amount of income tax payable on the taxable profit for the year determined in accordance with the Companies Income Tax Act (CITA) using statutory tax rates of 30% at the reporting sheet date. Education tax is calculated at
2.5% of the assessable profits in accordance with the Tertiary Education Tax Act.

Current and deferred tax are recognised in profit and 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 recognised in other comprehensive income or directly in equity respectively. Where current tax and deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities 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 Group 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 when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net Current basis and deferred tax are recognised in profit and 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 recognised in other comprehensive income or directly in equity respectively. Where current tax and deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.8 Property, plant and equipment

I. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment 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, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of comprehensive income.

ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation of an assets starts when the asset is available for use. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. 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 the useful life.

iii Derecognition of PPE

A gain or loss on disposal is recognised as the difference between the disposal proceeds and the carrying amount of the asset at the date of disposal. This gain or loss is included in the statement of profit or loss – the disposal proceeds should not be recognised as revenue.

The estimated useful lives for the current and comparative periods are as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	50 years
Plant and machinery	Straight line	15 -50 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	4 years
Tools and equipment	Straight line	4 years
Computer equipment	Straight line	3 years
Aircraft	Straight line	25 years
Bearer plants	Straight line	6 years

Land is not depreciated. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

2.9 Pensions and Other post-employment benefits

The Group operates a defined contribution based retirement benefit scheme for its staff, in accordance with the amended Pension Reform Act of 2014 with employee contributing 8% and the employer contributing 10% each of the employee's relevant emoluments. Payments to defined contribution retirement benefit plans are recognised as an expense in statement of profit or loss when employees have rendered the service entitling them to the contributions.

2.9.1 Employee benefits

A liability is recognised when an employee has rendered services for benefits to be paid in the future, and an expense when the entity consumes the economic benefit arising from the service provided by the employee.

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Long-term employee benefits (Defined contribution plan)

The Group operates a defined contribution retirement benefit scheme for its employees. A defined contribution plan is a postemployment 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 capitalization, 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.

2.10 Government grants

Government grants are recognised when there is reasonable assurance that:

I) the group will comply with the conditions attached to them; and

ii) the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate. Grants related to income are presented as a credit in the profit or loss (separately).

2.11 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

– the contract involves the use of an identified asset – this may be specified explicitly or implicitly. If the supplier has a substantive substitution right, then the asset is not identified;
– the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
– the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group primarily leases land and building (used as office space, outlets, warehouse and residential use). The lease terms are typically for fixed periods ranging from 2 years to 25 years but may have extension options. On renewal of a lease, the terms may be renegotiated.

Contracts may contain both lease and non-lease components. The Group has elected to separate lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension and termination options. The lease agreements do not impose any covenants, however, leased assets may not be used as security for borrowing purposes.

Leases in which the Group is a lessee

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. 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.

Lease liability

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.

Right of use Assets

Right-of-use assets are presented as a separate line item on the Consolidated and Separate Statements of Financial Position. Lease payments included in the measurement of the right of use comprise the following:
- Initial amount of the corresponding lease
- Any lease payments made at or before the commencement date;
- Any initial direct costs incurred;
- Any estimated costs to dismantle and remove the underlying asset or to restore the
- Less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated using the straight-line method from the commencement date to the shorter period of lease term and useful life of the right-of-use asset.. Depreciation starts at the commencement date of a lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Leases in which the Group is 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. Lease classification is made at inception and is only reassessed if there is a lease modification.

Leases

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short- term lease to which the Group applies the exemption described previously, then it classifies the sub-lease as an operating lease.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

(i) Operating lease

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease, or on another systematic basis if that basis is more representative of the pattern in which the benefits form the use of the underlying asset are diminished. Operating lease income is included in other operating income.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are expensed over the lease term on the same basis as the lease income.

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

(ii) Finance lease

Amounts due from lessees are recognised from commencement date at an amount equal to the Group net investment in the lease. They are presented as lease receivables on the statement of financial position.

The interest rate implicit in the lease is used to measure the net investment in the lease. If the interest rate implicit in a sublease cannot be readily determined for a sublease, then the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) is used to measure the net investment in the sublease.

The interest rate implicit in the lease is defined in a manner which causes the initial direct costs to be included in the initial measurement of the net investment in the lease.
Lease payments included in the measurement of the net investment in the lease comprise the following:

- Fixed lease payments, including in-substance fixed payments, less any lease incentives payable.
- 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 receivable by the Group from the lessee, a party related to the lessee or a third party unrelated to the Group under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee).

- The exercise price of purchase options, if the lessee is reasonably certain to exercise the option.

- Penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease. Finance income recognised on finance leases is included in investment income in profit or loss.

The Group applies the impairment provisions of IFRS 9 to lease receivables. Refer to the accounting policy for trade and other receivables as lease receivables are impaired on a consistent basis with that accounting policy.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials, packaging materials, engineering spares and consumable stock is determined on a weighted average basis. Cost of finished goods is determined on the basis of standard costs adjusted for variances. Standard costs are periodically reviewed to approximate actual costs.

Goods in transit are valued at the invoice price. Cost of inventory includes purchase cost, conversion cost (materials, labour and overhead) and other costs incurred to bring inventory to its present location and condition. Finished goods, which include direct labour and factory overheads, are valued at standard cost adjusted at year-end on an actual cost basis.

Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to the particular class of inventory, with the majority being valued on an average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.13 Deposit for shares

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 (when the time value of money is material).

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. Where 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 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.

2.14 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments. On initial recognition, a financial asset is classified and measured at: amortised cost; fair value through other comprehensive income; or fair value through profit or loss.

Broadly, the classification possibilities, which are adopted by the Group,as applicable, are as follows:

Financial assets which are equity instruments:

• Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination). Financial assets which are debt instruments:
• Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

• Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or

Derivatives which are not part of a hedging relationship:

• Mandatorily at fair value through profit or loss.
Financial liabilities of the Group are classified and measured at fair value on initial recognition and subsequently at amortised cost net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and interest bearing loans and borrowings.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost of FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Assessment of whether contractual cash flows are solely for payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable-rate features;

- prepayment and extension features; and

- terms that limit the Group's claim to cash flows from specified assets (e.g. nonrecourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional

Trade and other receivables

Classification and measurement

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

Impairment

The Group recognises a loss allowance for expected credit losses on trade and other receivables, excluding statutory receivables and prepayments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable using a simplified impairment methodology adjusted for current conditions and forward looking information.

ii) Trade and other payables

Recognition and measurement

They 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.

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 to liquidity risk and possibly to interest rate risk. Refer to note 54 for details of risk exposure and management thereof.

Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets measured at amortised cost or at fair value through other comprehensive income (FVOCI). The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The simplified approach is applied for trade receivables while the general approach is applied to staff loans, amounts due from related parties that are not trade related, balances with banks.

The simplified approach requires lifetime expected credit losses to be recognised on initial recognition of the Group's receivables. This involves determining the expected loss rates using a provision matrix that is based on the historical default rates observed over the expected life of the receivable and adjusted for forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.
The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion and other qualitative indicators such as increase in political concerns or other macroeconomic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance. Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each ageing bucket and for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD is determined based on management's estimate of expected cash recoveries after considering the historical pattern of the receivable, and assessing the portion of the outstanding receivable that is deemed to be irrecoverable at the reporting period. The EAD is the total amount outstanding at the reporting period. These three components are multiplied together and adjusted for forward looking information, such as the gross domestic product (GDP) in Nigeria, inflation and exchange rate, to arrive at an ECL which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss.

Significant increase in credit risk and default definition

The Group assesses the credit risk of its financial assets based on the information obtained during periodic review of publicly available information, industry trends and payment records. Based on the analysis of the information provided, the Group identifies the assets that require close monitoring.

Furthermore, financial assets that have been identified to be more than 30 days past due on contractual payments are assessed to have experienced significant increase in credit risk. These assets are grouped as part of Stage 2 financial assets where the three-stage approach is applied.

In line with the Group's credit risk management practices, a financial asset is defined to be in default when contractual payments have not been received at least 90 days after the contractual payment period. Subsequent to default, the Group carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Group determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full.

Derecognition

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 party or in which the Company neither transfer nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. 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.

Financial liabilities

The Group derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

Financial liabilities at fair value through profit or loss

Classification

Financial liabilities which are held for trading are classified as financial liabilities mandatorily at fair value through profit or loss.
When a financial liability is contingent consideration in a

business combination, the Group classifies it as a financial liability at fair value through profit or loss.

The Group, does, from time to time, designate certain financial liabilities as at fair value through profit or loss. The reason for the designation is to reduce or significantly eliminate an accounting mismatch which would occur if the instruments were not classified as such; or if the instrument forms part of a group of financial instruments which are managed and evaluated on a fair value basis.

Recognition and measurement

Financial liabilities at fair value through profit or loss are recognised when the Group becomes a party to the contractual provisions of the instrument. They are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss.

For financial liabilities designated at fair value through profit or loss, the portion of fair value adjustments which are attributable to changes in the Group's own credit risk, are recognised in other comprehensive income and accumulated in equity in the reserve for valuation of liabilities, rather than in profit or loss. However, if this treatment would create or enlarge an accounting mismatch in profit or loss, then that portion is also recognised in profit or loss.

Interest paid on financial liabilities at fair value through profit or loss is included in finance costs.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.15 Asset Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups are classified as held for distribution to owners when the entity is committed to distribute the asset or disposal group to the owners. This condition is regarded as met only when the distribution is highly probable and the asset (or disposal group) is available for immediate distribution in its present condition, provided the distribution is expected to be completed within one year from the classification date.

Non-current assets (or disposal groups) held for sale (distribution to owners) are measured at the lower of their carrying amount and fair value less costs to sell (distribute).

A non-current asset is not depreciated (or amortised) while it is classified as held for sale (held for distribution to owners), or while it is part of a disposal group classified as such.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale (distribution to owners).

2.16 Cash and cash equivalent

In the statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Bank balances for which use by the group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the group's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

2.17 Share capital and Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

The Company has only one class of shares namely ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 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 Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held, if any. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

2.19 Functional and presentation currency

Items included in the consolidated and separate financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The consolidated and separate financial statements are presented in Naira which is the Group's functional and presentation currency.

Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the transaction date and are not restated.

Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates prevailing at the dates the fair value was determined and are not restated.

2.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.21 Segment information

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenue and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

- where operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;

- for which discrete information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director of Dangote Sugar Refinery Plc.

2.22 Biological assets

A biological asset is defined as a living animal or plant while biological transformation comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes in biological asset.

Recognition of assets

The Group recognises biological assets or agricultural produce when, and only when, all of the following conditions are met:

- the Group controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the Group; and
- the fair value or cost of the asset can be measured reliably.

Biological asset consists of growing cane which are yet to be harvested as at year end, and these are measured at fair value less cost to sell.

The basis of fair value determination of growing canes have been included in Note 17.

2.23 Business combination under common control

Business combinations under common control occur when combining entities/businesses are ultimately controlled by the same party(ies) both before and after the business combination, and that control is not transitory.

The Group applies the "predecessor method" of accounting for business combinations under common control because such transactions are outside the scope of the reporting standard on Business Combinations (IFRS 3). The assets and the liabilities of the acquiree are recorded at the predecessor carrying values from the financial statements of the highest entity that has common control for which financial statements are prepared. Therefore, no goodwill is recorded in the consolidated financial statements of the acquirer.

Any difference arising between the acquirer's cost of investment and the acquiree's net assets is recorded directly in equity. Any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities. Comparative amounts are not restated but the transaction is accounted for prospectively, i.e., from the effective date of the transaction (transfer of control). Any expenses incurred as a result of the combination are written off immediately in the statement of profit or loss.

2.24 Non-Controlling Interest

Non-controlling interests in subsidiaries are identified separately from the group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non- controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the parent company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3 Critical judgements and sources of estimation uncertainty

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

i) Significant estimates

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default, expected loss rates and maximum contractual period. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 32. Sensitivity of estimates used in IFRS 9 ECL.

Estimation uncertainty in measuring impairment loss

In establishing sensitivity to ECL estimates for trade receivables and related parties receivables, two variables (GDP growth rate and Inflation rate) were considered. The Company's receivables portfolio reflects greater responsiveness to both variables considered.

The table below shows information on the sensitivity of the carrying amounts of the Company's financial assets to the methods, assumptions and estimates used in calculating impairment losses on those financial assets at the end of the reporting period. These methods, assumptions and estimates have a significant risk of causing material adjustments to the carrying amounts of the Company's financial assets.

Trade receivables

a. Expected cash flow recoverable:

i) Trade receivables from external customers

		GDP growth rate		
		-10%	Held constant	10%
		₦'000	₦'000	₦'000
Brent oil price	-10%	11,219	19,370	27,520
	Held constant	(8,150)	–	8,150
	10%	(27,520)	(19,370)	(11,219)

ii) Trade receivables from related party

		GDP growth rate		
		-10%	Held constant	10%
		₦'000	₦'000	₦'000
Brent oil price	-10%	2,273	3,924	5,576
	Held constant	(1,651)	-	1,651
	10%	(5,576)	(3,924)	(2,273)

b) Other (Non-trade) receivables
Related parties receivables

Significant unobservable inputs

Probability of default (PD)	Effect on profit before tax 2023	Effect on profit before tax 2022
	₦'000	₦'000
Increase/decrease in probability of default		
10%	(67,289)	19,362
-10%	68,902	(19,465)

Loss Given Default (LGD)	Effect on profit before tax 2023	Effect on profit before tax 2022
	₦'000	₦'000
Increase/decrease in loss given default		
10%	(106,367)	28,254
-10%	100,984	(26,742)

Staff Loans

Significant unobservable inputs

Probability of default (PD)	Effect on profit before tax 2023	Effect on profit before tax 2022
	₦'000	₦'000
Increase/decrease in probability of default		
10%	(3,340)	(2,261)
-10%	3,414	2,450

Loss Given Default (LGD)	Effect on profit before tax 2023	Effect on profit before tax 2022
	₦'000	₦'000
Increase/decrease in loss given default		
10%	(5,209)	-
-10%	4,948	2,880

Forward looking indicators

Forecast Default Rate	Effect on profit before tax 2023	Effect on profit before tax 2022
	₦'000	₦'000
Increase/decrease in forecast default rate		
10%	(2,271)	(152)
-10%	2,271	152

Impairment testing
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.

Useful lives of property, plant and equipment
The Company's management determines the estimated useful lives and related depreciation charge for its items of property, plant and equipment on an annual basis. The Company has carried out a review of the residual values and useful lives of property, plant and equipment as at 31 December 2023 and the management has not highlighted any requirement for an adjustment to the residual lives and remaining useful lives of the assets for the current or future periods.

ii) Critical judgements

Fair values of biological assets
The directors have developed a model using the multi-period excess earnings method (MPEEM) under the income approach for the valuation of sugar cane. In order to generate a stream of cash flows to be used in this model, the directors calculate tonnage using information on hectares of farmland planted, the age of growing cane per hectare and the yield rate per hectare.

The cane price is then applied on the tonnage and discounted to arrive at the fair value of the sugar cane. The cane price is based on the industry out- grower price.

The directors exercise significant judgement in determining the yield rate per hectare, the discount rate, cost of sales, selling and distribution expenses, administrative expenses and contributory assets charges. See note 17.

