

# **2021 FY Investor Relations Presentation**

**Thursday March 3 , 2022**



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.

## Our Business

Large Sugar Refinery Sub-Saharan Africa

- Dangote Sugar Refinery Plc “DSR” commenced business in March 2000, with operations now in Apapa and Numan.
- DSR is a leading player in the Nigerian sugar industry, driven by its combined installed refining capacity of 1.49 million tonnes per annum.
- DSR has the largest market share in Nigeria circa 60%, servicing Corporate and Trade customers nationwide.

Efficient Operations

- DSR has a dedicated jetty at Apapa ports for efficient receipt of raw sugar imported from Brazil.
- DSR has warehouses strategically located across the country to serve target markets.

Core Products & Activities

- DSR’s products are Vitamin A fortified and non-fortified refined granulated white sugar.
- in addition to Dangote Sugar Backward Integration projects from where it also produces sugar at the DSR Numan Operations.
- currently developing Greenfield sites at the Nasarawa Sugar Company Project at Tunga in Nasarawa State, amongst other sites.

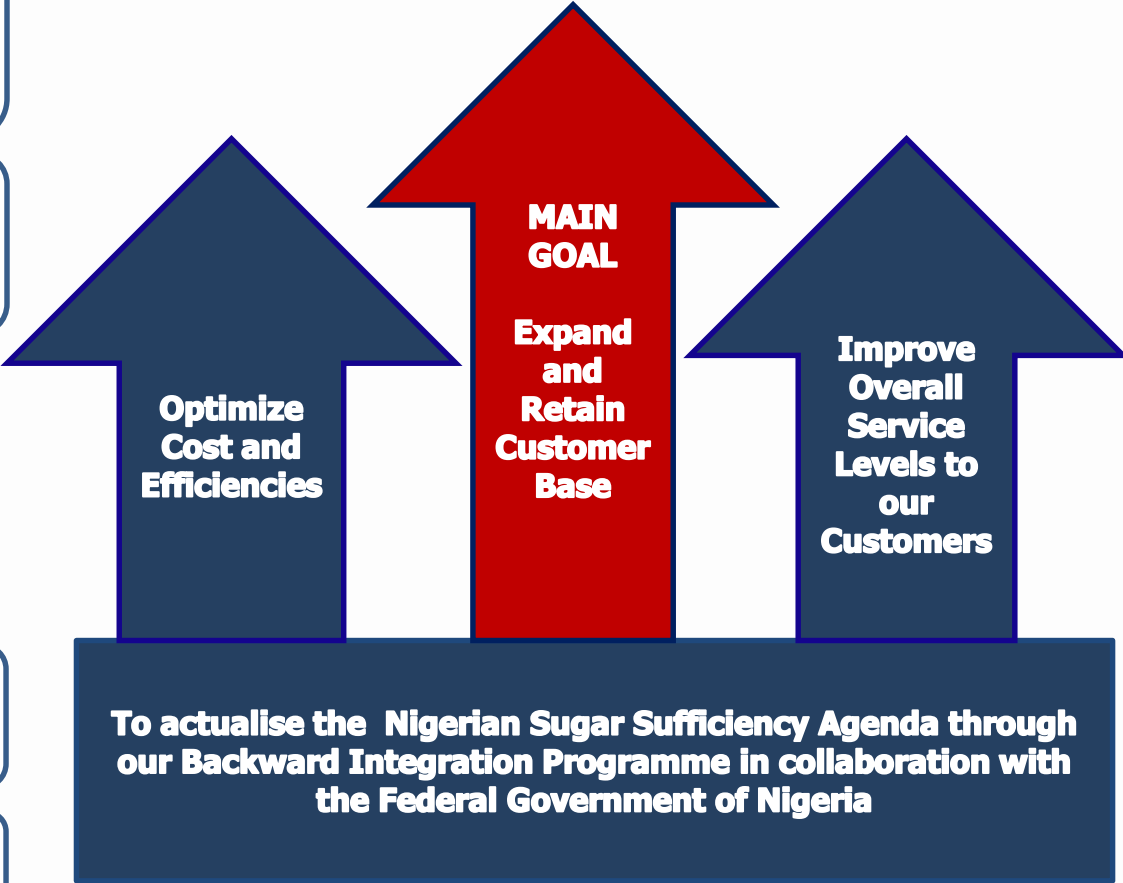
Publicly Quoted Company

- Listed and traded on the NSE since March 2007.
- Best performing stock on the NSE in 2017

Publicly Quoted Company

- Headquartered in Lagos, Dangote Sugar currently has three subsidiaries, Nasarawa Sugar Company Limited, Dangote Taraba Sugar Limited and Dangote Adamawa Sugar Limited.

