



**UNAUDITED GROUP RESULTS FOR THE FIRST QUARTER ENDED  
31<sup>ST</sup> MARCH 2021**

**Lagos, 29<sup>th</sup> April 2021:** Dangote Sugar Refinery PLC (Bloomberg: DANGSUGA-NL), Nigeria’s largest sugar producer, announces unaudited group results for the first quarter ended 31<sup>st</sup> March 2021.

**FINANCIAL HIGHLIGHTS**

	<b>Group March 31, 2021</b>	<b>Group March 31, 2020</b>	<b>% change</b>
	<b>N Billion</b>	<b>N Billion</b>	
<b>Revenue</b>	67.39	47.64	↑ 41.5
<b>Gross Profit</b>	18.04	12.72	↑ 41.8
<b>Gross Margin (%)</b>	26.8%	26.7%	↑ 0.3
<b>EBITDA</b>	17.02	12.64	↑ 34.7
<b>EBITDA Margin (%)</b>	25.3%	26.5%	↓ 4.8
<b>Profit before taxation</b>	11.95	9.51	↑ 25.6
<b>Profit for the period</b>	8.30	6.37	↑ 30.3
<b>EPS – (Naira)</b>	0.68	0.53	↑ 28.4

**OPERATING HIGHLIGHTS**

	<b>March 31, 2021</b>	<b>March 31, 2020</b>	<b>% change</b>
	<b>Tonnes</b>	<b>Tonnes</b>	
<b>Production</b>			
Group Refined Sugar Produced	200,783	192,584	↑ 4.3
<b>Sales</b>			
Group Refined Sugar Sold	200,510	189,724	↑ 5.7

**COMMENTS ON PERFORMANCE INDICATORS**

Group sales volume increased in the quarter by 5.7% to 200,510 tonnes (2020: 189,724 tonnes). Growth continued to benefit from the sustained efforts to drive customer base expansion, several trade initiatives, and investments. Group production volume also

increased by 4.3% to 200,783 tonnes (2020: 192,584 tonnes) due to our operations optimization strategy despite the challenges of the Apapa traffic situation.

Group revenue increased by 41.5% to N67.39 billion (2020: N47.64 billion). Growth in revenue advanced ahead of volume growth due to pricing benefits. Gross profit increased by 41.8% to N18.04 billion (2020: N12.72 billion) on account of better topline performance. EBITDA increased by 34.7% to N17.02 billion (2020: N12.64 billion) on account of increased earnings. Group profit after taxation for the period increased by 30.3% to N8.30 billion (2020: N6.37 billion) reflecting management's unrelenting drive to deliver consistent shareholder value.

***Commenting on the Company's 1<sup>st</sup> quarter 2021 performance, the Group Managing Director/CEO, Ravindra Singhvi said:***

*We commenced the year on a fair footing as our 1<sup>st</sup> quarter 2021 financial results show our commitment to delighting our customers and consumers with high quality products and delivering value for all stakeholders. The health and safety of our people and partners remains our priority. Our refineries in Apapa and Numan continue to operate ensuring the health and safety protocols are upheld and our commitment to the environment is sustained.*

*We have experienced improved yield from our sugar cane plantations and continue to partner with our outgrowers for the supply of sugar cane for production.*

*Amidst the protracted socio-economic uncertainties occasioned by COVID-19 pandemic and heightened insecurity during the quarter under review, we have continued on the growth path, as our talented and dedicated team have enabled us to mitigate some of the adverse impacts of the worsening traffic gridlock in Apapa and other macroeconomic headwinds.*

*We remain committed to the implementation of the "Dangote Sugar for Nigeria" Master plan as we continue to pursue our Backward Integration Projects.*

**ABOUT DANGOTE SUGAR REFINERY**

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

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

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

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

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

[www.dangotesugar.com.ng](http://www.dangotesugar.com.ng)

## **OUTLOOK**

Amidst the various challenges currently facing the business environment ranging from heightened insecurity, resurgence of COVID-19 pandemic to steady rise in inflation rate and FX unavailability, we will continue to galvanize efforts towards optimizing our market channels. The drive to increase our customer base with value creation activities, and partnership with our customers to enhance growth through bold execution of our various innovative trade initiatives.

We have continued to witness high cost of raw materials, energy costs and other input costs due to rising inflation and FX rate fluctuation. Further cost escalation is anticipated in the year as inflationary pressure mounts. Despite these uncertainties, achievement of our Sugar for Nigeria Backward Integration Project goal remains a key priority, though we anticipate increase in cost to completion in Naira-terms and some delays in Letter of Credit establishment for the importation of plant and equipment. The focus is to achieve the Federal Government's revised sugar production target of 550,000 metric tonnes annually by 2024. We remain confident of the huge benefits the Backward Integration Programme would deliver and the positive impacts it will have on the economy.

## **Contact Details**

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