4 New standards and amendments

a) New standards and amendments applicable 1 January 2023
The following revisions to accounting standards and pronouncements that are applicable to the Company were issued but are not yet effective. Where IFRSs and IFRIC Interpretations listed below permits, early adoption is permitted, the Company has elected not to early adopt any of them in the preparation of these financial statements.

The full impact of these IFRSs and IFRIC Interpretations is currently being assessed by the company, but none of these pronouncements are expected to result in any material adjustments to the financial statements.

i Disclosure of Accounting , Policies Amendments to IAS 1 and IFRS Practice Statement 2
The group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS.
Practice Statement 2.

The effective date is 1 January 2023.

ii Definition of Accounting Estimates Amendments to IAS 8
The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The effective date is 1 January 2023.

b) New standards and amendments applicable 1 January 2023

I Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12.

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities.The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
-right-of-use assets and lease liabilities, and
-decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.The cummulative effect of recognising these adjustments is recognised in the opening balance of retained

earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects on balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The effective date is 1 January 2023.

ii OECD Pillar Two Rules
In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Antitaxation. Large multinational enterprises within the scope of the rules are required to calculate their GloBE effective tax rate for each jurisdiction where they operate. They will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. In May 2023, the IASB made narrow-scope amendments to IAS 12 which provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments also require affected companies to disclose:

-the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
-their current tax expense (if any) related to the Pillar Two income taxes, and
-during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

This is effective immediately.

The standards and ammendments detailed above did not have any impact on the amount recognised in the prior periods or current period.

c) New standards, ammendments, interpretations issued but not yet effective
The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2023.

I Classification of Liabilities as Current or Non-current Amendments to IAS 1 Non-current Liabilities with Covenants Amendments to IAS 1
Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include: the carrying amount of the liability information about the covenants, and facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants. The amendments also clarify what IAS 1 means when it refers to the liability that could, at the option of the equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.

Effective date is 1 January 2024.

Applicable to reporting periods commencing on or after the given date.

ii Lease Liability in a Sale and Leaseback Amendments to IFRS 16
In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller--lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

Effective date is 1 January 2024.

iii Supplier finance arrangements Amendments to IAS 7 and IFRS 7
The IASB has issued new disclosure requirements about supplier financing s IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs flows and the exposure to liquidity risk. The new

disclosures include information about the following:

The terms and conditions of SFAs. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented. The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements. Non-cash changes in the carrying amounts of financial liabilities in (b). Access to SFA facilities and concentration of liquidity risk with finance providers. The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.

Effective date is 1 January 2024.

iv Sale or contribution of assets between an investor and its associate or joint venture Amendments to IFRS 10 and IAS 28

The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is interests in the associate or joint venture. The amendments apply prospectively. ** In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.

* Applicable to reporting periods commencing on or after the given date.

5 Revenue

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Revenue from the sale of sugar - 50kg	426,446,502	390,985,952	426,446,502	390,985,952
Revenue from the sale of sugar - Retail	11,463,163	7,886,641	11,463,163	7,886,641
Revenue from the sale of molasses	2,287,502	2,147,585	2,287,502	2,147,585
Freight income	1,255,786	2,225,810	1,255,786	2,225,810
	441,452,953	**403,245,988**	**441,452,953**	**403,245,988**

All revenue is earned at a point in time.
Revenue allocated to unsatisfied performance obligations at 31 December 2023 are Nil (2022: Nil).

6 Segment information

Segment information is presented in respect of the group's reportable segments. For management purpose, the Group is organised into business units by geographical areas in which the group operates and the locations that comprise such regions represent operating segments.

The Group has 4 reportable segments based on location of the principal operations as follows: Northern Nigeria, Western Nigeria, Eastern Nigeria and Lagos.

6.1 Segmental revenue and results

Revenue from external customers by region of operations is listed below.

	Segment Revenue		Segment Cost of Sales		Segment Gross Profit	
Group and Company	**31/12/2023 ₦'000**	**31/12/2022 ₦'000**	**31/12/2023 ₦'000**	**31/12/2022 ₦'000**	**31/12/2023 ₦'000**	**31/12/2022 ₦'000**
Nigeria:						
Lagos	204,537,432	173,039,994	(157,634,854)	(127,068,080)	46,902,578	45,971,913
North	182,681,754	178,811,926	(152,756,421)	(143,417,598)	29,925,333	35,394,328
West	38,563,925	34,622,781	(31,371,835)	(27,132,946)	7,192,090	7,489,835
East	15,669,842	16,771,287	(13,386,001)	(13,664,326)	2,283,841	3,106,962
	441,452,953	**403,245,988**	**(355,149,111)**	**(311,282,950)**	**86,303,842**	**91,963,038**

6.2 Segment assets and liabilities

The amount provided to the chief operating decision maker with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Investments in shares held by the Group and deferred taxes are not considered to be segment assets and are not allocated to segments.

Capital expenditure reflects addition to non-current assets, other than financial instruments, deferred tax assets, post employment benefit assets and rights arising under insurance contracts.

The amounts provided to the chief operating decision maker with respect to the total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

The table below provides information on the segment assets and liabilities as well as a reconciliation to total assets and liabilities as per the balance as at 31 December 2023.

	Total Segment Assets		Total Segment liabilities	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Group	₦'000	₦'000	₦'000	₦'000
Nigeria:				
Lagos	419,905,295	333,317,515	393,320,470	191,500,745
North	180,884,630	159,116,850	128,223,670	116,469,136
Sub-total	**600,789,925**	**492,434,365**	**521,544,140**	**307,969,881**
unallocated deferred tax	-	-	-	13,238,074
Total	**600,789,925**	**492,434,365**	**521,544,140**	**321,207,955**

	Total Segment Assets		Total Segment liabilities	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	₦'000	₦'000	₦'000	₦'000
Company				
Nigeria:				
Lagos	487,969,369	398,375,875	394,057,188	192,237,042
North	113,071,153	92,593,961	125,173,426	113,465,035
Sub-total	**601,040,522**	**490,969,836**	**519,230,614**	**305,702,077**
unallocated deferred tax	-	-	-	13,238,074
Total	**601,040,522**	**490,969,836**	**519,230,614**	**318,940,151**

Included in the Lagos segment is asset held for sale of N868.6 million (2022: N868.6 million).

Information about major customers

The company has one customer whose sales make-up 25% of total revenue. Total revenue from the customer within the year is N110.36 billion and revenue from the customer is included in the Lagos region

Distributors

The Group sells unfortified sugar mainly to pharmaceutical, food and beverage manufacturers, while Vitamin A-fortified sugar is sold to distributors who sell to small wholesalers, confectioners and other smaller value-adding enterprises who provide the distribution network to the Nigerian retail market. The Group sells a small amount of sugar directly to retail customers. Retail packaging comes in various sizes of 250g, 500g and 1kg under the brand name "Dangote Sugar". Sales to distributors account for 70% of the Group's revenue.

The Group provides a delivery service to customers by transporting refined sugar to other destinations. Freight income represents revenue earned in this respect during the year. The associated cost of providing this service is included in Cost of sales.

7 Cost of sales	**GROUP 31/12/2023 ₦'000**	**GROUP 31/12/2022 ₦'000**	**COMPANY 31/12/2023 ₦'000**	**COMPANY 31/12/2022 ₦'000**
Raw material	296,027,663	256,326,637	296,027,663	256,326,637
Direct labour cost	7,341,252	6,656,813	7,341,252	6,656,813
Direct overheads	29,776,344	26,353,968	29,776,344	26,353,968
Depreciation	5,908,006	5,465,238	5,908,006	5,465,238
Freight expenses	16,095,846	16,480,294	16,095,846	16,480,294
	355,149,111	**311,282,950**	**355,149,111**	**311,282,950**

Included in freight expenses is the depreciation charge on the company's fleet of trucks. The amount so included is as stated below:

Depreciation charge on trucks	2,795,204	2,829,306	2,795,204	2,829,306

8 Administrative expenses

Management fees	1,465,659	958,431	1,465,659	958,431
Assessment rates and municipal charges	55,043	26,110	55,043	26,110
Auditor's fees and remuneration	120,000	85,000	112,015	78,283
Cleaning and fumigation	85,301	74,651	85,301	74,651
Legal, consulting and professional fees	258,643	206,789	258,044	205,817
Consumables	13,154	12,253	13,154	12,253
Depreciation	1,221,880	1,436,964	198,612	519,484
Donations	228,740	324,928	191,165	324,928
Scholarship and sponsorships	65,725	16,692	65,725	16,692
Employee costs (note 36)	5,308,281	4,080,854	5,308,281	4,080,854
Entertainment	10,282	8,408	10,282	8,408
Insurance	536,765	385,867	536,765	385,867
Bank charges	365,886	263,062	365,154	260,879
Magazines, books, print and periodicals	40,621	29,611	40,621	29,611
Utilities	284,451	235,643	284,451	235,643
Petrol and oil	113,385	53,935	113,385	53,935
Repairs and maintenance	968,296	373,457	968,296	348,106
Secretarial fees	43,415	39,717	43,415	39,717
Security expense	479,878	457,469	479,878	457,469
Staff welfare	72,196	44,794	72,196	44,794
Subscriptions	18,574	16,334	18,574	16,334
Sustainability Expenses	18,381	19,366	18,381	19,366
Telephone and fax	159,906	191,615	159,906	191,615
Training	111,840	60,599	111,840	60,599
Travel-local	1,009,366	769,600	1,009,366	769,600
Travel-overseas	225,057	138,193	225,057	138,193
	13,280,725	**10,310,342**	**12,210,566**	**9,357,639**

The depreciation stated above is after adjusting for depreciation writeback of N343,233,000 for both company and group. Actual depreciation is N1,565,113,000 for Group (N541,845,000 for company).

No non-audit services were rendered by the external auditor in the year.

Selling and Distribution expenses

Selling and marketing expenses	644,496	741,408	644,496	741,408
	644,496	**741,408**	**644,496**	**741,408**

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
9 Finance income				
Interest income on bank deposits	10,559,617	6,379,475	10,559,616	6,379,475
	10,559,617	**6,379,475**	**10,559,616**	**6,379,475**

Interest is earned on bank deposits at an average rate of 5.9 % p.a. on short term (30days) bank deposits. (2022: 5.9% p.a.)

10 Finance cost

Exchange loss in the ordinary course of business net of exchange gain	172,197,942	1,889,423	171,507,136	2,336,430
Finance cost on letter of credit	29,185,627	7,670,428	29,185,627	7,670,406
Interest on lease payments	51,102	113,552	51,102	112,808
Interest on intercompany loan	117,462	-	117,462	
Interest on bank loan	111,192	128,892	111,192	128,892
	201,663,325	**9,802,295**	**200,972,519**	**10,248,536**

10.1 The exchange loss above is analysed below:

Realised	23,869,575	-	23,178,769	-
Unrealised	148,328,367	1,889,423	148,328,367	2,336,430
	172,197,942	**1,889,423**	**171,507,136**	**2,336,430**

11 Other income

Insurance claim income	331,216	39,577	331,216	39,577
Sale of scrap	656,600	16,590	656,600	16,590
Grant income	43,719	65,109	43,719	65,109
Rental income	188,064	193,455	188,064	193,455
Provision no longer required	13,564	197,011	13,564	1,943
inventory adjustment variance	116	707,138	-	-
(Loss)/profit on sale of asset (Note 11.1)	-	174,602	-	174,602
Miscellaneous income	-	42,000	-	42,000
	1,233,279	**1,435,482**	**1,233,163**	**533,276**

Grant income arises as a result of the benefit received from below-market interest rate.

11.1 (Loss)/profit on sale of asset is arrived at as below:

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Cost of assets disposed	-	(854,563)	-	(854,563)
Accumulated depreciation of assets disposed	-	826,003	-	826,003
Net book value disposed	-	**(28,560)**	-	**(28,560)**
Sales proceed received in consideration	-	203,162	-	203,162
Profit on sale of assets	-	**174,602**	-	**174,602**

12 Taxation

12.1 Major components of the tax expense

Current Tax				
Income tax	9,900,487	22,587,806	9,900,487	22,587,806
Education tax expense	1,321,083	2,162,675	1,321,083	2,162,675
Police trust fund	-	4,095	-	4,095
	11,221,570	**24,754,576**	**11,221,570**	**24,754,576**
Deferred tax (Credit)/expense				
Deferred tax (credit)/expense recognised in the current year	(46,370,624)	1,832,478	(46,370,624)	1,832,478
Adjustments recognised in the current period in relation to the deferred tax of prior periods	(12,744)	973,632	(12,744)	973,632
	(35,161,798)	**27,560,686**	**(35,161,798)**	**27,560,686**

The tax rates used in the above comparative figures are the corporate tax rate of 30% (2022: 30%) payable by corporate entities in Nigeria. Education tax rate is also payable at 3% of assessable profit (2022: 2.5% of assessable profit) while Police trust fund is 0.005% (2022: 0.005%) of the net profit of the companies operating business in Nigeria

12.2 Reconciliation of the tax expense

Reconciliation between accounting (loss)/profit and tax expense

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Accounting (loss)/profit before tax	(108,922,106)	82,302,820	(107,161,258)	81,907,076
Income tax expense calculated at 30% of PBT	(32,676,631)	24,572,124	(32,148,377)	24,572,124
Tertiary education tax expense calculated at 3% of assessable profits	1,321,083	2,162,675	1,321,083	2,162,675
Effect of income that exempt from taxation	(310,420)	(450,746)	(303,065)	(450,746)
Effect of investment allowance	(79,854)	(59,506)	(79,854)	(59,506)
Effect of expenses that are not deductible in determining taxable profit	372,122	292,468	347,172	292,468
Effect of Tax adjustments	9,124	4,095	3,846	4,095
Adjustments recognised in the current period in relation to the deferred tax of prior periods	(15,008)	973,632	(12,744)	973,632
Adjustment recognised due to difference in tax rate	(4,310,583)	65,944	(4,289,859)	65,944
Income tax expense recognised in profit or loss	**(35,690,167)**	**27,560,686**	**(35,161,798)**	**27,560,686**

12.3 Current tax liabilities

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
At January 1	25,542,640	10,449,071	25,542,640	10,449,071
Charge for the year	11,221,570	24,754,576	11,221,570	24,754,576
Payment made during the year	(22,318,629)	(9,661,007)	(22,313,700)	(9,661,007)
Balance end of the year	**14,445,581**	**25,542,640**	**14,450,510**	**25,542,640**

13 Deferred tax balances

Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2022: 30%). The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction and the law allows net settlement.