## Our Strategic Focus

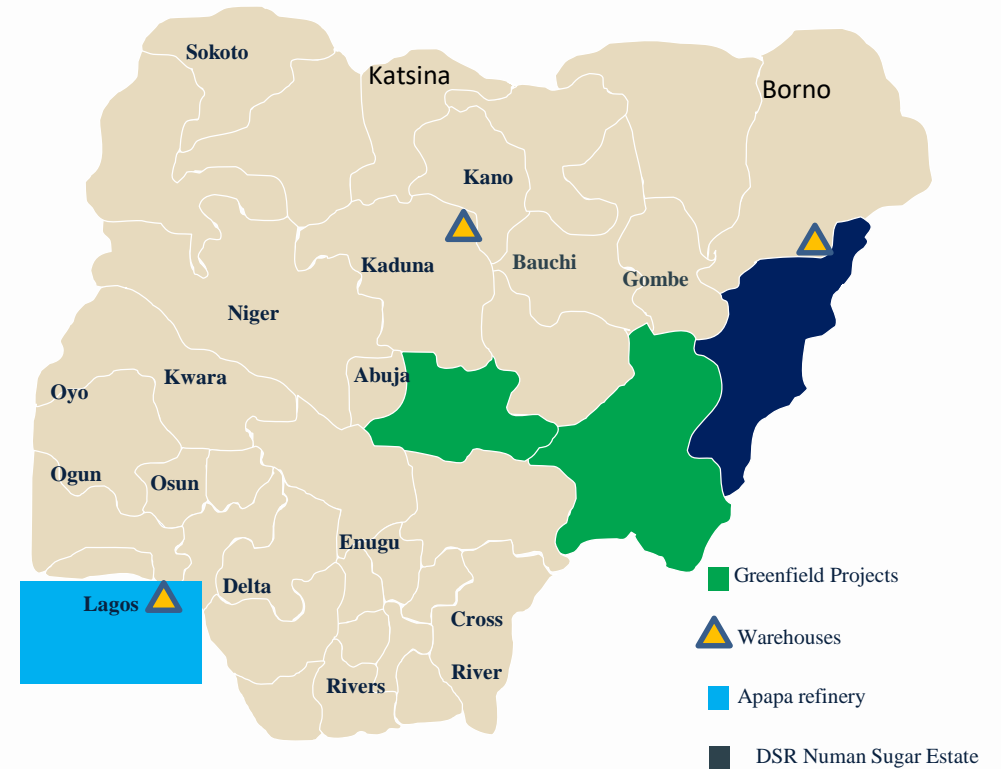


## Operations

The refining of raw sugar imported from Brazil to make high quality Vitamin A fortified and non-fortified granulated white sugar

The marketing and distribution of our refined sugar grades.

The cultivation and milling of sugar cane to finished sugar from farm assets and the development of greenfield projects in line with our “Sugar for Nigeria project”.



## Dangote Sugar Refinery, Apapa Operation

Apapa Refinery is a world class facility with an installed refining capacity of 1.44 million tonnes per annum, located in Apapa, Lagos that is powered by in-house turbo-alternator power generating plant with capacity of 16MW.

Apapa Refinery produces Vitamin A fortified and non-fortified refined granulated free flowing crystal white sugar, using a Talo-Phosphitation process for purification and an Ion Exchange Resin for decolourization. These products with brand name “Dangote sugar” are sold in 50kg bags, and 1kg, 500g, 250g sachets and 1 tonne bags.

## Dangote Sugar Refinery, Numan Operation (“DSR Numan”)



- DSR and Savannah Sugar Company Limited (“SSCL”), was merged in September 2020 to become one entity a scheme of arrangement in September 2020 DSR merged with SSSCL was dissolved without being wound.
- DSR operates sugar cane production facility located on 32,000 hectares of land in Numan, Adamawa State, Nigeria, with a refining capacity of 50,000 tonnes of sugar per annum.
- DSR Numan (formerly Savannah Sugar) was incorporated in 1971 by the Federal Government of Nigeria for local sugar producing from own grown sugar cane.
- In 2003, the Nigerian government sold over 90% interest in the business to Dangote Industries Limited.
- DSR Numan is currently engaged in the planting and growing of sugar cane for the production and sale of refined sugar and molasses. The facility produces refined sugar from 7,350 hectares of sugar cane cultivated on its sugar cane fields.
- The existing factory has been upgraded and its capacity increased from 3,000 TCD (Tonnes cane crushing per day) to 3,800 TCD. Further upgrade to 9,800 TCD is ongoing.
- DSR has an out growers’ scheme which is currently being expanded.

**Our Key Products**

**“Dangote Sugar has a New look....Same Great Quality”**



*Vitamin A fortified Sugar in 50kg bag.*



*Non fortified Sugar in 50kg bag.*

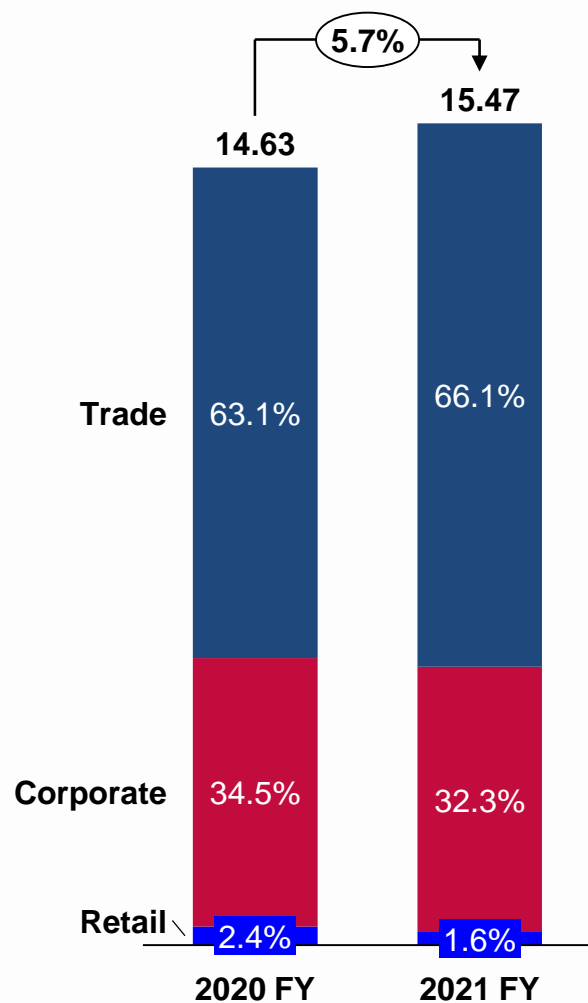


*Vitamin A fortified Sugar in retail pack sizes of 1kg, 500gram and 250gram.*

- *During the year 2021, we launched our new packaging designs for the 50kg fortified and non-fortified sugar bags theme “Dangote Sugar has a New look....Same Great Quality”. The theme reaffirms the quality of our product and inspires a deeper connection to the Dangote Sugar brand among our valued customers and consumers, whilst refreshing our market presence as the leading sugar brand in Nigeria*