Deferred tax assets are recognised only to the extent that is probable that future taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets/(liabilities)	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Deferred tax assets/(liabilities) are attributable to the following:				
Property plant and equipment @ 30%	(13,667,444)	(12,866,208)	(13,667,444)	(12,866,208)
Property plant and equipment @ 10%	(121,878)	(121,878)	(121,878)	(121,878)
Provisions	1,123,365	827,496	1,123,365	827,495
Exchange difference @ 32%	48,944,928	-	48,944,928	-
Fair value adjustment	(3,133,677)	(1,077,483)	(3,133,677)	(1,077,483)
	33,145,294	**(13,238,074)**	**33,145,294**	**(13,238,074)**

13.1 Deferred tax reconciliation

Company and Group as at 31 December 2023 Deferred tax (liabilities)/assets in relation to:	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Property, plant and equipment @ 30%	12,866,209	801,235	-	13,667,444
Property, plant and equipment @ 10%	121,878		-	121,878
Provisions	(827,496)	(295,869)	-	(1,123,365)
Exchange difference	-	(48,944,928)		(48,944,928)
Fair value adjustment	1,077,483	2,056,194	-	3,133,677
	13,238,074	**(46,383,368)**	**-**	**(33,145,294)**

Company and Group as at 31 December 2022 Deferred tax (liabilities)/assets in relation to:	Opening balance ₦'000	Movement recognised in the year-SPL ₦'000	Movement recognised in the equity ₦'000	Closing balance ₦'000
Property, plant and equipment @ 30%	11,913,613	952,596	-	12,866,209
Property, plant and equipment @ 10%	121,878	-	-	121,878
Exchange rate	(870,036)	42,540		(827,496)
Fair value adjustment	(802,447)	802,447	-	-
Provisions	68,956	1,008,527	-	1,077,483
	10,431,964	**2,806,110**	-	**13,238,074**

14 Operating profit

Profit for the year is arrived at after charging/(crediting):

Depreciation of property, plant and equipment (note 16)	10,268,323	9,731,508	9,245,056	8,814,028
(Loss)/profit on sale of property, plant and equipment (note 11)	-	(174,602)	-	(174,602)
Defined contribution plans -direct employee cost (note 36)	312,622	287,014	312,622	287,014
Defined contribution plans -indirect employee cost (note 36)	191,595	162,205	191,595	162,205
Auditors remuneration	120,000	85,000	112,015	78,283

15 (Loss/Earnings per share

Basic and diluted (loss)/ earnings per share

Basic (loss)/earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders by weighted average number of ordinary shares outstanding during the year.
The weighted average number of ordinary shares used in the calculation of earnings per share are as follows:

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
(Loss)/Profit for the year	(73,742,700)	54,738,177	(71,999,460)	54,346,390
Weighted average number of ordinary shares for the purpose of basic earnings per share	12,146,878	12,146,878	12,146,878	12,146,878
Basic and diluted (Loss)/earnings per share from continuing operations (Naira)	(6.07)	4.51	(5.93)	4.47

16. Property, Plant and Equipment

Group	Bearer Plant	Land	Building	Plant & Machinery	Furniture & Fittings	Motor Vehicles	Computer Equipment	Aircraft	Tools & Equipment	Capital Work In Progress	Total
COST:	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Balance, 1/1/2022	**9,516,973**	**5,751,213**	**21,992,422**	**43,476,696**	**408,146**	**30,125,392**	**361,395**	**899,828**	**9,141,898**	**78,164,837**	**199,838,800**
Additions during the year	-	-	2,754,697	3,235,504	29,830	5,184,585	73,010	-	133,322	14,777,209	26,188,158
Reclassifications	5,262,059	-	502,281	673,611	2,724	15,248	1,498	-	57,682	(6,515,103)	-
Adjustment (Note 16.2)	-	-	-	-	-	-	-	-	-	(3,353,987)	(3,353,987)
Disposal	-	-	-	-	-	(854,563)	-	-	-	-	(854,563)
Balance, 31/12/2022	**14,779,032**	**5,751,213**	**25,249,400**	**47,385,811**	**440,700**	**34,470,662**	**435,903**	**899,828**	**9,332,902**	**83,072,956**	**221,818,407**
Addition	33,274	475,499	53,073	1,279,768	77,483	485,106	129,659	-	99,877	16,881,155	19,514,894
Reclassifications	5,171,903	-	26,389	2,274,771	1,752	1,021	-	-	31,502	(7,507,338)	-
Adjustment (Note 16.2)	-	-	-	-	-	-	-	-	-	(268,623)	(268,623)
Disposal	-	-									
Balance, 31/12/2023	**19,984,209**	**6,226,712**	**25,328,862**	**50,940,350**	**519,935**	**34,956,789**	**565,562**	**899,828**	**9,464,281**	**92,178,150**	**241,064,678**
DEPRECIATION:											
Balance, 1/1/2022	**6,504,305**	**66,245**	**5,392,770**	**18,702,941**	**324,938**	**15,898,333**	**285,255**	**290,903**	**7,695,054**	**-**	**55,160,744**
Charge for the year	1,633,389	24,514	1,246,379	1,703,154	58,518	3,939,928	46,162	35,993	1,043,471	-	9,731,508
Written off/(back)	-	-	-			(9,473)	-	-	-	-	(9,473)
				-	-	(826,003)	-	-	-	-	(826,003)
Balance, 31/12/2022	**8,137,694**	**90,759**	**6,639,149**	**20,406,095**	**383,456**	**19,002,785**	**331,417**	**326,896**	**8,738,525**	**-**	**64,056,776**
Charge for the year	2,629,974	24,514	1,274,650	2,265,650	64,453	3,405,079	75,674	35,993	492,336	-	10,268,323
Written off	-	-				(342,330)	(903)			-	(343,233)
Balance, 31/12/2023	**10,767,668**	**115,273**	**7,913,799**	**22,671,745**	**447,909**	**22,065,534**	**406,188**	**362,889**	**9,230,861**	**-**	**73,981,866**
NET BOOK VALUE:											
Balance, 31/12/2022	**6,641,338**	**5,660,454**	**18,610,251**	**26,979,716**	**57,244**	**15,467,877**	**104,486**	**572,932**	**594,377**	**83,072,956**	**157,761,631**
Balance, 31/12/2023	**9,216,541**	**6,111,439**	**17,415,063**	**28,268,605**	**72,026**	**12,891,255**	**159,374**	**536,939**	**233,420**	**92,178,150**	**167,082,812**

The depreciation expenses have been charged as follows:

	N'000
Depreciation charge per Cost of sales	5,908,006
Depreciation charge per Freight expenses	2,795,204
Depreciation charge per Administrative expenses	1,565,113
	10,268,323

16. Property, Plant and Equipment

Company	Bearer Plant	Land	Building	Plant & Machinery	Furniture & Fittings	Motor Vehicles	Computer Equipment	Aircraft	Tools & Equipment	Capital Work In Progress	Total
COST:	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Balance, 1/1/2022	**9,516,973**	**5,146,460**	**18,577,109**	**37,018,600**	**408,354**	**28,549,127**	**347,515**	**899,828**	**7,316,555**	**30,149,079**	**137,929,600**
Additions during the year	-	-	81,338	1,118,915	29,830	4,943,352	72,344	-	133,322	15,674,832	22,053,933
Reclassifications	5,262,059	-	502,281	673,611	2,724	15,248	1,498	-	57,682	(6,515,103)	-
Adjustment (Note 16.2)	-	-	-	-	-	-	-	-	-	(3,353,987)	(3,353,987)
Disposal	-	-	-	-	-	(854,563)	-	-	-	-	(854,563)
Balance, 31/12/2022	**14,779,032**	**5,146,460**	**19,160,728**	**38,811,126**	**440,908**	**32,653,164**	**421,357**	**899,828**	**7,507,559**	**35,954,821**	**155,774,983**
Additions during the year	33,274	475,499	51,805	1,279,768	60,619	472,329	122,083	-	99,877	14,057,033	16,652,286
Reclassifications	5,171,903	-	26,389	2,274,771	1,752	1,021	-	-	31,502	(7,507,338)	-
Adjustment (Note 16.2)	-	-	-	-	-	-	-	-	-	(268,623)	(268,623)
Disposal	-	-	-	-	-	-	-	-	-	-	-
Balance, 31/12/2023	**19,984,209**	**5,621,959**	**19,238,922**	**42,365,665**	**503,279**	**33,126,514**	**543,440**	**899,828**	**7,638,938**	**42,235,893**	**172,158,647**
DEPRECIATION:											
Balance, 1/1/2022	**6,504,305**	**66,245**	**5,087,448**	**19,863,922**	**347,763**	**16,339,833**	**278,305**	**290,904**	**5,321,691**	**-**	**54,100,416**
Charge for the year	1,633,389	-	1,135,579	1,362,400	31,702	3,543,486	42,445	35,993	1,029,034	-	8,814,028
Written off/(back)	-	-	-	-	-	(9,473)	-	-	-	-	(9,473)
Impaired	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	(826,003)	-	-	-	-	(826,003)
Balance, 31/12/2022	**8,137,694**	**66,245**	**6,223,027**	**21,226,322**	**379,465**	**19,047,843**	**320,750**	**326,897**	**6,350,725**	**-**	**62,078,968**
Charge for the year	2,629,974	-	1,119,370	1,883,144	31,939	2,996,551	70,168	35,993	477,917	-	9,245,056
Written off	-	-	-	-	-	(342,330)	(903)	-	-	-	(343,233)
Disposal	-	-	-	-	-	-	-	-	-	-	-
Balance, 31/12/2023	**10,767,668**	**66,245**	**7,342,397**	**23,109,466**	**411,404**	**21,702,064**	**390,015**	**362,890**	**6,828,642**	**-**	**70,980,791**
NET BOOK VALUE:											
Balance, 31/12/2022	**6,641,338**	**5,080,215**	**12,937,701**	**17,584,804**	**61,443**	**13,605,321**	**100,607**	**572,931**	**1,156,834**	**35,954,821**	**93,696,015**
Balance, 31/12/2023	**9,216,541**	**5,555,714**	**11,896,525**	**19,256,199**	**91,875**	**11,424,450**	**153,425**	**536,938**	**810,296**	**42,235,893**	**101,177,856**

The depreciation expenses have been charged as follows:	**₦'000**
Depreciation charge per Cost of sales	5,908,006
Depreciation charge per Freight expenses	2,795,204
Depreciation charge per Administrative expenses	541,846
	9,245,056

16. Property, Plant and Equipment (continued)

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Purchase of PPE per schedule and cashflow				
16.1 Purchase of PPE per schedule (note 16)	19,514,894	26,188,158	16,652,286	22,053,933
Addition to lease liabilities (note 31.1)	-	(36,261)	-	(16,261)
Purchase of PPE per cashflow statement	**19,514,894**	**26,151,897**	**16,652,286**	**22,037,672**

16.2 Property plant and equipment adjustment represents correction journals used to correct already existing entries in the Capital work in progress as a result of Vendors reconciliations. The other entries from the Capital work in progress adjustments are in the Vendors Accounts

16.3 Borrowing cost capitalised to property, plant and equipment for the Company was Nil (2022: Nil)

16.4 Management has assessed its items of property, plant and equipment for impairment and has not identified any impairment. Therefore, no impairment loss was recognised during the year (2022: Nill).

16.5 The following Right-of Use assets have been included in the property, plant and equipment movement schedules above:

	GROUP Land	GROUP Building	COMPANY Land	COMPANY Building
COST :				
Balance as at 1/1/2022	228,865	3,737,712	228,865	3,633,759
Additions during the year	-	36,261	-	16,261
Balance, 31/12/2022	**228,865**	**3,773,973**	**228,865**	**3,650,020**
Additions during the year	-	-	-	
Modifications/reassessments during the year	-	-	77,860	22,859
Balance, 31/12/2023	**228,865**	**3,773,973**	**306,725**	**3,672,879**
DEPRECIATION:				
Balance as at 1/1/2022	138,888	1,934,191	138,888	1,866,935
Depreciation charge for the year	40,183	828,974	40,183	769,488
Balance, 31/12/2022	179,071	2,763,165	179,071	2,636,423
Depreciation charge for the year	53,123	788,267	53,123	742,676
Balance, 31/12/2023	**232,194**	**3,551,432**	**232,194**	**3,379,099**
NET BOOK VALUE:				
Balance, 31/12/2022	**49,794**	**1,010,808**	**49,794**	**1,013,597**
Balance, 31/12/2023	**3,329**	**222,541**	**74,531**	**293,780**

17 Biological assets

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Carrying value at the beginning of the year	6,942,660	4,655,554	6,942,660	4,655,554
Net (usage)/addition	(1,974,223)	(1,028,227)	(1,974,223)	(1,028,227)
Fair value adjustments	9,495,990	3,315,333	9,495,990	3,315,333
Carrying amount at the end of the year	**14,464,427**	**6,942,660**	**14,464,427**	**6,942,660**

Description of biological assets and activities

Biological assets comprise of growing cane. The growing cane represents biological assets which are expected to be harvested as agricultural produce, intended for production of sugar. The biological assets have been measured at fair value less cost to sell. As at 31 Dec 2023, the group has a total of 8,283 hectares of growing canes.(2022: 8,092 hectares)

Basis for measurement of fair value

The Group adopted the multi-period excess earnings method (MPEEM) under the income approach to estimating the fair value of the Biological Assets. The MPEEM estimates the fair value of an asset based on the cash flows attributable to the asset after deducting the cash flows attributable to other assets (contributory assets). This approach is commonly used for sugarcane considering that land, plant and machinery and the bearer plant are accounted as PPE in line with IAS 16 and considered as contributory assets for the purpose of MPEEM valuation.

The fair value of biological assets are determined based on unobservable inputs, using the best information available in the circumstances and therefore falls within the level 3 fair value category. Growing cane were valued using the income approach.

Key assumptions and inputs	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Industry out-grower price. (N per ton)	34,899	17,874	34,899	17,874
Average yield per hectare (tonnes)	83.44	81.90	83.44	81.90
Discount rate (%)	15.01%	15.46%	15.01%	15.46%

Changes in fair value of the biological assets are recognised in the statement of profit and loss.

17. Biological Assets (Continued)

Sensitivity to changes in key assumptions and inputs

Reasonably possible changes at the reporting date to one of the key assumptions, holding other assumptions constant, would have affected the biological assets valuation by the amount shown below.

	31/12/2023 ₦'000	31/12/2022 ₦'000
Industry out-grower price impact of change		
-10%	(1,539,418)	(760,742)
+10%	1,539,418	760,742
Average yield per hectare (tonnes) impact of change		
-10%	(1,473,846)	(717,498)
+10%	1,473,846	717,498
Discount rate impact of change		
-10%	63,536	30,688
+10%	(62,239)	(30,037)
Gross profit impact of change		
-10%	(1,509,649)	(744,289)
+10%	1,509,649	744,289

The Company currently does not have biological assets with restricted titles.

Financial risk management strategies for biological assets

The group is exposed to risks arising from environmental and climatic changes, commodity prices and financing risks. The group has strong environmental policies and procedures in place to comply with environmental and other laws.

The group is exposed to risks arising from fluctuations in the price and sales volume of sugar. The group closely monitors the market demand for sugar and makes relevant adjustments to price and production volumes

18 Other assets	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Prepaid insurance	91,753	150,551	90,357	144,426
Prepaid housing allowances	42,269	39,407	42,269	39,407
Prepaid medicals	32,126	64,145	32,126	64,145
Others	578,860	50,076	578,860	49,951
	745,008	**304,179**	**743,612**	**297,929**

19 Asset held for sale	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
	868,642	868,642	868,642	868,642

The asset is a large expanse of land at Plot 23 Division 9, W110 Road, Kolai'a Local Government, Tipaza Province, Algeria. It is currently covered with light green vegetations, with delineating boundaries/paths partly marked with wire-mesh fitted to steel poles. The immediate neighbourhood features both industrial and agricultural uses and notable landmarks in the vicinity of the property include SPA Société Des Tabacs Algero-Emirate (STAEM) and Zone Industrielle Mazafran. Based on land survey plan, the site extends to c.6 Hectares 22 Yards 29 Centiyard.