**Group Sale (mil bags)**



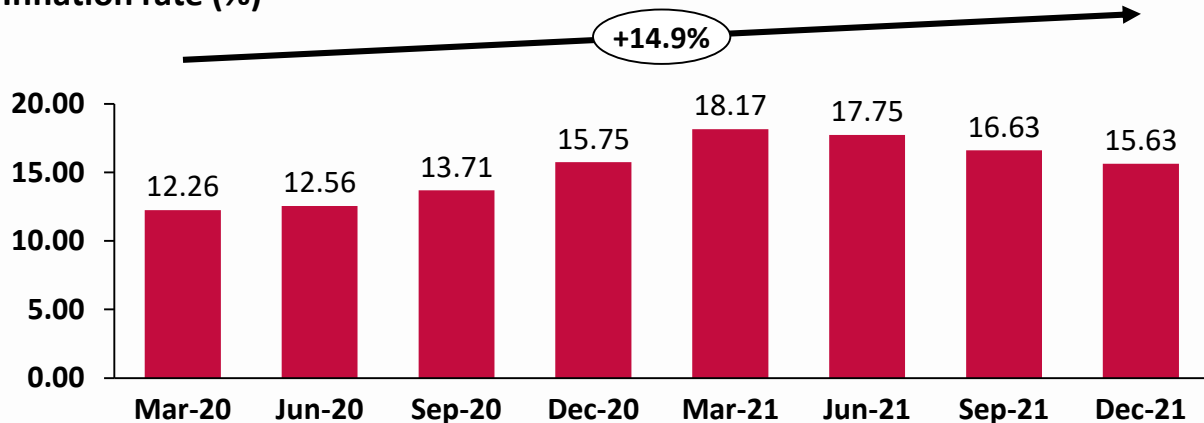
**Marketing, Sales and Distribution**

- Key customers include Corporate Customers, cubing companies, private label packaging, small-scale businesses and retailers.
- The corporate segment accounted for 32.3% of our sales in 2021 and buy both fortified and non-fortified sugar.
- The North and Lagos/ west regions accounted for 41% and 55% of our total sales in 2021.
- Sales of our 50kg packs accounted for 98.4% of our sales in 2021, while Retail accounts for 1.6%.
- High volume capacity warehouses at strategic locations across Nigeria.
- Formidable fleet of delivery trucks delivering to our markets nationwide.
- Fully insured warehouses across Nigeria with a cumulative capacity of 95,050 tonnes.

# Economic Situation

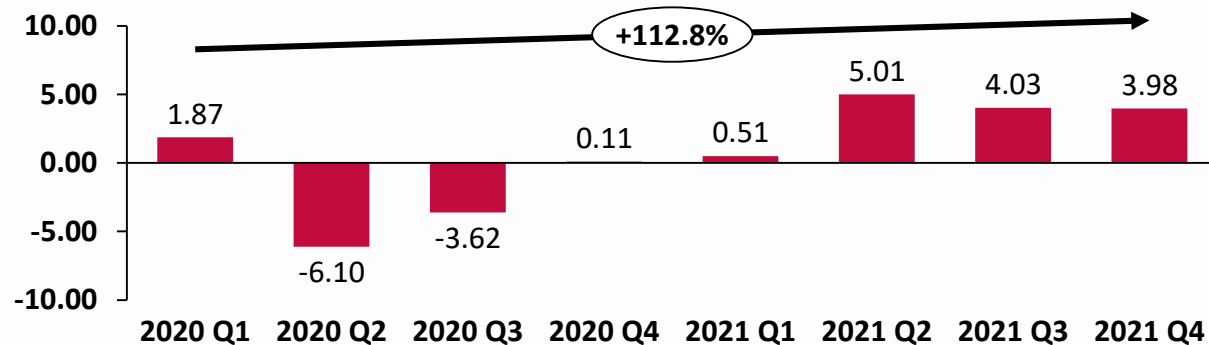
- High inflation environment. Annual growth rate of 14.9%

Inflation rate (%)

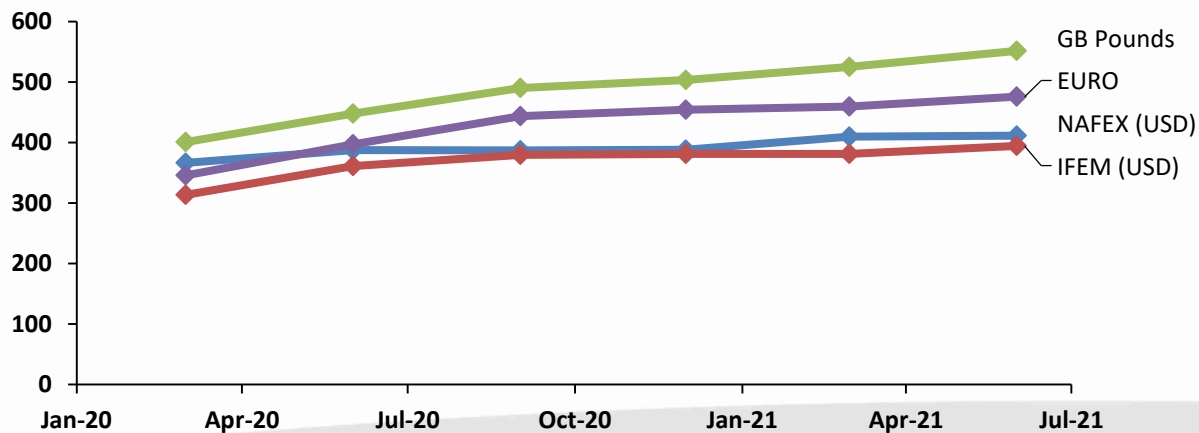


- Real GDP maintained growth in 2021 and ended at annual growth of +3.40% against 2020 annual growth of -1.92%

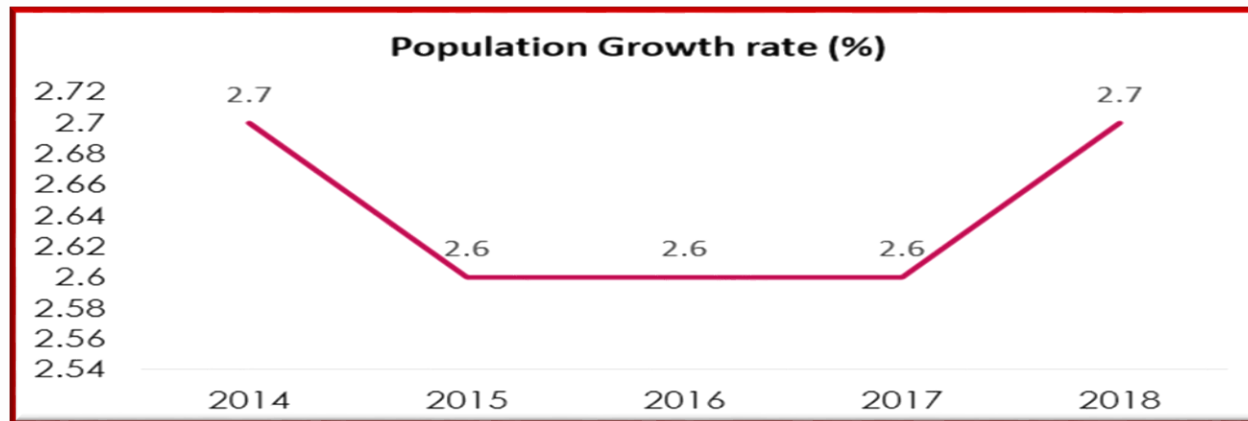
Annual GDP growth rate



- Quarterly FX rates continue to increase from 2020.