The Management of DSR assess that the land's value has not been impaired or diminished since the last valuation carried out on 19th August 2021 by international Land Economists, KNIGHT FRANK LLP, as the opportunities presented in the valuation remain valid. The political stability of the country, Algeria, where the land is located has also improved since the valuation. The DSR Management therefore assess the fair value of the land remains the same as the value presented in the valuation report by KNIGHT FRANK LLP.

The conversion rate between Algerian Dinar and the US dollar as at 31st December 2023 was Algerian Dinar 1,000:US Dollar $7.4423 (31 December 2022: AD 1,000: US Dollar $ 7.370) which shows that there has not been any significant devaluation of the Algerian local currency against the USD $, and as explained above under the Basis of Management assessment, the local land value has also not depreciated or devalued.

20 Investment in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Company Name of Company	Held by	% interest	Carrying amount December 2023 ₦'000	December 2022 ₦'000
Dangote Taraba Sugar Limited	Dangote Sugar Refinery Plc	99	99,000	99,000
Dangote Adamawa Sugar Limited	Dangote Sugar Refinery Plc	99	99,000	99,000
Nasarawa Sugar Company Limited	Dangote Sugar Refinery Plc	99	99,000	99,000
			297,000	**297,000**

Dangote Sugar Refinery Plc provides financial support to Dangote Taraba Sugar Limited, Dangote Adamawa Sugar Limited and Nasarawa Sugar Company Limited in terms of payment of salaries and wages, purchase of assets and settlement of liabilities.

Subsidiaries with non-controlling interest

The following information is provided for subsidiaries with non-controlling interest which are material to the reporting company. The summarized financial information is provided prior to intercompany elimination.

Subsidiaries	Country of Incorporation	% Ownership Interest held by non-controlling interest 2023	2022
BIP - Dangote Adamawa Sugar Limited	Nigeria	1%	1%
BIP - Nasarawa Sugar Company Limited	Nigeria	1%	1%
BIP - Dangote Taraba Sugar Limited	Nigeria	1%	1%

2023

Summarised consolidated and separate statements of financial position	Non current asset	current asset	Total asset	Non current liabilities	Current liabilities	Total liabilities
	N.mil	N.mil	N.mil	N.mil	N.mil	N.mil
BIP - Dangote Adamawa Sugar Limited	28,025,394	7	28,025,401	642,385	606,835	1,249,220
BIP - Nasarawa Sugar Company Limited	36,615,931	1,638,491	38,254,422	41,768	2,205,722	2,247,490
BIP - Dangote Taraba Sugar Limited	1,998,474	62	1,998,536	-	17,428	17,428
Total	**66,639,799**	**1,638,560**	**68,278,359**	**684,153**	**2,829,985**	**3,514,138**

Summarised consolidated and separate statement of profit or loss and other comprehensive income	Revenue	Profit/(Loss) before tax	Tax expense	Profit/(Loss) before tax	Other comprehensive income	Total Comprehensive Income
	N.mil	N.mil	N.mil	N.mil	N.mil	N.mil
BIP - Dangote Adamawa Sugar Limited	-	(2,667)	-	-	-	(2,667)
BIP - Nasarawa Sugar Company Limited	-	(1,753,860)	-	-	-	(1,753,860)
BIP - Dangote Taraba Sugar Limited	-	(4,322)	-	-	-	(4,322)
Total	**-**	**(1,760,849)**	**-**	**-**	**-**	**(1,760,849)**

2022

Summarised consolidated and separate statements of financial position	Non current asset	current asset	Total assest	Non current liabilities	Current liabilities	Total liabilities
	N.mil	N.mil	N.mil	N.mil	N.mil	N.mil
BIP - Dangote Adamawa Sugar Limited	27,848,053	-	27,848,053	636,996	631,569	1,268,565
BIP - Nasarawa Sugar Company Limited	34,951,419	2,182,742	37,134,161	41,767	2,140,923	2,182,690
BIP - Dangote Taraba Sugar Limited	2,000,987	62	2,001,049	-	17,162	17,162
Total	**64,800,459**	**2,182,804**	**66,983,263**	**678,763**	**2,789,654**	**3,468,417**

21 Deposit for shares

The Board of Directors of Dangote Sugar Refinery Plc (DSR) resolved that the total funding of its Backward Integrated Project entities (Dangote Taraba Sugar Limited, Dangote Adamawa Sugar Limited and Nasarawa Sugar Company Limited) shall be converted to deposit for shares or equity contribution in the books of both DSR and the respective entities and same shall thereafter be converted to equity in future.

Total funding to date	Company 31/12/2023 ₦'000	Company 31/12/2022 ₦'000
Nasarawa Sugar Company Limited	38,501,929	35,602,607
Dangote Adamawa Sugar Limited	26,633,922	26,524,563
Dangote Taraba Sugar Limited	1,899,440	1,897,898
	67,035,291	**64,025,068**

21. Deposit for Shares (Continued)

Funding during the year is as follows:	**31/12/2023 ₦'000**
Nasarawa Sugar Company Limited	2,899,321
Dangote Adamawa Sugar Limited	109,360
Dangote Taraba Sugar Limited	1,542
	3,010,223

22 Inventory

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Raw materials	3,883,257	11,032,640	3,775,950	10,921,054
Raw material in transit	33,361	37,330	33,361	37,330
Work-in-process	5,255,524	2,418,224	5,255,524	2,418,224
Finished goods	9,758,308	5,060,699	9,758,308	5,060,699
Finished goods in transit	2,158,972	1,879,649	2,158,972	1,879,649
Production supplies	20,823,332	18,679,161	20,051,519	17,888,377
Chemicals and consumables	5,551,692	5,029,616	5,575,208	5,054,968
Packaging materials	796,483	470,825	796,483	470,825
	48,260,929	**44,608,144**	**47,405,325**	**43,731,126**
Allowance for obsolete inventory	(344,076)	(344,076)	(344,076)	(344,076)
	47,916,853	**44,264,068**	**47,061,249**	**43,387,050**
Movement in provision for obsolete inventory				
As at 1 January	(344,076)	(344,076)	(344,076)	(344,076)
As at 31 December	**(344,076)**	**(344,076)**	**(344,076)**	**(344,076)**
Amount of inventory charged as expense in the year:	-	-	-	-

No inventory was pledged as security for any liability.

23 Trade and other receivables

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Trade receivables	5,911,204	4,651,950	5,911,204	4,651,950
Allowance for doubtful debts and impairments	(435,350)	(131,462)	(435,350)	(131,462)
	5,475,854	**4,520,488**	**5,475,854**	**4,520,488**
Staff loans and advances	431,210	384,473	426,254	377,992
Allowance for impaired staff advances	(51,513)	(69,289)	(51,513)	(69,289)
Allowance for impaired staff loans (Note 23.2)	(37,752)	(23,950)	(37,752)	(23,950)
Other financial assets	99,821,153	83,031,542	99,783,327	82,572,232
Advance payment to contractors	3,499,078	2,796,730	3,307,346	2,624,986
Insurance claim receivable	373,388	373,388	373,388	373,388
Allowance for impaired Insurance claim	(373,388)	(373,388)	(373,388)	(373,388)
Negotiable Duty Credit Certificates (Note 23.1)	623,592	623,592	623,592	623,592
Other receivables	16,713,881	13,105,852	16,713,881	13,105,852
Receivable from Olam Group	-	602,997	-	602,997
Allowance for impaired receivables from Olam Group	-	(602,997)	-	(602,997)
Amount due from related parties (Note 35)	6,175,692	3,303,865	6,175,692	3,303,865
Allowance for impaired -related parties Trade(Note 23.2)	(79,396)	-	(79,396)	-
Allowance for impaired -related parties Non-Trade(Note 23.2)	(767,613)	(238,412)	(767,613)	(238,412)
	131,804,186	**107,434,891**	**131,569,672**	**106,797,356**

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due. Trade receivables are non-interest bearing and are generally on terms of 0 - 30 days.

Other financial asset is in respect of the deposit for open Letters of Credit with the banks.

Included in the advance payment to contractors for 2023 fiscal year is N618,273,222.32 made to related parties for Company (Group: N618,273,222.32)(31 December 2022: Company -N315,944,294 and Group- N315,944,294)

23.1 Negotiable duty credit certificate

The Company has received certificates for N707 million termed as Negotiable Duty Credit Certificate (NDCC).However, N83.5 Million matured during the year which reduced the balance to N623.6 Million.The NDCC is an instrument of the government for settling of the EEG receivables. The NDCC is used for the payment of Import and Excise duties in lieu of cash. The recently issued Government promissory notes that relates to the last tranches of export carried out by the company are being converted to cash based on the maturity dates indicated on the instruments. However, the old NDCC which ought to be utilized for payment of import and exercise duty in lieu of cash is yet to be enjoyed just like other players within the industry Though, a significant component of the NDDC/EEG receivable have been outstanding for more than one year, no impairment charge has been recognised by the Company in the current year because they are regarded as sovereign debt since it is owed by the government. Moreover, the government has not communicated or indicated unwillingness to honour the obligations. On the contrary, the government has announced a resumption of the scheme in 2017. Thus, the outstanding balances are classified as current assets accordingly.

23.2 Allowance for impairment of financial assets

Group and Company	Impairment losses					
	olam and insurance claim	Trade receivables	Related party		Staff loans	Total
			Trade-related	Non-trade related		
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Balance as at 1/1/2022	373,388	469,939	389,301	177,168	23,950	1,433,746
Increase/(decrease) in allowance for credit losses for the year	602,997	(338,477)	(389,301)	61,244	-	(63,537)
Balance as at 31/12/2022	976,385	131,462	-	238,412	23,950	1,370,209
Balance as at 1/1/2023	976,385	131,462	-	238,412	23,950	1,370,209
Increase in allowance for credit losses for the year	-	303,889	79,396	529,201	13,802	926,288
Balance as at 31/12/2023	**976,385**	**435,351**	**79,396**	**767,613**	**37,752**	**2,296,497**

23.3 Provision for impairment (gain)/loss on financial assets	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Balance at the beginning of the year	1,370,210	1,433,747	1,370,210	1,433,747
Impairment loss/(gain) recognised in profit or loss	926,288	(63,537)	926,288	(63,537)
Balance at the end of the year	**2,296,498**	**1,370,210**	**2,296,498**	**1,370,210**

24 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, short term deposits and treasury bills with a 90 day tenure.

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash in hand	4,541	4,047	2,400	2,400
Bank balances	39,898,646	20,782,004	39,815,563	20,583,473
Short term deposits	161,859,516	151,682,243	161,859,516	151,682,243
Nigerian Treasury bill	3,000,000	2,390,000	3,000,000	2,390,000
	204,762,703	**174,858,294**	**204,677,479**	**174,658,116**

24.1 Unclaimed dividend

In line with Security Exchange Commission Regulations, The total sum of NGN 39,268,052.50 (Thirty Nine Million, Two Hundred and sixty Eight Thousand and Fifty Two, Fifty Kobo) was received from the registrars in 2023. (39,269,313.80 in 2022)This amount represents 90% of Year 2021 unclaimed dividend that has aged above 15 months. This entire sum is included within the investment in treasury bills (note 24 above).

25 Share capital and Premium

The balance in the share capital account was as follows:

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Authorised:				
Balance at January 1 (15,000,000,000 Ordinary shares of N0.50 each)	6,073,439	7,500,000	6,073,439	7,500,000
Cancellation during the year	-	(1,426,561)	-	(1,426,561)
Balance at December 31	**6,073,439**	**6,073,439**	**6,073,439**	**6,073,439**
Allotted, called up issued and fully paid:				
Balance at January 1 (12,146,878,239 Ordinary shares of N0.50 each)	6,073,439	6,073,439	6,073,439	6,073,439
Balance at December 31	**6,073,439**	**6,073,439**	**6,073,439**	**6,073,439**
Share premium				
12,000,000,000 ordinary shares of N0.5 each issued at N0.5267	**6,320,524**	**6,320,524**	**6,320,524**	**6,320,524**

Share premium represents the excess of the shareholders' value over the nominal share capital at the point of the commencement of operations in January 2006.

26 Retained earnings	31/12/2023 ₦'000	31/12/2022 ₦'000	31/12/2023 ₦'000	31/12/2022 ₦'000
Balance at January 1	158,845,237	116,253,934	159,635,722	117,436,206
(Loss)/profit for the year	(73,742,700)	54,738,177	(71,999,460)	54,346,390
Dividend paid during the year	(18,220,317)	(12,146,874)	(18,220,317)	(12,146,874)
Balance at December 31	**66,882,220**	**158,845,237**	**69,415,945**	**159,635,722**

Dividend recognised as distribution to owners in year 2023 is at N1.15 per every ordinary share held, paid in 2023 (2022: N1.00 per share, paid in 2022).

27 Non-controlling interest				
Balance brought forward	(12,790)	(16,747)	-	-
Share of profit/(loss) for the year	(17,608)	3,957	-	-
Total	**(30,398)**	**(12,790)**	**-**	**-**

28 Borrowings

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Held at amortised cost				
Bank loan	531,563	775,282	531,563	775,282
	531,563	**775,282**	**531,563**	**775,282**
Non-current liabilities	246,109	531,563	246,109	531,563
Current liabilities	285,454	243,719	285,454	243,719
	531,563	**775,282**	**531,563**	**775,282**
Movement of bank Loans				
Balance brought forward	775,282	984,487	775,282	984,487
Accrued interest	111,192	128,892	111,192	128,892
Interest payment on bank loans	(67,473)	(63,783)	(67,473)	(63,783)
Principal repayment	(287,438)	(274,314)	(287,438)	(274,314)
	531,563	**775,282**	**531,563**	**775,282**

Details of Borrowing

In 2016, the Group received a 10-year agric loan of N2 Billion from Zenith Bank Plc, towards the expansion of its agricultural activities with two years moratorium on principal, at an interest of 9% per annum payable quarterly. The interest rate was reduced to 5% in Q2 2020 as part of COVID 19 palliative. However, it was subsequently reviewed back to 9% in Q3 2022. It is secured on fixed and floating assets of Dangote Sugar Refinery, Numan.

29 Employee benefits

Defined benefit plan

The Group operated a defined benefit plan for all qualifying employees up till 30 September 2013. Under the plan, the employees were entitled to retirement benefits which vary according to length of service. At the date of discontinuation, qualified staff as at this date are to be paid their retirement benefit at the point of exit hence the recognition as a current liability as it is payable on demand. The amounts stated in the financial statement as at 2013 were based on actuarial valuation carried out in 2013. For the purpose of comparison the present value of the defined benefit obligation, and the related current service cost and past service cost stated in the books up till 30 September 2013 were measured using the Project Unit Credit Method.

The last Actuarial Valuation was carried out in 2013 using the staff payroll of 30 September 2013.

Movement in gratuity

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Balance as at 1 January	762,567	766,265	762,567	766,265
Benefits paid from plan	(50,520)	(3,698)	(50,520)	(3,698)
Balance as at 31 December	**712,047**	**762,567**	**712,047**	**762,567**

Defined contribution plan

The Group operates a defined contribution retirement plan for all qualifying employees. The assets of the plans are held separately from those of the Group in funds under the control of trustees.

The employees contribute 8% of their gross salary (basic, housing and transport) while the Group contributes 10% on behalf of the employees to the same plan.