- Population growth tracking above real GDP growth.



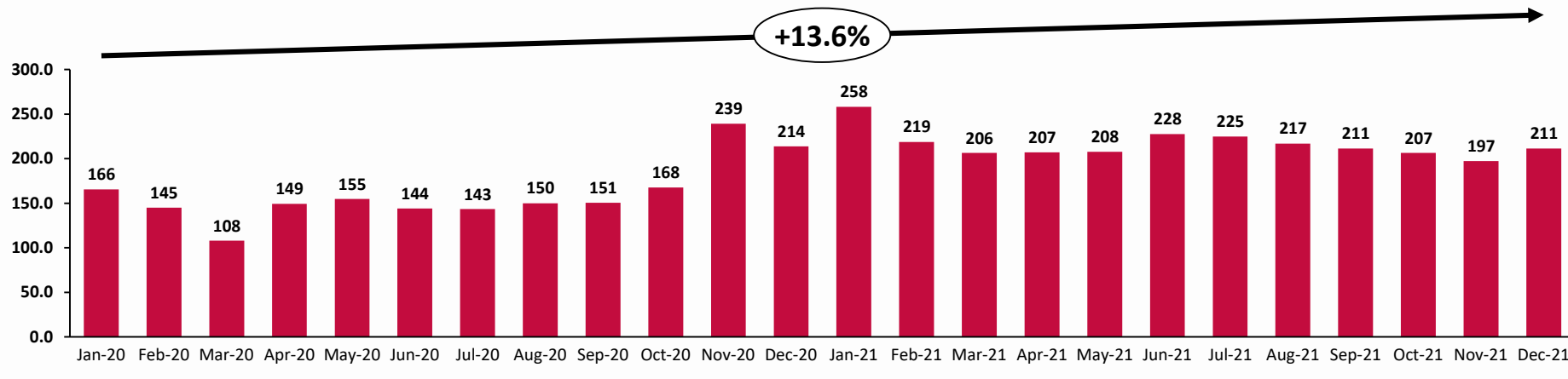


# Stock Market Situation - Dangote Sugar Leads Pack As Best Consumer Goods Stock

Market Cap performance from Jan 2020 to Dec 2021; impact of COVID-19 pandemic, recovery and return to stability and sustained growth

- Dangote Sugar Market Cap impressive after recovery from COVID-19 shock. Performance peaked in Jan 2021 with sustained growth trajectory in 2021

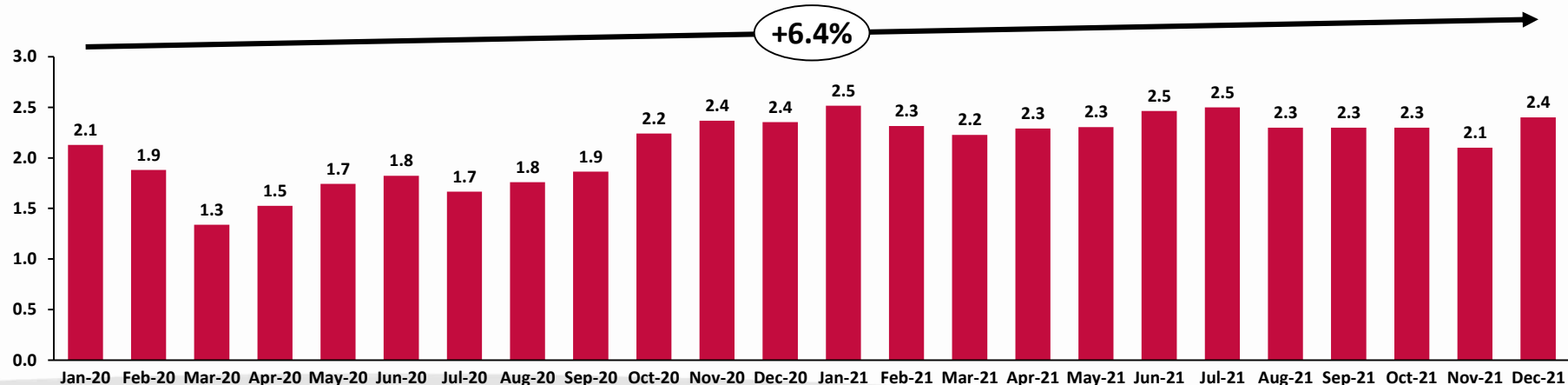
Dangote Sugar Market Cap. Performance Jan 2020 – Dec 2021



Market Cap (N'bn)

- Main Board Consumer Goods Market Cap on sustained good performance and growth in 2021 after recovery from COVID-19 pandemic

Consumer Goods – Main Board Market Cap Performance Jan 2020 – Dec 2021

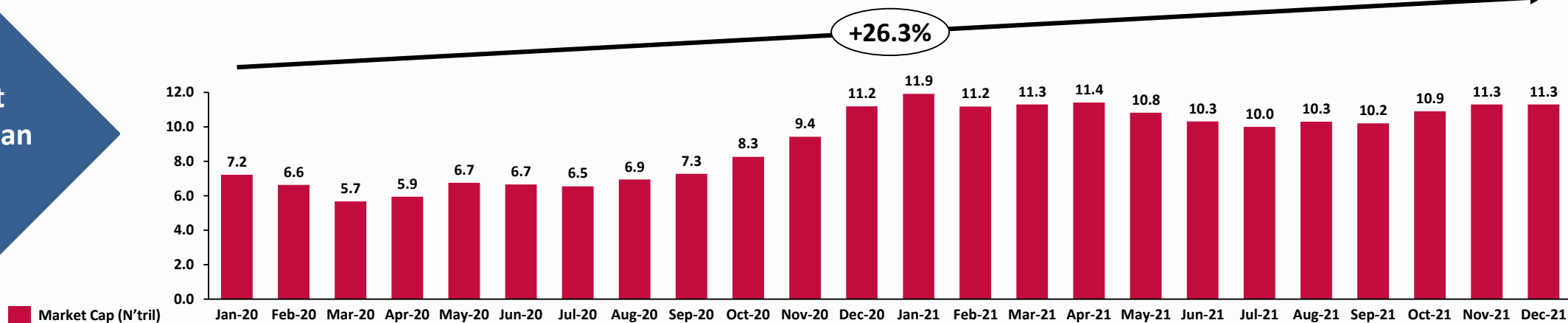


Market Cap (N'tril)