30 Trade and other payables

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Trade payables	13,608,715	7,560,690	12,973,473	7,191,248
Letters of Credit	411,735,375	218,242,613	410,980,514	217,301,321
Dividend Payable	1,634,780	1,556,243	1,634,780	1,556,243
Accruals and sundry creditors	34,276,333	21,291,777	34,109,875	21,067,297
Other credit balances	6,605,632	11,268,253	6,571,090	11,244,335
Due to related parties (Note 35)	20,001,610	13,827,181	19,328,586	13,166,629
	487,862,445	**273,746,757**	**485,598,318**	**271,527,073**

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
31 Other Liabilities				
Advance payment for goods (contract liabilities)	17,792,296	6,161,493	17,792,296	6,161,493
31.1 Lease Liability	200,208	981,142	145,880	933,022

Lease liabilities

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Opening balance as at 1 January	981,142	2,354,879	933,022	2,306,439
Additions	-	36,261	-	16,261
Modifications/reassessments during the year	100,719	-	100,719	-
Interest expense	51,102	113,552	51,102	112,808
Exchange Difference	865,286	-	859,078	-
Payments made during the year	(1,798,041)	(1,523,550)	(1,798,041)	(1,502,486)
Closing balance as at 31 December	**200,208**	**981,142**	**145,880**	**933,022**
Current	116,260	981,142	61,932	933,022
Non-current	83,948	-	83,948	-
	200,208	**981,142**	**145,880**	**933,022**

31.1.0 Principal payment of lease interest per cashflow is derived as below:

Payments made during the year	(1,798,041)	(1,523,550)	(1,798,041)	(1,502,486)
Interest expense	51,102	113,552	51,102	112,808
	(1,746,939)	**(1,409,998)**	**(1,746,939)**	**(1,389,678)**

31.1.1 Amounts recognised in the statement of profit or loss

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Depreciation charge on right of use assets				
Land	53,123	40,183	53,123	40,183
Buildings	788,267	828,974	742,676	769,488
	841,390	**869,157**	**795,799**	**809,671**
Interest expense (included in finance cost)	51,102	113,552	51,102	112,808
Foreign exchange difference	865,286	-	859,078	-
Expense related to short term leases (included in administrative expenses)	-	-	-	-

31.1.2 Liquidity risk (maturity analysis of lease liabilities)

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Lease liability - Undiscounted cashflows				
0-3 months	60,994	103,658	60,994	103,658
3-12 months	74,532	75,664	74,532	75,664
1-2 years	85,514	-	85,514	-
	221,040	**179,322**	**221,040**	**179,322**

31.1.3 Leases where the Group is a lessor.

Lease rental recognised in profit or loss as rental income in which the Group acts as a lessor is as shown below:

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Other income				
Rental income on operating lease (Note 11)	188,064	193,455	188,064	193,455

32 Risk management

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group is made up of equity comprising issued capital, share premium and retained earnings. The Group is not subject to any externally imposed capital requirements.

The Group's risk management committee reviews the capital structure of the Group on an annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group is not geared as at 31 December 2023 (see below).

The Group monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity.

i. Debt is defined as both current and non-current borrowings.
ii. Equity includes all capital and reserves of the Company that are managed as capital.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and noncurrent borrowings' as shown in the statement of financial position as at 31 December 2023) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the as at 31 December 2023 plus net debt.

The gearing ratio at 2023 and 2022 respectively were as follows:

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Total borrowings				
Borrowings (Note 28)	531,563	775,282	531,563	775,282
Less: Cash and cash equivalent (Note 24)	(204,762,703)	(174,858,294)	(204,677,479)	(174,658,116)
Net Cash	**(204,231,140)**	**(174,083,012)**	**(204,145,916)**	**(173,882,834)**
Total Equity	79,245,785	171,226,410	81,809,908	172,029,685
Gearing ratio	N/A	0.5%	N/A	0.5%

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the group's short, medium and long-term funding and liquidity management requirements.

The Company monitors its risk to a shortage of funds by maintaining a balance between continuity of funding and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. To manage liquidity risk, our allocation of Letters of Credit on raw sugar and spares/chemicals are spread over dedicated banks. Therefore, the establishment of these Letters of Credit which are commitments by the banks provide security to our funds placed on deposit accounts. In other words our funds placed are substantially tied to our obligations on raw sugar and spares.

32 Risk management (continued)

Group

At 31 December 2023	Less than one one year ₦'000	More than one one year ₦'000	Total ₦'000
Borrowings	285,454	246,109	531,563
Letters of Credit	411,735,375	-	411,735,375
Lease liability	116,260	83,948	200,208
Trade and other payables	76,127,069	-	76,127,069
	488,264,158	**330,057**	**488,594,215**
At 31 December 2022			
Borrowings	243,719	531,563	775,282
Letters of Credit	218,242,613	-	218,242,613
Lease liability	981,142	-	981,142
Trade and other payables	55,504,145	-	55,504,145
	274,971,619	**531,563**	**275,503,182**

Company

At 31 December 2023	Less than one one year ₦'000	More than one one year ₦'000	Total ₦'000
Borrowings	285,454	246,109	531,563
Letters of Credit	410,980,514	-	410,980,514
Lease liability	61,932	83,948	145,880
Trade and other payables	74,617,806	-	74,617,806
	485,945,706	**330,057**	**486,275,763**
At 31 December 2022			
Borrowings	243,719	531,563	775,282
Letters of Credit	217,301,321	-	217,301,321
Lease liability	933,022	-	933,022
Trade and other payables	54,225,751	-	54,225,751
	272,703,813	**531,563**	**273,235,376**

Financial liabilities that can be repaid at any time have been assigned to the earliest possible time period. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Credit risk

In order to minimise credit risk, the group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group is exposed to credit risk from its investing activities (primarily for trade receivables) and from its financing activities, including deposits with banks and other financial institutions. The Group has a credit management committee that is responsible for carrying out preliminary credit checks, review and approval of bank guarantees to credit customers. A credit controller also monitors trade receivable balances and resolves credit related matters.

Before accepting any new customer to buy on credit, the customer must have purchased goods on cash basis for a minimum period of six months in order to test the financial capability of the customer. Based on good credit rating by the credit committee of the Company, the customer may be allowed to migrate to credit purchases after the presentation of an acceptable bank guarantee which must be valid for one year.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the group reviews the recoverable amount of each trade debt and debt investment on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts

Concentration of risk

32% of the trade receivables are due from a single customer whose credit history is good. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are otherwise diverse including both corporate entities and lots of individual end users. The requirement for impairment is analysed at each reporting date on an individual basis for corporate and individual customers.

32 Risk management (continued)

Deposits with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with its corporate treasury policy that spells out counterparty limits, lists of financial institutions that the Group deals with and the maximum tenure of fixed term funds. Surplus funds are spread amongst these institutions and funds must be within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Corporate Treasurer periodically and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through the potential counterparty's failure.

Maximum exposure to credit risks

The carrying value of the Group's financial assets represents its maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

Financial instrument	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Trade receivables	5,475,854	4,520,488	5,475,854	4,520,488
Other receivables	17,055,826	13,397,086	17,050,870	13,390,605
Deposit for open Letters of Credit with the banks.	99,821,153	83,031,542	99,783,327	82,572,232
Amount due from related party	5,328,683	3,065,453	5,328,683	3,065,453
Cash and cash equivalents	204,762,703	174,858,294	204,677,479	174,658,116
	332,444,219	**278,872,863**	**332,316,213**	**278,206,894**

Excluded from the other receivables balance shown above are the VAT, advance to vendors, Withholding tax receivable and NDCC receivables, these are not financial instruments.

Impairment of financial assets

The company's financial assets that are subject to IFRS 9 expected credit loss model are:

- Trade receivables
- Amount due from related parties
- Staff loans and;
- Cash and cash equivalent.

a) Trade receivables
The Company applies the IFRS 9 simplified approach in measuring the expected credit losses (ECL) which calculates a lifetime expected loss allowance (ECL) for all trade receivables. Trade receivables represent the amount receivable from third-party customers for the sale of goods. The expected credit loss rate for this receivable is determined using a provision matrix approach.

The provision matrix approach is based on the historical credit loss experience observed according to the behaviour of customers over the expected life of the receivable and adjusted for forward-looking estimates of relevant macroeconomic variables. The macroeconomic variables considered include inflation, gross domestic product (GDP) and exchange rate.

Age of trade receivables	0-30 days ₦'000	31-60 days ₦'000	61-90 days ₦'000	91-365 days ₦'000	Over 365 days ₦'000	Total ₦'000
Gross carrying amount	4,232,788	1,168,108	361,336	105,514	43,458	5,911,204
Default rate	0.8%	9.76%	51.21%	55.32%	100%	
Lifetime ECL	(34,520)	(113,975)	(185,031)	(58,366)	(43,458)	(435,350)
Total	**4,198,268**	**1,054,133**	**176,305**	**47,148**	**–**	**5,475,854**

The expected loss rates as at 31 December 2022 are as follows:

Age of trade receivables	0-30 days ₦'000	31-60 days ₦'000	61-90 days ₦'000	91-365 days ₦'000	Over 365 days ₦'000	Total ₦'000
Gross carrying amount	4,076,512	468,543	13,132	84,332	9,431	4,651,950
Default rate	1%	8%	46%	48%	100%	
Lifetime ECL	(36,139.40)	(39,169.01)	(5,976.40)	(40,746)	(9,431)	(131,462)
Total	**4,040,372**	**429,374**	**7,156**	**43,586**	**-**	**4,520,488**

32 Risk management (continued)

Revenue is measured at the fair value of the consideration received or receivable for goods or services, in the ordinary course of the Company's activities and it is stated net of value added tax (VAT), rebates and returns. A valid contract is recognised as revenue after;

- The contract is approved by the parties.
- Collectability is probable.

b) Amounts due from related parties
Amounts due from related parties arises from both sales made to sister companies and expenses incurred on behalf of related parties that are expected to be reimbursed.

Amounts due from related parties that are related to trade have no significant financing component, therefore, the provision matrix approach has been applied in determining the expected credit loss on these receivables.

The general approach has been adopted for recognizing expected credit loss on amounts due from related parties that arise as a result of expense incurred on behalf of related parties that are expected to be reimbursed as they do not meet the criteria for applying the simplified approach.

i) Amounts due from related parties (trade related)
The provision matrix approach is based on the historical credit loss experience observed according to the behavior of customers over the expected life of the receivable and adjusted for forward-looking estimates of relevant macroeconomic variables. The macroeconomic variables considered include inflation, gross domestic product (GDP) and exchange rate.

The expected loss rates as at 31 December 2023 are as follows:

Age of receivables	0-30 days ₦'000	31-60 days ₦'000	61-90 days ₦'000	91-365 days ₦'000	Over 365 days ₦'000	Total ₦'000
Gross carrying amount	146,228	-	-	39,439	-	185,667
Default rate	35.64%	39.06%	43.65%	69.17%	100%	
Lifetime ECL	(52,117)	-	-	(27,280)	-	(79,397)
Total	**94,111**	**-**	**-**	**12,159**	**-**	**106,270**

No impairment charge as at 31 December 2022

ii) Amounts due from related parties (non-trade related)

This requires a three-stage approach in recognising the expected loss allowance for amounts due from related parties. The ECL recognised for the period is a probability-weighted estimate of credit losses discounted at the effective interest rate of the financial asset. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

December 31 2023

	Stage 1 12-month ECL ₦'000	Stage 2 Lifetime ECL ₦'000	Stage 3 Lifetime ECL ₦'000	Total ₦'000
Gross EAD*	4,658,145	-	-	4,658,145
Loss allowance as at 31 December 2023	(767,613)	-	-	(767,613)
Net EAD	**3,890,532**	**-**	**-**	**3,890,532**

32 Risk management (continued)

December 31 2022

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	₦'000	₦'000	₦'000	₦'000
Gross EAD*	5,094,611	-	-	5,094,611
Loss allowance as at 31 December 2022	(238,412)	-	-	(238,412)
Net EAD	**4,856,199**	**-**	**-**	**4,856,199**

The parameters used to determine impairment for amounts due from related parties that are not related to trade are shown below. For all receivables presented in the table, the respective 12-month Probability of Default (PD) equate the Lifetime PD for stage 2 as the maximum contractual period over which the Company is exposed to credit risk arising from the receivables is less than 12 months.

	Amounts due from related parties (non-trade related)
Probability of Default (PD)	The rating of each related party receivable is used to determine the PD. All facilities except Dangote Cement have been assigned a B- rating with an associated year 1 PD of 0.64%. Dangote Cements rating of AA+ rating was mapped to Fitch's rating of B with an associated year 1 PD of 0.43%.
Loss Given Default (LGD)	The LGD was applied on unsecured exposures. The LGD was determined using the Moody's average corporate senior bond recovery rate of 37%.
Exposure at Default (EAD)	EAD is an estimation of the extent to which a financial entity may be exposed to a counterparty in the event of a default and at the time of the counterparty's default. The EAD at every point in time is the balance from the previous month accumulated with interest and deducted for contractual repayments.
Forward Looking Information	In incorporating forward looking information, various macroeconomic variables such as GDP, Exchange rate, inflation rate, have been considered to determine how default rates should move over time.
Probability weightings	The Z score was used to calculate the probability of having a best, downturn and optimistic scenarios by comparing Nigeria GDP historical experience from 2006 - 2016. 89% weight was assigned to best case, 2% for optimistic and 9% for downturn

The Company considers both quantitative and qualitative indicators (staging criteria) in classifying its related party receivables into the relevant stages for impairment calculation.

Impairment of related party receivables are recognised in three stages based on certain criteria such as:

1. Days past due
2. Credit rating at origination
3. Current credit rating

Stage 1: This stage includes receivables at origination and receivables that do not have indications of a significant increase in credit risk.

Stage 2: This stage includes receivables that have been assessed to have a significant increase in credit risk using the above mentioned criteria and other qualitative indicators such as the increase in political risk concerns or other micro-economic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance.

Stage 3: This stage includes financial assets that have been assessed as being in default (e.g. receivables that are more than 90 days past due) or that have a clear indication that the imposition of financial or legal penalties and/or sanctions will make the full recovery of indebtedness highly improbable

32 Risk management (continued)

c) Staff loans

The company provides interest free loans to its employees. The Company applies the IFRS 9 general model for measuring expected credit losses (ECL). This requires a three-stage approach in recognising the expected loss allowance for staff loans.

The ECL recognised for the period is a probability-weighted estimate of credit losses discounted at the effective interest rate of the financial asset. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The following analysis provides further detail about the calculation of ECLs related to these assets. The Company considers the model and the assumptions used in calculating these ECLs as key sources of estimation uncertainty. See notes 3 and 23.2 for further details.

December 31 2023	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	
	₦'000	**₦'000**	**₦'000**	**₦'000**
Gross EAD*	369,055			369,055
Loss allowance as at 1 January 2023	(37,752)			(37,752)
Net EAD	**331,303**	**-**	**-**	**331,303**

December 31 2022	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	
	₦'000	**₦'000**	**₦'000**	**₦'000**
Gross EAD*	-	63,476	2,150	65,626
Loss allowance as at 1 January 2022	-	(21,800)	(2,150)	(23,950)
Net EAD	**-**	**41,676**	**-**	**41,676**

The parameters used to determine impairment for employee loan and advances are shown below.