## Stock Market Situation Cont'd

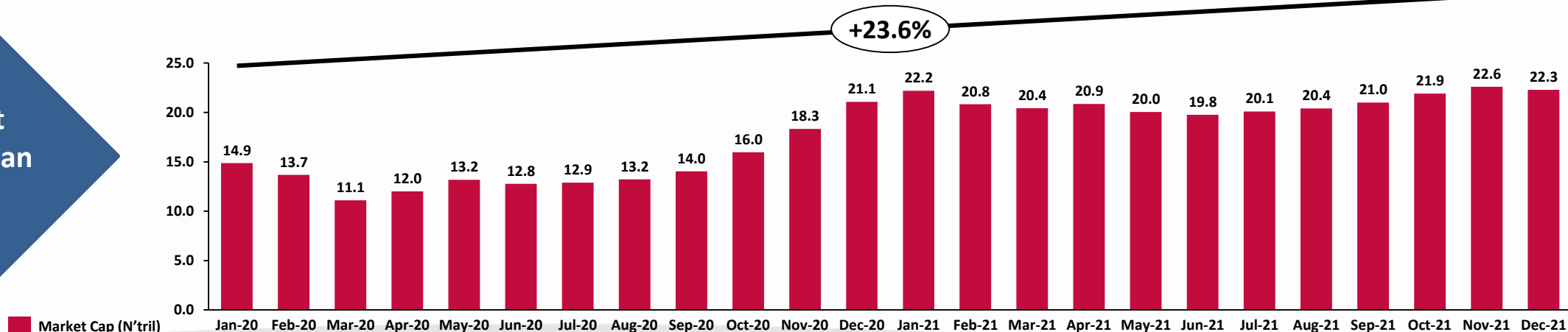
- Main Board Market Cap shows remarkable recovery from COVID-19 shock. Performance peaked in Jan 2021 and sustained growth seen in 2021.

Main Board Market  
Cap. Performance Jan  
2020 – Dec 2021



- Total Equity Market Cap shows remarkable performance after recovery from COVID-19 shock. Performance peaked in November 2021

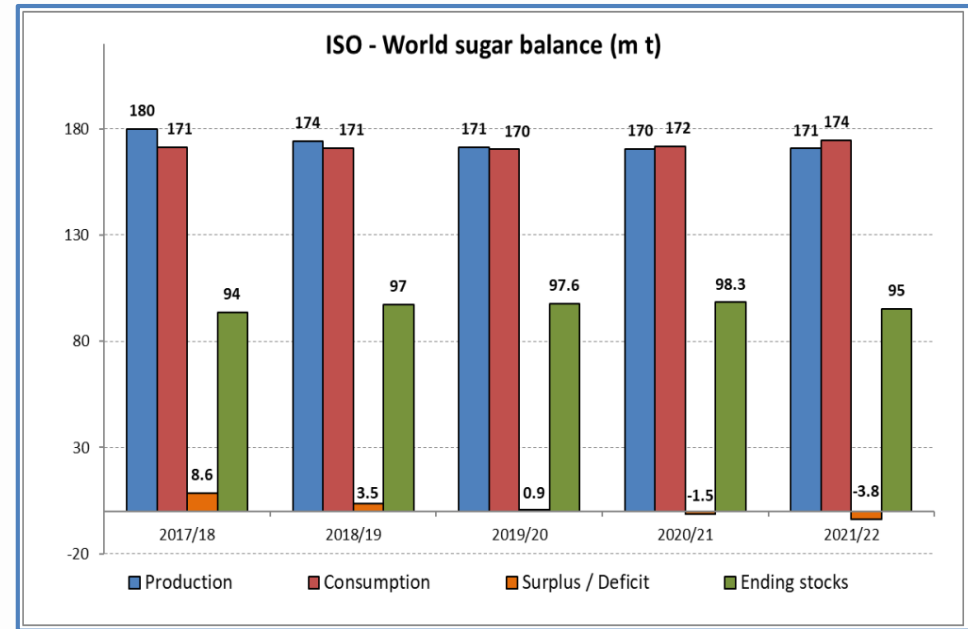
Total Equity Market  
Cap. Performance Jan  
2020 – Dec 2021



## Global sugar market to experience supply deficit of ~3.8Mn tons in 2022.

Global production for 2021/22 is estimated at 170.6Mn tons with consumption of 174.5Mn tons, estimated stock of 95Mn tons

- **Brazil:** Production forecast to drop from 38Mn tons to 32Mn tons due to a reduced volume of sugarcane resulting from
  - Unfavorably dry weather and incidence of fire outbreak in the fields has lowered volumes
  - Steady grain prices have encouraged the shift of marginal sugarcane areas to soybeans and corn
  - Ethanol prices have rise steeply, which is also likely to change the sugar-ethanol mix to 44-56% against 47-53% last year
- **India:** Production is forecast to remain flat at ~30Mn tons vs 2020/21
  - ~6Mn tons to be exported with or without subsidies due to high international price – this will reduce domestic inventory to 7Mn tons
  - Industries to divert 6Mn tons of equivalent sugar toward producing ethanol to achieve 10% ethanol-fuel blending– such translates to 12% cane diversion to ethanol from current 7%
- **Thailand:** Thai Sugar millers Corporation expects sugar millers to produce less than 7.0Mn tons of sugar due to draught, compared with a record 14.7Mn tons in 2017/18
- **EU:** Production is forecast 7% higher to 15.8Mn tons as additional member states such as France and Germany are providing exemptions on the neonicotinoid ban.