	Staff Loans
Probability of Default (PD)	The rating of each staff is used to determine the PD. All facilities except for expired facilities have been assigned a C rating with an associated year 1 PD of 3.35%. Expired staff loans has been assigned a rating of D with an associated year 1 PD of 100%.
Loss Given Default (LGD)	The LGD was applied on unsecured exposures. The LGD was determined as 100% for all staff loans.
Exposure at Default (EAD)	EAD is an estimation of the extent to which a financial entity may be exposed to a counterparty in the event of a default and at the time of the counterparty's default. The EAD at every point in time is the balance from the previous month accumulated with interest and deducted for contractual repayments.
Forward Looking Information	In incorporating forward looking information, the staff attrition rate was used as a proxy for the default rate. The attrition rate was forecasted by growing the attrition rate for the last historical point with the average growth rate for the historical period.
Probability weightings	The Z score was used to calculate the probability of having a best, downturn and optimistic scenarios by comparing Nigeria GDP historical experience from 2010 - 2020. 89% weight was assigned to best case, 2% for optimistic and 9% for downturn.

32 Risk management (continued)

d) Cash and cash equivalents
The Company also assessed the cash and cash equivalents to determine their expected credit losses. Based on this assessment, they identified the expected losses on cash as at as at 31 December 2022 and 31 December 2023 to be insignificant, as the loss rate is deemed immaterial. Cash are assessed to be in stage 1.

e) Deposit for Open Letters of Credit with the banks
The Company also assessed its deposits for open letters of credit with banks to determine their expected credit losses. Based on this assessment, they identified the expected losses on this financial asset as at 31 December 2022 and 31 December 2023 to be insignificant, as the loss rate is deemed immaterial. Deposit for open Letters of Credit with the banks are assessed to be in stage 1.

Cash at bank and short-term bank deposits
*Counterparties with external credit rating (Fitch)*****

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
BBB-	22,040,975	-	22,038,833	-
BB-	1,365	1,365	1,365	1,365
B-	104,921,889	121,243,360	104,891,740	121,043,183
B	-	11,856,778	-	11,856,778
B+	4,556,422	-	4,556,422	-
BBB	40,621,037	8,190,912	40,568,104	8,190,912
BBB+	1,130,002	16,477,562	1,130,002	16,477,562
A	2,276,135	733,785	2,276,135	733,785
A+	2,375,241	7,207,952	2,375,241	7,207,952
AA	22,084,852	8,441,050	22,084,852	8,441,049
AAA	4,754,785	705,530	4,754,785	705,530
No rating	-	-	-	-
	204,762,703	**174,858,294**	**204,677,479**	**174,658,116**

****B+, B and B-: Highly speculative, indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

BBB: Good credit quality, denotes expectations of default risk are currently low, The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

A & A-: High credit quality, denotes expectations of low default risk, capacity for payment of financial commitments is considered strong, but may more vulnerable to adverse business or economic conditions than is the case for higher ratings.

AAA: Highest credit quality, denotes the lowest expectations of default risk, exceptionally strong capacity for payment of financial commitments.

Interest rate risk management
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to fluctuations in interest rates on its borrowings. The Group pays fixed interest on its borrowings. The company actively monitors interest rate exposures on its investment portfolio and borrowings so as to minimise the effect of interest rate fluctuations on the income statement. The risk on borrowings is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings. All loans, cash and cash equivalent are fixed interest based and therefore the company does not have any exposure to the risk of changes in market rates.

32 Risk management (continued)

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates is limited to foreign currency purchases of operating materials (e.g. finished equipment and other inventory items) and trade receivables that are denominated in foreign currencies.

Foreign exchange exposure is monitored by the Group's treasury unit.

The Naira carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	31/12/2023			31/12/2022		
Company	**Euro (€) ₦'000**	**GBP (£) ₦'000**	**USD ($) ₦'000**	**Euro (€) ₦'000**	**GBP (£) ₦'000**	**USD ($) ₦'000**
Cash and cash equivalents	-	8,495	2,608,960	-	5,738	14,779,740
Letters of Credit	(1,334,125)	(1,844,831)	(320,725,867)	(1,186)	(1,417)	(214,236)
Trade payables	(240,995)	(1,936,449)	(25,125,939)	(215,838)	(167,708)	(188,983,087)
Amount due from/(to) related parties	(533,258)	1,576,430	(112,737)	309,295	(588,129)	408,859
Net exposure	**(2,108,378)**	**(2,196,355)**	**(343,355,583)**	**92,271**	**(751,516)**	**(174,008,724)**
Group						
Cash and cash equivalents	-	8,495	2,609,174	-	5,738	14,779,741
Letters of Credit	(1,334,125)	(1,844,831)	(321,450,674)	(1,186)	(1,417)	(214,911)
Trade payables	(241,036)	(1,936,603)	(25,165,723)	(239,378)	(261,794)	(189,622,418)
Amount due from/(to) related parties	(533,258)	1,576,430	(112,737)	309,295	(588,129)	408,859
Net exposure	**(2,108,419)**	**(2,196,509)**	**(344,119,960)**	**68,731**	**(845,602)**	**(174,648,729)**

The Group's exposure to foreign currency risk is largely concentrated in the US Dollar. The Group reviews its foreign currency exposure, including commitments on an ongoing basis. The Company expects its foreign exchange contracts to hedge foreign exchange exposure.

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	31/12/2023 ₦	**31/12/2022 ₦**	**31/12/2023 ₦**	**31/12/2022 ₦**
Euro (€)	740.15	479.64	988.53	491.76
GBP (£)	847.68	555.51	1,140.77	554.59
USD ($)	706.45	448.05	951.79	461.10

Sensitivity analysis on foreign currency

A Thirty Nine percent (39%) weakening of the Naira against the Dollar at 31 December 2023 (31 December 2022: 39%*) would have decreased the profit before tax and retained earning by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and Company considered to be reasonably possible at the end of the reporting period. There are challenges faced in sourcing for adequate quantity of foreign currencies from the official markets resulting in slowdown of business operations when foreign currencies required to purchase production materials are not available. The analysis assumes that all other variables, in particular interest rates, remain constant.

*A thirty nine percent (39%) weakening of the Naira, against the Euro, Dollar and GBP was used at 31 December 2022

Effect of 39% increase on profit before tax

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Euro (€)	(1,098,233)	20,596	(1,098,212)	27,651
GBP (£)	(1,152,826)	(285,774)	(1,152,745)	(253,977)
USD ($)	(180,816,165)	(49,073,291)	(180,414,526)	(48,893,461)

32 Risk management (continued)

32.1 Fair Value Information

Group **31 December, 2023** **Amounts in (N'000)**	**Carrying amount**				**Fair Value**			
	Fair value - through - PL	Financial assets measured at amortised cost	Fair value through- OCI	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade and other receivables	-	131,804,186	-	131,804,186	-	131,804,186		131,804,186.00
cash and cash equivalents	-	204,762,703	-	204,762,703	204,762,703	-		204,762,703.00
	-	**336,566,889**	**-**	**336,566,889.00**	**204,762,703**	**131,804,186**	**-**	**336,566,889.00**
Financial liabilities not measured at fair value								
Borrowings	-	285,454	-	285,454	-	285,454	-	285,454.00
Trade and other payables	-	487,862,445	-	487,862,445	-	487,862,445	-	487,862,445.00
Lease Liability	-	200,208	-	200,208	-	200,208	-	200,208.00
	-	**488,348,107**	**-**	**488,348,107.00**	**-**	**488,348,107**	**-**	**488,348,107.00**
Group **31 December, 2022** **Amounts in (N'000)**								
Financial assets not measured at fair value								
Trade and other receivables	-	107,434,891	-	107,434,891	-	107,434,891	-	107,434,891.00
cash and cash equivalents	-	174,858,294	-	174,858,294	174,858,294	-	-	174,858,294.00
	-	**282,293,185**	**-**	**282,293,185.00**	**174,858,294**	**107,434,891**	**-**	**282,293,185.00**
Financial liabilities not measured at fair value								
Borrowings	-	243,719	-	243,719	-	243,719	-	243,719.00
Trade and other payables	-	273,746,756	-	273,746,756	-	273,746,756	-	273,746,756.00
Lease Liability	-	981,142	-	981,142	-	981,142	-	981,142.00
	-	**274,971,617**	**-**	**274,971,617.00**	**-**	**274,971,617**	**-**	**274,971,617.00**

33 Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Assets				
Trade and other receivables	127,681,516	104,387,957	127,638,734	103,922,166
Cash and cash equivalents	204,762,703	174,858,294	204,677,479	174,658,116
	332,444,219	**279,246,251**	**332,316,213**	**278,580,282**

34 Financial liabilities by category

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Liabilities				
Borrowings	531,563	775,282	531,563	775,282
Lease liabilities	200,208	981,142	145,880	933,022
Trade and other payables	487,862,445	273,746,757	485,598,318	271,527,073
	488,594,216	**275,503,181**	**486,275,761**	**273,235,377**

35 Related party information

35.1 Related parties and Nature of relationship and transactions

Related parties	Nature of relationship and transactions
NASCON Allied Industries Plc	Fellow subsidiary from which the Company purchases raw salt as input in the production process
Bluestar Shipping Lines Limited	Fellow subsidiary Company that provides clearing and stevedoring services
Dangote Taraba Sugar Limited	Subsidiary- Backward integrated project
Dangote Adamawa Sugar Limited	Subsidiary- Backward integrated project
Nasarawa Sugar Company Limited	Subsidiary- Backward integrated project
Dangote Global Services Limited	Fellow subsidiary- Payment for foreign procurements
Dangote Oil and Gas Company Limited	Fellow subsidiary - Supply of AGO and LPFO
Dangote Industries Limited	Parent company that provides management support and receives 7.5% of total reimbursables as management fees
Greenview International Corp.	Ultimate parent company
Dancom Technologies Limited	Fellow subsidiary - Supply of IT services
AG Dangote construction Limited	Entity under common control
Dangote Rice Limited	Entity under common control
MHF Properties Limited	Fellow subsidiary - Property rentals.
Greenview Development Nig. Limited	Fellow subsidiary - Property rentals.
Kura Holdings Limited	Fellow subsidiary - Travel services
Aliko Dangote Foundation	Under common control- Incures expenses on each other's behalf
Dangote Sinotruk West Africa Limited	Fellow subsidiary- Supply of fleet trucks
Dangote Cement Plc	Fellow subsidiary - exchange of diesel and LPFO
Dangote Fertiliser Limited	Fellow subsidiary- Supply of fleet trucks
Dangote Packaging Limited	Fellow subsidiary- Supplies empty for bagging of finished sugar.

The ultimate control party is Alhaji Aliko Dangote who owns Greenview International Corp. of Cayman Island which has 66.7% ownership interest in the Dangote Sugar Refinery.

35 Related party information (continued)

35.2 Related party transactions and balances

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
i) Sales of goods and services				
Dangote Fertiliser Limited	800	-	800	-
Dangote Industries Limited	163,991	133,031	163,991	133,031
Bluestar Shipping Lines Limited	431	216	431	216
NASCON Allied Industries Plc	486,079	509,259	486,079	509,259
Greenview Development Nig. Limited	-	104,183	-	104,183
Aliko Dangote Foundation	214,092	126,830	214,092	126,830
Dangote Cement Plc	74,885	100,976	74,885	100,976
	940,278	**974,495**	**940,278**	**974,495**
ii) Purchase of goods and services				
Dangote Cement Plc	8,011,427	7,944,524	8,011,427	7,944,524
Greenview Development Nig. Limited	4,687,429	6,682,916	4,687,429	6,682,916
Dangote Packaging Limited	3,893,980	4,973,946	3,893,980	4,973,946
Kura Holdings Limited	50,117	141,292	50,117	141,292
Bluestar Shipping Lines Limited	731,751	604,890	731,751	604,890
Dangote Oil and Gas Company Limited	1,145	2,505,808	1,145	2,505,808
Dangote Global Services Limited	587,139	783,253	587,139	783,253
NASCON Allied Industries Plc	455,808	461,068	455,808	461,068
Dancom Technologies Limited	74,014	135,292	74,014	135,292
MHF Properties Limited	2,071	31,090	2,071	31,090
Dangote Sinotruk West Africa Limited	64,622	391,360	64,622	391,360
Dangote Industries Limited	794,603	6,192,598	794,603	6,192,598
Dangote Fertiliser Limited	-	4,005,557	-	4,005,557
	19,354,106	**34,853,594**	**19,354,106**	**34,853,594**
iii) Rental services				
Dangote Adamawa Sugar	90,000,000	-	90,000,000	-
NASCON -Allied Industry	67,500,000	-	67,500,000	-
	157,500,000	-	**157,500,000**	-
iv) Management fees				
Dangote Industries Limited	1,465,659	958,431	1,465,659	958,431
	1,465,659	**958,431**	**1,465,659**	**958,431**

35.2 Related party transactions and balance (Continued)

v) Amount owed by related parties	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Dangote Global Services Limited	614,158	530,604	614,158	530,604
NASCON Allied Industries Plc	209,735	128,461	209,735	128,461
Greenview Development Nig. Limited	1,407,175	521,470	1,407,175	521,470
Bluestar Shipping Lines Limited	-	39,652	-	39,652
Dangote Oil and Gas Company Limited	458,176	-	458,176	-
Kura Holdings Limited	1,792	-	1,792	-
MHF Properties Limited	309	-	309	-
AG Dangote Construction Limited	959,130	959,130	959,130	959,130
Aliko Dangote Foundation	72,000	110,042	72,000	110,042
Dangote Cement Plc	2,453,217	1,014,506	2,453,217	1,014,506
Dangote Industries Limited	-	-		-
Gross amount due from related parties (Note 23)	**6,175,692**	**3,303,865**	**6,175,692**	**3,303,865**
Allowance for impaired -related parties Trade(Note 23.2)	(79,396)	-	(79,396)	-
Allowance for impaired -related parties Non-Trade(Note 23.2)	(767,613)	(238,412)	(767,613)	(238,412)
Net amount due from related parties	**5,328,683**	**3,065,453**	**5,328,683**	**3,065,453**

vi) Amount owed to related parties	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Dangote Cement Plc	12,055,635	7,673,487	11,385,841	7,016,166
Dangote Packaging Limited	632,036	431,175	632,036	431,175
Kura Holdings Limited	-	3,446	-	3,446
Dangote Fertiliser Limited	176,812	1,011,888	176,812	1,011,888
Bluestar Shipping Lines Limited	24,327	-	24,327	-
Dangote Oil and Gas Company Limited	-	(253,514)	-	(253,514)
Dangote Refinery	-	11,894	-	11,894
Dancom Technologies Limited	32,124	26,807	28,894	23,576
MHF Properties Ltd	-	87	-	87
Dangote Sinotruk West Africa Limited	452	-	452	-
Dangote Industries Limited	7,080,224	4,921,911	7,080,224	4,921,911
	20,001,610	**13,827,181**	**19,328,586**	**13,166,629**

The balance on lease liabilities due to related parties include the following

vii) Lease Liability	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Greenview Development Nig. Ltd	–	789,117	–	789,117
MITF Properties Limited	–	13,030	–	13,030

35 Related party information (continued)

35.3 Sales of goods to related parties were made at the Company's usual market price without any discount to reflect the quantity of goods sold to related parties.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

Dangote Industries Limited (DIL) in recognition of the requirement of transfer pricing regulations that all transactions between connected taxable persons shall be carried out in a manner that is consistent with arm's length principle has come up with basis of computing its management fees and royalty taking into cognizance certain principles.

Royalty payments are made in addition to management fees and is payable at the rate of 0.5% of the total revenue.

35.4 Loans to and from related parties

There are no related party loans as at 31 December 2023.

35.5 Key Management Personnel

List of Directors of Dangote Sugar Refinery Plc

1.	Alh. Aliko Dangote (GCON)	Chairman
2.	Mr. Ravindra Singhvi	Board Member (Group Managing Director/CEO)
3.	Hajiya Mariya Dangote	Board Member (Executive Director)
4.	Mr. Olakunle Alake	Board Member (Director)
5.	Mr. Uzoma Nwankwo	Board Member (Director)
6.	Ms. Bennedikter Molokwu	Board Member (Director)
7.	Dr. Konyinsola Ajayi (SAN)	Board Member (Director)
8.	Alh. Abdu Dantata	Board Member (Director)
9.	Ms. Maryam Bashir	Board Member (Director)
10.	Mrs. Yabawa Lawan Wabi	Board Member (Director)

List of key management personnel

		2023	2022
1.	Group Managing Director/CEO	Mr. Ravindra Singhvi	Mr. Ravindra Singhvi
2.	Executive Director	Hajiya Mariya Dangote	NA
3.	Group Chief Finance Officer	Mr. Oscar Mbeche	Mr. Oscar Mbeche
4.	Chief Finance Officer	Mr. Isiaka Bello	NA
5.	Company Secretary/Legal Adviser	Mrs. Temitope Hassan	Mrs. Temitope Hassan
6.	General Manager, Refinery	Mr. Christopher Okoh	Mr. Christopher Okoh
7.	Chief Internal Auditor	Mr. Babafemi Gbadewole	Mr. Babafemi Gbadewole
8.	General Manager, Sales & Marketing	Mr. Saddiq Bello	Mr. Saddiq Bello
9.	General Manager, Human Resources and Admin.	Mr. Hassan Salisu	Mr. Hassan Salisu
10.	Head, Risk Management	Mr. Ayokunle Ushie	Mr. Ayokunle Ushie
11.	Head, Supply Chain	Mr. Ganiyu Bakare	Mr. Ganiyu Bakare
12.	Chief Executive, Numan	Mr. Chinnaya Sylvain	Mr. Chinnaya Sylvain
13.	GGM, Operational Services- Numan	Mr. Bello Dan-Musa Abdullahi	NA
14.	Head, DSR Logistics and Transport	Mr. Olusegun Idowu	Mr. Olusegun Idowu
15.	Head, HSSE	Mr. Itoro Unaam	Mr. Itoro Unaam
16.	Head, Internal Control	Mr. Godfrey Ojo	Mr. Godfrey Ojo
17.	Head, Corporate Affairs	Ms. Ngozi Ngene	Ms. Ngozi Ngene

35 Related parties (Continued)

35.6 Compensation to key management personnel

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Short-term employee benefits	1,882,261	746,619	1,882,261	746,619
	1,882,261	**746,619**	**1,882,261**	**746,619**

36 Employee costs

The following items are included within employee benefits expenses:

Direct employee costs	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	COMPANY 31/12/2023 ₦'000	COMPANY 31/12/2022 ₦'000
Basic	3,569,215	3,258,058	3,569,215	3,258,058
Medical claims	184,057	197,328	184,057	197,328
Leave allowance	287,765	259,795	287,765	259,795
Short term benefits	1,558,170	1,523,550	1,558,170	1,523,550
Other short term costs	1,428,973	1,131,068	1,428,973	1,131,068
Pension	312,622	287,014	312,622	287,014
	7,341,252	**6,656,813**	**7,341,252**	**6,656,813**

Indirect employee costs	31/12/2023 ₦'000	31/12/2022 ₦'000	31/12/2023 ₦'000	31/12/2022 ₦'000
Basic	1,282,398	1,108,588	1,282,398	1,108,588
Medical claims and allowance	57,236	47,785	57,236	47,785
NSITF and ITF levies	185,113	90,026	185,113	90,026
Short term benefits	2,415,016	2,085,990	2,415,016	2,085,990
Other short term costs	1,176,923	586,260	1,176,923	586,260
Pension	191,595	162,205	191,595	162,205
	5,308,281	**4,080,854**	**5,308,281**	**4,080,854**

Total employee costs				
Direct employee cost	7,341,252	6,656,813	7,341,252	6,656,813
Indirect employee cost	5,308,281	4,080,854	5,308,281	4,080,854
	12,649,533	**10,737,667**	**12,649,533**	**10,737,667**

Average number of persons employed during the year was:

	31/12/2023 Number	31/12/2022 Number	31/12/2023 Number	31/12/2022 Number
Management	159	149	148	133
Senior Staff	588	608	574	595
Junior Staff	2,209	2309	2,176	2275
	2,956	**3,066**	**2,898**	**3,003**

The table below shows the number of employees (excluding Directors), whose earnings within the year, fell within the ranges shown below:

	GROUP 2023 Number	GROUP 2022 Number	COMPANY 2023 Number	COMPANY 2022 Number
N200,000 - N600,000	-	538	-	538
N600,001 - N700,000	-	84	-	84
N700,001 - N800,000	-	20	-	20
N800,001 - N900,000	366	67	366	58
N900,001 - N1,000,000	131	43	131	22
N1,000,001 - N2,000,000	869	1106	836	1095
N2,000,001 - N3,000,000	398	500	388	498
N3,000,001 - N4,000,000	361	229	358	225
N4,000,001 - N5,000,000	191	146	187	145
N5,000,001 - N6,000,000	130	62	130	60
N6,000,001 - N7,000,000	118	46	117	46
N7,000,001 - N8,000,000	75	47	75	46
N8,000,001 - N9,000,000	64	34	64	34
N9,000,001 - N10,000,000	48	44	48	44
N10,000,001 and above	205	100	198	88
	2,956	**3,066**	**2,898**	**3,003**

37 Directors' emoluments	**31/12/2023 ₦'000**	**31/12/2022 ₦'000**	**31/12/2023 ₦'000**	**31/12/2022 ₦'000**
Fees	16,000	16,000	16,000	16,000
Salaries	165,996	165,996	165,996	165,996
Others	579,386	470,172	579,386	470,172
	761,382	**652,168**	**761,382**	**652,168**
Emoluments of the highest paid Director	**165,996**	**165,996**	**165,996**	**165,996**

The number of Directors excluding the chairman with gross emoluments within the bands stated below were:

₦'000	**31/12/2022 Number**	**31/12/2021 Number**	**31/12/2022 Number**	**31/12/2021 Number**
0 - 19,000	9	7	9	7
32,000 and above	1	1	1	1
	10	**8**	**10**	**8**

38 Events after the reporting period

The company has established a N150 billion Commercial Paper Programme with the first tranche of N50 billion issued in February 2024 to support its working capital operation.

There were no other events after the reporting period that could have had material effect on the financial statements of the Company as at 31 December 2023 that have not been taken into account in these financial statements

39 Capital Commitment

As at 31 December 2023, there were no capital commitments in respect of the Lagos factory expansion (2022: Nil)

40 Contingent assets and Contingent liabilities

There were no contingent assets and liabilities as at 31 December 2023 (2022: Nil)

41 Free Float Computation

Company Name:	Dangote Sugar Refinery Plc
Board Listed:	Main Board
Year End:	December
Reporting Period:	Period Ended 31 December 2023 (Q4)
Share Price at end of reporting period:	N57.00 (2022:N16.05)

Shareholding structure/Free Float Status

Description	31 December 2023		31 December 2022	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	12,146,878,241	100%	12,146,878,241	100%
Substantial Shareholdings (5% and above):				
Dangote Industries limited	8,122,446,281	66.87%	8,122,446,281	66.87%
Dangote Aliko	653,095,014	5.38%	653,095,014	5.38%
Total Substantial Shareholdings	**8,775,541,295**	**72.25%**	**8,775,541,295**	**72.25%**
Directors' Shareholdings (direct and indirect), excluding directors with substantial interest:				
Mr. Olakunle Alake (Direct)	7,194,000	0.06%	7,194,000	0.06%
Ms Benedicta Molokwu (Direct)	1,483,400	0.01%	1,483,400	0.01%
Alhaji Abdu Dantata (Direct)	1,044,400	0.01%	1,044,400	0.01%
Mr. Uzoma Nwankwo (Direct)	384,692	0.00%	384,692	0.00%
Total Directors' Shareholdings	**10,106,492**	**0.08%**	**10,106,492**	**0.08%**
Free Float in Units and Percentage	**3,361,230,454**	**27.67%**	**3,361,230,454**	**27.67%**
Free Float in Value (N)	**191,590,135,878**		**53,947,748,787**	

Declaration:

(A) Dangote Sugar Refinery PLC with a free float percentage of 27.67% and free float value of N191,590,135,878.00 as at 31 December 2023, is compliant with The Exchange's free float requirements for companies listed on the Main Board. (B) Dangote Sugar Refinery PLC with a free float percentage of 27.67% and free float value of N53,947,748,786.70 as at 31 December 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

42 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule), Dangote Sugar Refinery Plc maintains a Security Trading Policy (Policy) which guides Directors, Audit Committee members, employees and all individuals categorized as insiders in relation to their dealings in the Company's shares. The Policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the Policy during the period.

STATEMENT OF VALUE ADDED

	Note	2023 N'000	2023 %	2022 N'000	2022 %
GROUP					
Value Added					
Revenue	5	441,452,953		403,245,988	
Bought - in materials and services		(347,082,762)		(301,801,988)	
Fair Value adjustment	17	9,495,990		3,315,333	
Other income	9,11	11,792,896		7,814,957	
		115,659,078	**100**	**112,574,290**	**100**
Value Distributed					
To Pay Employees					
Salaries, wages, medical and other benefits	36	12,649,536		10,737,667	
		12,649,536	**11**	**10,737,667**	**10**
To Pay Providers of Capital					
Finance costs	10	201,663,325		9,802,295	
		201,663,325	**174**	**9,802,295**	**9**
To Pay Government					
Income tax	12	11,221,570		24,754,576	
		11,221,570	**10**	**24,754,576**	**22**
To be retained in the business for expansion and future wealth creation:					
Value reinvested					
Depreciation, amortisation and impairments	16	10,268,323		9,731,507	
Deferred tax	12.1	(46,383,368)		2,806,110	
		(36,115,045)	**(31)**	**12,537,617**	**11**
Value retained					
Retained (loss)/profit	26	(73,742,700)		54,738,178	
Non-controlling interest	27	(17,608)		3,957	
		(73,760,308)	**(64)**	**54,742,135**	**49**
Total Value Distributed		**115,659,078**	**100**	**112,574,290**	**100**

Value added represents the additional wealth which the Group has been able to create by its own and employees efforts.

"Value added" is the measure of wealth the Group has created in its operations by "adding value" to the cost of products and services. The statement below summarises the total wealth created and shows how it was shared by employees and other parties who contributed to its creation. Also set out below is the amount retained and re-invested in the Group for the replacement of assets and the further development of operations

	Note	2023 N'000	2023 %	2022 N'000	2022 %
COMPANY					
Value Added					
Revenue	5	441,452,953		403,245,988	
Bought - in materials and services		(347,035,872)		(301,766,766)	
Fair Value adjustment	17	9,495,990		3,315,333	
Other income	9,11	11,792,779		6,912,751	
		115,705,850	**100**	**111,707,307**	**100**
Value Distributed					
To Pay Employees					
Salaries, wages, medical and other benefits	36	12,649,533		10,737,667	
		12,649,533	**11**	**10,737,667**	**10**
To Pay Providers of Capital					
Finance costs	10	200,972,519		10,248,536	
		200,972,519	**174**	10,248,536	**9**
To Pay Government					
Income tax	12	11,221,570		24,754,576	
		11,221,570	**10**	**24,754,576**	**22**
To be retained in the business for expansion and future wealth creation:					
Value reinvested					
Depreciation, amortisation and impairments	16	9,245,056		8,814,028	
Deferred tax	12	(46,383,368)		2,806,110	
		(37,138,312)	**(32)**	**11,620,138**	**10**
Value retained					
Retained (Loss)/ profit	26	(71,999,460)		54,346,390	
Non-controlling interest	27	-		-	
		(71,999,460)	**(62)**	**54,346,390**	**49**
Total Value Distributed		**115,705,850**	**100**	**111,707,307**	**100**

Value added represents the additional wealth which the Group has been able to create by its own and employees efforts.

"Value added" is the measure of wealth the Group has created in its operations by "adding value" to the cost of products and services. The statement below summarises the total wealth created and shows how it was shared by employees and other parties who contributed to its creation. Also set out below is the amount retained and re-invested in the Group for the replacement of assets and the further development of operations.

	GROUP 31/12/2023 ₦'000	GROUP 31/12/2022 ₦'000	GROUP 31/12/2021 ₦'000	GROUP 31/12/2020 ₦'000	GROUP 31/12/2019 ₦'000
Group as at December 31, 2023					
Assets					
Non-current assets	200,228,107	157,761,632	144,678,056	101,733,526	93,437,879
Current assets	399,693,177	333,804,092	213,959,067	175,430,221	99,399,395
Assets of disposal groups held for sale	868,642	868,642	868,642	868,642	868,642
Total assets	**600,789,926**	**492,434,366**	**359,505,765**	**278,032,389**	**193,705,916**
Liabilities					
Non-current liabilities	330,057	13,769,637	12,331,269	11,271,389	8,029,989
Current liabilities	521,214,082	307,438,317	218,543,345	142,049,293	77,539,463
Total liabilities	**521,544,139**	**321,207,954**	**230,874,614**	**153,320,682**	**85,569,452**
Equity					
Share capital and premium	12,393,963	12,393,963	12,393,963	12,393,963	12,320,524
Retained earning	66,882,222	158,845,239	116,253,935	112,328,413	96,258,578
Non-controlling interest	(30,398)	(12,790)	(16,747)	(10,669)	(442,638)
Total equity	**79,245,787**	**171,226,412**	**128,631,151**	**124,711,707**	**108,136,464**
Total equity and liabilities	**600,789,926**	**492,434,366**	**359,505,765**	**278,032,389**	**193,705,916**
Profit and loss account					
Revenue	441,452,953	403,245,988	276,054,781	214,297,747	161,085,778
(Loss)/Profit before taxation	**(108,922,106)**	**82,302,820**	**34,021,212**	**45,622,319**	**29,820,430**
(Loss)/Profit for the year	**(73,760,308)**	**54,742,135**	**22,052,291**	**29,775,243**	**22,361,276**
Per share data (Naira)					
(Loss)/Earnings per share (Basic and diluted)	(6.07)	4.51	1.82	2.45	1.87
Net assets per share	6.52	14.10	10.59	10.27	9.01

(Loss)/Earnings per share are based on profit or loss after tax and the weighted number of issued and fully paid ordinary shares at the end of each financial year.