- The expansion of sugar use will occur primarily in the sugar deficit regions of Asia and Africa (63% and 22% respectively) – **Indonesia and China**, the top two importing countries, are still likely to remain high
- Consumption in **EU** is up slightly while exports and imports are unchanged

Global Sugar prices still trending higher than past year 3 years as the crude oil prices and ethanol production are as high.

*DSR will focus on improving operational efficiency as a key area to improve margin.*

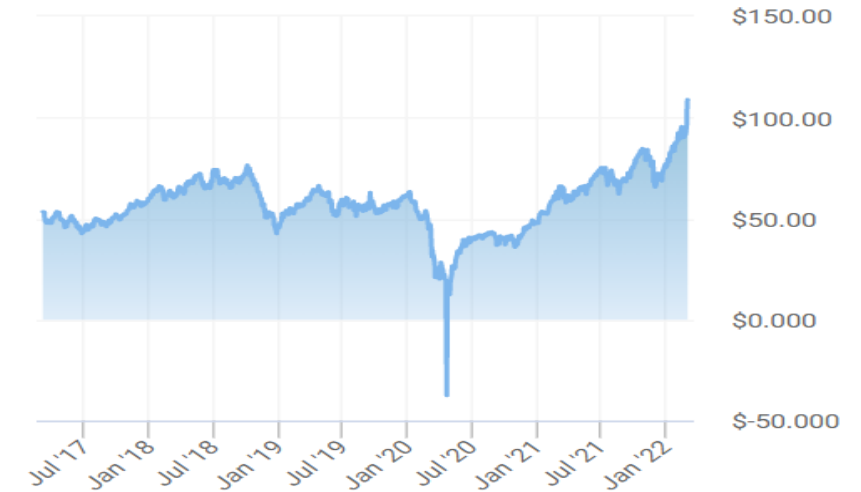
London Sugar Futures ▲ 515.30 +6.00 (+1.18%)



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Technical

**WTI Crude** (March Contract)  
**108.84 +5.35%**



**Increased price of global crude oil and gas result in:**

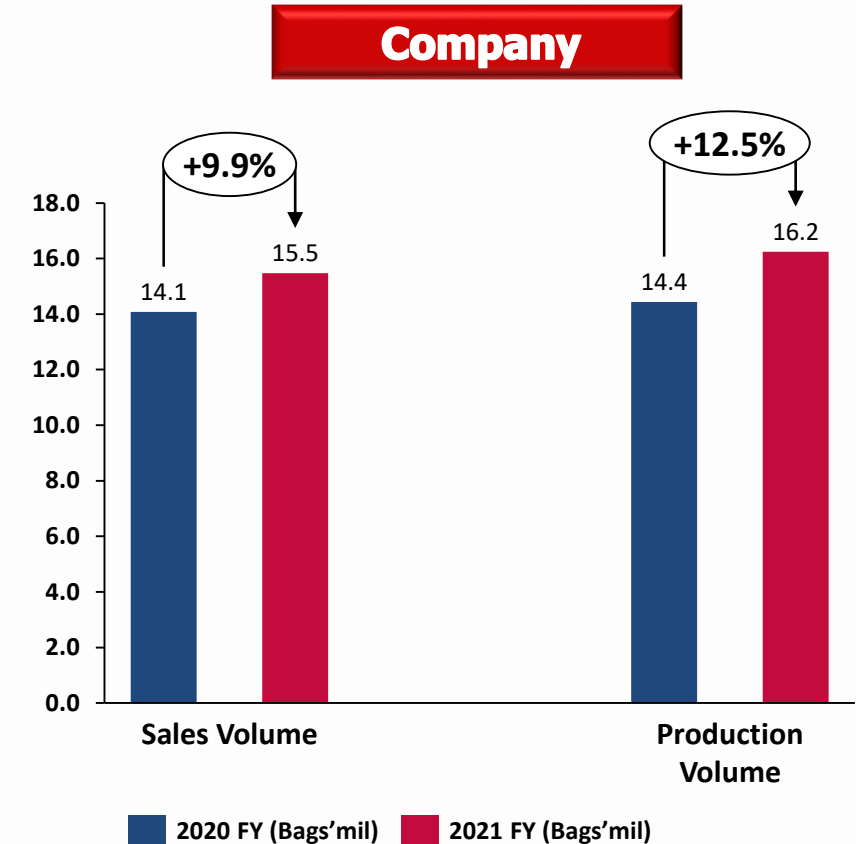
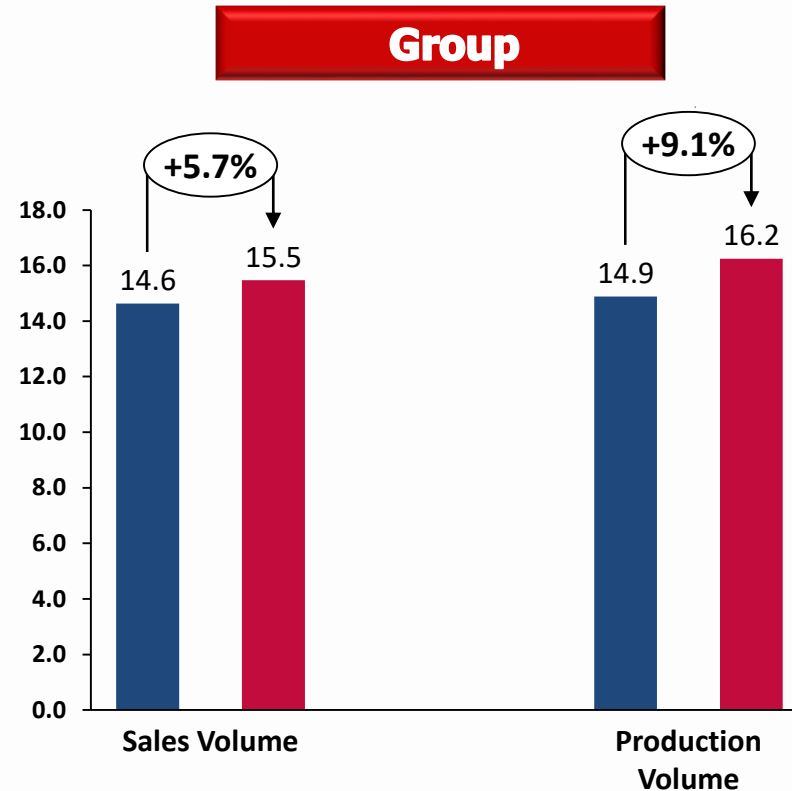
- Increased prices of raw sugar
- Global allocation of sugar cane to sugar production has dropped in favor of ethanol production

<https://ng.investing.com/commodities/london-sugar>, <https://oilprice.com/oil-price-charts/>

**2021 FULL YEAR AUDITED FINANCIAL RESULTS**

## 2021 FY Volume Performance – Sustained growth trajectory

Group and Company Sales and Production volume performance maintained growth trajectory.



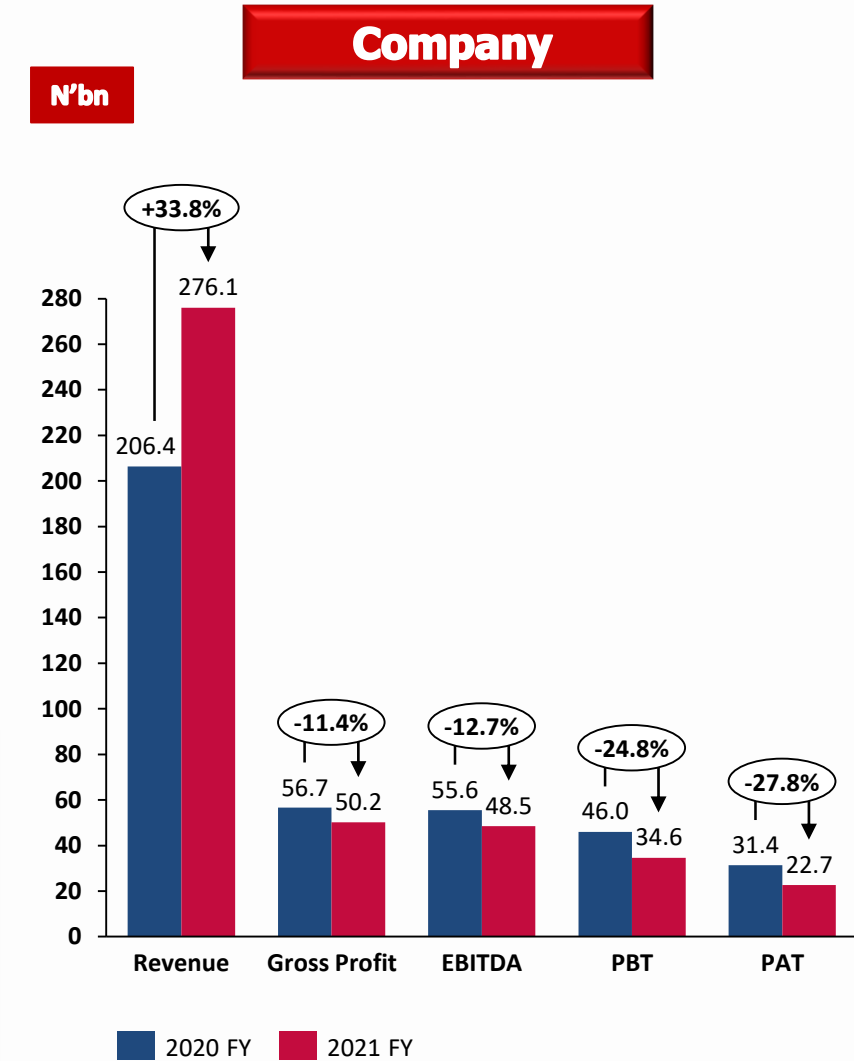
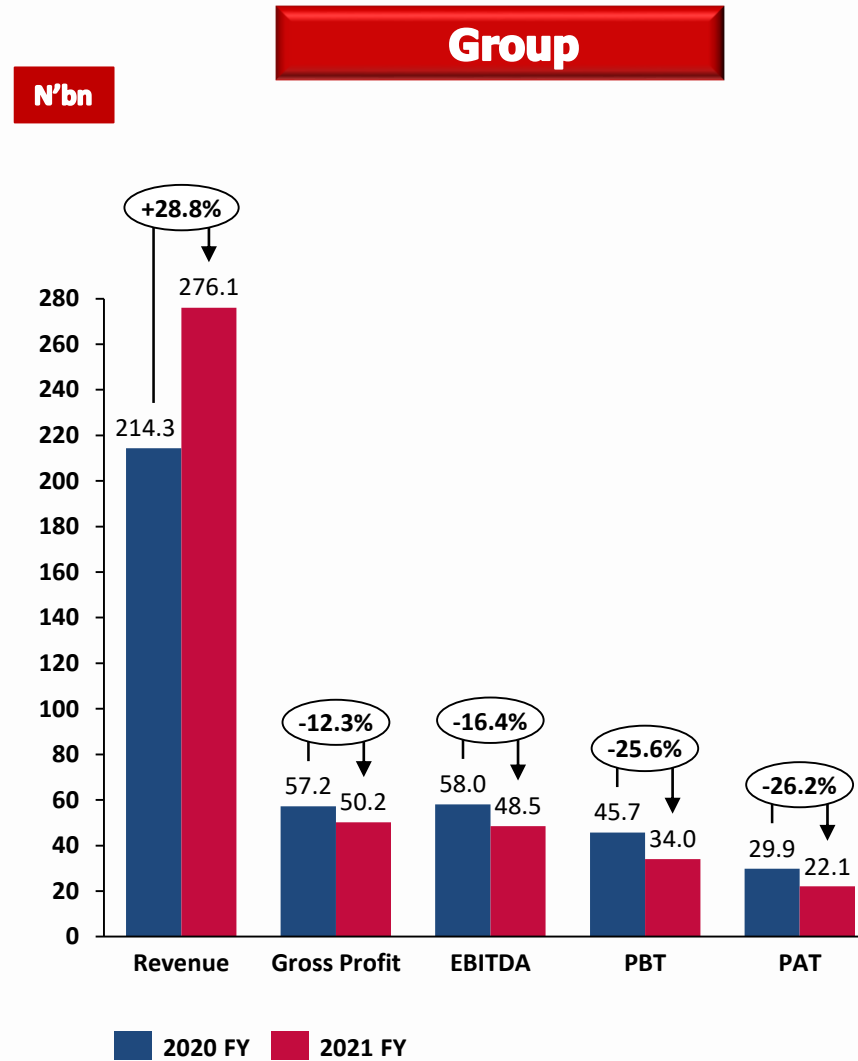
### Key factors that supported performance in 2021 :

- Improved operational efficiency.
- Better customer service delivery i.e. investment in trucks for effective market coverage.
- Reactivation of old customer accounts
- Refocused and resourced Sales & Marketing Organization including training & development
- Sustained supports to trade partners to drive market penetration.
- Reduced impact of smuggled due to government regulatory activities.