	Company 31/12/2023 ₦'000	Company 31/12/2022 ₦'000	Company 31/12/2021 ₦'000	Company 31/12/2020 ₦'000	Company 31/12/2019 ₦'000
Company as at December 31, 2023					
Assets					
Non-current assets	201,655,441	158,018,083	141,210,336	118,569,794	36,317,858
Current assets	398,516,439	332,083,111	207,303,891	139,842,108	160,942,622
Assets of disposal groups held for sale	868,642	868,642	868,642	868,642	868,642
Total assets	**601,040,522**	**490,969,836**	**349,382,869**	**259,280,544**	**198,129,122**
Liabilities					
Non-current liabilities	330,057	13,769,637	12,331,269	11,225,370	6,693,930
Current liabilities	518,900,557	305,170,514	207,221,431	122,752,272	73,352,250
Total liabilities	**519,230,614**	**318,940,151**	**219,552,700**	**133,977,642**	**80,046,180**
Equity					
Share capital and premium					
Retained earning	12,393,963	12,393,963	12,393,963	12,393,963	12,320,524
Non-controlling interest	69,415,945	159,635,722	117,436,206	112,908,939	105,762,418
Total equity	81,809,908	172,029,685	129,830,169	125,302,902	118,082,942
Total equity and liabilities	**601,040,522**	**490,969,836**	**349,382,869**	**259,280,544**	**198,129,122**
Profit and loss account					
Revenue	441,452,953	403,245,988	276,054,781	206,360,656	158,104,577
(Loss)/Profit before taxation	(107,161,258)	81,907,076	34,629,037	46,038,948	34,829,241
(Loss)/Profit for the year	**(71,999,460)**	**54,346,391**	**22,660,116**	**31,370,659**	**24,102,816**
Per share data (Naira)					
(Loss)/Earnings per share (Basic and diluted)	(5.93)	4.47	1.87	2.58	2.01
Net assets per share	6.74	14.16	10.69	10.32	9.84

(Loss)/Earnings per share are based on profit or loss after tax and the weighted number of issued and fully paid ordinary shares at the end of each financial year.

05.

Shareholding & Other Information

Year	Authorised (N)		Issued (N)			Consideration (N)	
Date	**Increase**	**Cumulative**	**Increase**	**Increase**		**Called**	**Cumulative**
2004	50,000,000.00	50,000,000.00	500,000	500,000	Cash		
2006		50,000,000.00	49,500,000.00	50,000,000.00	Scheme share		
2006	5,950,000,000.00	6,000,000,000.00	4,950,000,000.00	5,000,000,000.00	Bonus & Stock Spilt		
2008		6,000,000,000.00	1,000,000,000.00	6,000,000,000.00	Bonus		
2020	1,500,000,000.00	7,500,000,000.00	73,439,120.50	6,073,439,120.50	Scheme Shares	*(1,426,560,879.50)	6,073,439,120.50

Year	Issued = Authorized [N]						
Date	**Increase**	**Cumulative**					
2022	6,073,439,120.50						6,073,439,120.50

Your shareholding in Dangote Sugar Refinery Plc entitles you, as a part owner of the company, to certain rights including the right: -

- To attend, speak, vote at general meetings either in person or by proxy.
- To receive dividends when declared/approved on your ordinary shares
- To receive certain company documents, e.g the annual reports and accounts/the Annual General Meeting documents where applicable each year.

If you do not have your name on the shareholder register because you hold your shares through a nominee, your nominee will receive any company documents sent to shareholders. Please arrange with your nominee if you wish to receive such documents, and to be able to attend and, on a poll, vote at general meetings.

Financial Reports

Any shareholder has the right to be furnished, on demand, free of charge, a copy of the company's financial statements. The annual report and financial statement is available for download on our website, sugar.dangote.com, or the Registrars' www.veritasregistrars.com.

E-Report

To improve delivery of our Annual Report, a detachable Form has been inserted in the Annual Report, and we hereby request Shareholders who wish to receive the Annual Report of the Company in an electronic format to complete and return the Form to the Registrars for further processing.

Share Certificates

Your Dangote Sugar Refinery Plc Share certificate is evidence of your shareholding in the company and should be kept in a safe place. If you hold your shares through a nominee account or through the Central Securities Clearing System (CSCS) you will not have a share certificate. The nominal or 'par' value of a Company's shares is shown on the share certificate. The current nominal value of one ordinary share is 50k each.

Shareholder Queries

If you have any questions about your shareholding or share certificates, (including the replacement of lost certificates or the consolidation of several certificates into one); or if you require any other guidance (e.g. to notify a change of address or to give dividend instructions to a bank account), please contact our Registrars at: -

VERITAS Registrars Limited
Plot 89A Ajose Adeogun Street,
P. O Box 75315
Victoria Island
Lagos

E-Dividend Mandate Registration

Shareholders are advised to register for direct payment of dividends to their bank accounts as the Securities and Exchange Commission (SEC) has directed Capital Market Registrars to stop the issuance of Dividend Warrants. Mandating your dividends is easy and has several advantages including the following:

- The dividend is credited into your account on payment date.
- There is no danger of your dividend warrant being delayed in the post.
- You do not have to wait for a dividend warrant to go through the bank clearing system.
- This payment method is more secure than receiving a dividend warrant through the post.

Please visit our website sugar.dangote.com to download your e-dividend mandate form.

Unclaimed Dividends and Share Certificates

Shareholders have been informed that some dividend warrants and share certificates have been returned to the Registrars' office unclaimed because the addresses could not be traced. The unclaimed dividend list is published on the website - sugar.dangote.com, for the shareholders attention. Affected shareholders should please contact the Registrars at the address indicated above in respect of the share certificates, and unclaimed dividends.

Changes in Personal Circumstances

All shareholders should advise the Registrars in writing of any of the following: -

- Change of address
- Change of name
- Change in bank details if your dividends are mandated
- If a shareholder dies

Shareholder Relations/Corporate Contacts

Registrars
VERITAS REGISTRARS LIMITED
PLOT 89A, AJOSE ADEOGUN STREET,
VICTORIA ISLAND,
LAGOS

Company Secretary and Registered Office
Dangote Sugar Refinery Plc
3rd Floor, GDNL Building
Terminal E, Shed 20
NPA Wharf Port Complex
Apapa, Lagos
srefinery@dangote.com
investor.relations@dangote.com

Corporate Communications Contact
Ngozi Ngene
+234 81509 83259
srefinery@dangote.com
sugar.dangote.com

UNCLAIMED DIVIDEND POSITION AS AT DECEMBER 31, 2023

The Company has been declaring Dividend since it became a public Company in March 2007. Currently, the dividend account indicates that some dividend warrants have not been presented to the Bank for payment, while others were returned to the Registrar unclaimed, because the addresses have changed or could not be traced.

DANGOTE SUGAR	YEARS		Amount returned to Coy (NGN)	In VRL's custody	Amount Unclaimed (N)
1	2007	10,350,000,000.00	875,335.00	97,259.44	972,594.44
2	2007	3,600,000,000.00	277,254.00	30,806.00	308,060.00
3	2007	3,600,000,000.00	132,441.30	14,715.70	147,157.00
4	2007	3,600,000,000.00	153,648.00	17,072.00	170,720.00
5	2008	5,000,000,000.00	407,223.00	45,247.00	452,470.00
6	2008	10,200,000,000.00	2,461,986.00	273,554.00	2,735,540.00
7	2008	4,200,000,000.00	14,953,644.00	1,661,516.00	16,615,160.00
8	2009	10,800,000,000.00	48,213,864.00	(4,246,048.70)	43,967,815.30
9	2010	6,480,000,000.00	158,400.00	(1,968,874.72)	- 1,810,474.72
10	2011	3,240,000,000.00	107,942,740.00	8,545,038.64	116,487,778.64
11	2012	4,500,000,000.00	111,380,027.00	(1,345,016.24)	110,035,010.76
12	2013	7,200,000,000.00	78,795,002.94	2,004,989.11	80,799,992.05
13	2014	4,800,000,000.00	115,449,379.39	8,422,667.46	123,872,046.85
14	2015	6,000,000,000.00	82,461,256.90	4,395,992.23	86,857,249.13
15	2016	7,200,000,000.00	93,596,082.44	4,080,626.18	97,676,708.62
16	2017	6,000,000,000.00	68,946,573.96	1,285,033.04	70,231,607.00
17	2017	15,000,000,000.00	463,467,318.63	37,844,184.44	501,311,503.07
18	2018	13,200,000,000.00	265,153,816.50	17,946,796.19	283,100,612.69
19	2019	13,200,000,000.00	88,337,329.72	(1,321,885.04)	87,015,444.68
20	2020	18,220,317,361.50	39,269,313.80	2,363,257.09	41,632,570.89
21	2021	12,146,878,241.00	39,268,052.50	114,127,595.96	114,127,595.96
22	2022	18,220,317,361.50		473,491,008.22	473,491,008.22

All affected shareholders are requested to please update their details and fill the mandate for e-dividend payment in the annual report or the website sugar.dangote.com. you can also contact: -

THE REGISTRAR
VERITAS Registrars Limited
PLOT 89A, AJOSE ADEOGUN STREET
VICTORIA ISLAND
LAGOS.

E-REPORTS

DANGOTE SUGAR

I/we hereby request that we recieve the Annual Report of the Company in electronic format through:

E-mail address

Surname/Company's name

Other name

Address

Date

Shareholder's Signature/Thumbprint

The Registrars
VERITAS Registrars Limited
Plot 89A Ajose Adeogun Street,
P. O Box 75315
Victoria Island
Lagos

Affix Current Passport
(To be Stamped by Bankers)

Please write your name at the back of your passport photograph

e-DIVIDEND MANDATE FORM

Please complete **all sections** of this form to make it eligible for processing and return to the address below:

The Registrar,
Veritas Registrars Limited.
Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos.

Date: __ __ / __ __ / __ __ __ __

I/We hereby request that henceforth, all my/our dividend payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my/our bank detailed below:

Surname/Company Name **First Name** **Other Names**

Address

City **State** **Country**

Previous Address

Bank:

Bank Account No.:

Account Opening Date:

BVN 1:

BVN 2:
(for joint signatories)

Clearing House Number (CHN)

Please note that **Only Clearing Banks** are acceptable

Tick	Name of Company	Shareholder's Account No.
	Ardova Plc	
	Dangote Sugar Refinery Plc	
	Guinness Nigeria Plc	
	May & Baker Nigeria Plc	
	Zenith Bank Plc	

Mobile Telephone 1

Mobile Telephone 2

E-mail Address

By signing this form, I/we hereby consent that Veritas Registrars Limited can collect and process my/our personal data for the purpose of managing my/our records in the companies for which Veritas Registrars Limited act as Registrars. I/we also confirm that I/we have read and accept the extent to which data can be collected and processed as contained in ***http://veritasregistrars.com/privatepolicy.aspx***

Shareholder's Signature or Thumbprint

Shareholder's Signature or Thumbprint

Company Seal/Incorporation No. (Corporate Shareholder)

Head Office: Plot 89A, Ajose Adeogun Street, P.O. Box 75315, Victoria Island, Lagos, Nigeria.
Telephone: +234 (1) 2784167, 2784168, 2784169; 0704 499 7048 (Text Messages only)
E-mail: enquiry@veritasregistrars.com; veritasregistrars@veritasregistrars.com; **Website:** www.veritasregistrars.com

The Registrars
VERITAS Registrars Limited
Plot 89A Ajose Adeogun Street,
P. O Box 75315
Victoria Island
Lagos

PROXY FORM

DANGOTE SUGAR REFINERY PLC. RC: 613748

EIGHTEENTH (18TH) ANNUAL GENERAL MEETING TO BE HELD AT THE BALMORAL CONVENTION CENTRE, FEDERAL PALACE HOTEL, 6-8 AMADU BELLO WAY VICTORIA ISLAND, LAGOS, ON THE 30TH OF APRIL 2024, AT 11:00 A.M PROMPT

I/WE*……………………………....of ……………………………………………………………..being Shareholder(s) of Dangote Sugar Refinery PLC hereby appoint ……………………………….............................. or failing him/her, the Chairman of the Meeting as my/our Proxy to act and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on the 30th of April, 2024 and at any adjournment thereof.

DATED THIS ....DAY OF………………………… 2024.

SHAREHOLDER'S SIGNATURE ....

	NO.	ORDINARY BUSINESS	FOR	AGAINST
I/We desire this proxy to be used in favour of/or against the resolution as indicated alongside	1.	To lay before the Meeting the Financial Statements for the year ended December 31, 2023, the Reports of the Directors, Auditors, and the Audit Committee thereon.		
	2.	To elect the following Director: a. Ms. Mariya Aliko-Dangote To Re-elect the following retiring Directors b. Ms. Bennedikter Molokwu c. Ms. Maryam Bashir; and d. Professor Konyinsola Ajayi, SAN	a. b. c. d.	a. b. c. d
	3.	To authorize the Directors to fix the Remuneration of the Auditors.		
	4.	To disclose the remuneration of Managers.	-	-
	5.	To elect/re-elect members of the Audit Committee		
	NO.	**SPECIAL BUSINESS**	**FOR**	**AGAINST**
	6.	To Disclose the Age of Director on the Attainment of the Seventy (70) Years.	**-**	**-**
	7.	To Fix the Remuneration of Directors.		

Please indicate with an "X" in the appropriate column, how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the Proxy will vote or abstain from voting at his/her discretion.

This Proxy Form should NOT be completed and sent to the Registrar's office if the member will be attending the meeting.

NOTE

I. Please sign this Proxy Form and deposit it at the office of the Company's Registrars Veritas Registrars Limited, Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos or sent to the Registrars by email to enquiry@veritasregistrars.com not later than 48 hours before the time appointed for the Meeting.

ii. If the Shareholder is a Corporation, this form must be executed under its Common Seal or under the hand of some Officers or an Attorney duly authorized.

iii. The Proxy must produce the Admission Card sent with the Notice of the Meeting to gain entrance to the meeting.

iv. By virtue of the Stamp Duties Act, Cap S8, Laws of the Federation of Nigeria, 2004, any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of Shareholders must be stamped by the Commissioner for Stamp Duties.

Before posting this form, please tear off this part and retain it for admission to the Meeting.

ADMISSION CARD

I, Mr./Mrs./Miss

*Please complete in BLOCK LETTERS

ACCOUNT NO.:
SHAREHOLDER'S NAME:
No. OF SHARES:

Please admit……………………………………………………….. to the 18th Annual General Meeting of Dangote Sugar Refinery PLC, to be held at t**he Balmoral Convention Centre, Federal Palace Hotel, 6-8 Amadu Bello Way, Victoria Island, Lagos, on the 30th of April 2024 at 11:00am.**

Signature of Person Attending: ....

Proxy ( ) Shareholder ( ) [Please tick appropriate box]

THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRAR.

The Shareholder or his /her/its proxy is required to produce this Admission Card in order to obtain entrance to the Annual General Meeting.

Please be advised that to enable a Proxy gain entrance to the Meeting, the Proxy Form should be duly completed and delivered to the office of the Registrars, **VERITAS REGISTRARS not later than 48 hours before the time fixed for the meeting.**

The Registrars
VERITAS Registrars Limited
Plot 89A Ajose Adeogun Street,
P. O Box 75315
Victoria Island
Lagos

DANGOTE
SUGAR

HEAD OFFICE:
3rd Floor, GDNL Administrative Building, Terminal E Shed 20
NPA Wharf Complex, Apapa, Lagos
Tel:+ 234 8150983259
Email: sugar@dangote.com
Website: sugar.dangote.com

FACTORY/REFINERY:
Shed 20, Apapa Wharf, Lagos

dangotesugarrefinery Dangote Sugar Refinery PLC @dangotesugar 08150983259