### Key challenges faced in 2021:

- Protracted Apapa gridlock with aggravated impact on distribution
- Contraction of general economic activities driven by double digit inflation,.
- Low consumer purchasing power and impact of COVID-19 resurgence.

- **Revenue** : Grew double-digit 28.8% and 33.8% over 2020 at group and company levels respectively.
- **Gross Profit**; GP contracted 12.3% and 11.4% over 2020 at group and company levels respectively on the back of elevated cost pressure resulting from rising raw material costs and currency devaluation, high inflation and its effect on bought-in goods.
- **EBITDA**; Contracted 16.4% and 12.7% over 2020 at group and company levels respectively, hit by knock-on effects of high cost of production.
- **Profit Before Tax (PBT)**: PBT declined 25.6% and 24.8% at group and company levels respectively additionally impacted by higher finance cost.
- **Profit After Tax (PAT)**: Elevated cost pressure suppressed bottom-line amidst a double-digit topline growth. PAT decreased 26.2% and 27.8% over 2020 at group and company levels respectively.



## 2021 FY Audited Financial Results with strong topline growth trajectory

### Group

### Company

#### Key performance drivers in 2021 FY:

- Topline growth of 28.8% in Revenue on the heels of sale growth of 5.7% at group level, supported by increased average net selling price of 21.9% (N17,848 vs N14,644 in 2020), to offset currency adjustment and inflation pressure on cost of production
- Rise in cost of raw sugar due to the adverse impact of COVID-19 on FX rates and increase in international price of raw sugar. Average cost per ton for raw sugar consumed in the year grew 54% over 2020.
- Conversion cost increased 9% largely due to increase in energy cost on the back of hike in gas prices impacted FX rates. Price of gas per scm<sup>3</sup> increased by 14% over 2020.
- Freight cost increased 35.2% over 2020 largely due to increase in key elements; AGO cost (61%), spares and truck repairs (41%) and 18% increase in depreciation due to new trucks injected in the year.
- FX shortage and currency adjustments' combined impact represent 95% of Finance cost and 25% over last year.
- High rate of inflation affected cost of input materials adversely as most bought-in materials price variation averaged over 30% over last year.
- Gross Profit, EBITDA and Profit Before Tax (PBT) and Profit After Tax (PAT) in 2021 declined vs 2020 due to elevated cost pressure in 2021.

	2021 FY	2020 FY	▲ (%)	
Sales (Tonnes)	773,341	731,701	+5.7	
Production (Tonnes)	811,962	743,858	+9.2	
	<b>N'Bn</b>	<b>N'Bn</b>		
<b>Revenue</b>	<b>276.05</b>	<b>214.30</b>	<b>+28.8</b>	
<b>Gross Profit</b>	<b>50.21</b>	<b>57.22</b>	<b>-12.3</b>	
<b>EBITDA</b>	<b>48.50</b>	<b>58.03</b>	<b>-16.4</b>	
Net Finance Income/(Costs)	(5.21)	(4.71)	+10.6	
<b>Profit Before Tax</b>	<b>34.02</b>	<b>45.72</b>	<b>-25.6</b>	
Taxation	(11.97)	(15.85)	-24.5	
<b>Profit After Tax</b>	<b>22.05</b>	<b>29.87</b>	<b>-26.0</b>	
<b>EPS (Naira)</b>	<b>1.82</b>	<b>2.48</b>	<b>-26.6</b>	

	2021 FY	2020 FY	▲ (%)	
Sales (Tonnes)	773,341	703,890	+9.9	
Production (Tonnes)	811,962	721,778	+12.5	
	<b>N'Bn</b>	<b>N'Bn</b>		
<b>Revenue</b>	<b>276.05</b>	<b>206.36</b>	<b>+33.8</b>	
<b>Gross Profit</b>	<b>50.21</b>	<b>56.68</b>	<b>-11.4</b>	
<b>EBITDA</b>	<b>48.52</b>	<b>55.55</b>	<b>-12.7</b>	
Net Finance Income/(Costs)	(5.26)	(4.32)	+21.8	
<b>Profit Before Tax</b>	<b>34.63</b>	<b>46.04</b>	<b>-24.8</b>	
Taxation	(11.97)	(14.67)	-18.4	
<b>Profit After Tax</b>	<b>22.66</b>	<b>31.37</b>	<b>-27.8</b>	
<b>EPS (Naira)</b>	<b>1.87</b>	<b>2.61</b>	<b>-28.4</b>	



## 2021 FY Audited Financial Position showing strong footings driven by sustained investment in BIP projects and growth in cash position

### Group and Company:

- Increase in non-current asset over 2020 reflects sustained investments in expansion projects, the backward integration projects, trucks to strengthen distribution capacity, Agricultural equipment and storage facility
- Inventory decreased due to lower stock of raw sugar in the year compared to 2020.
- Decline in receivables reflects drive to optimize working capital.
- Cash and Cash Equivalents increased by N58.15bn

### Group

	2021 FY	2020 FY	MOVT vs 2020
	N'Bn	N'Bn	N'Bn
Non-Current Assets	144.68	101.73	+42.95
Inventories	56.00	63.00	-7.00
Receivables	50.16	63.03	-12.87
Other Assets	5.66	5.38	+0.28
Cash and Cash Equivalents	103.01	44.86	+58.15
<b>Total Assets</b>	<b>359.51</b>	<b>278.03</b>	<b>+81.48</b>
Equity	128.63	124.71	+3.92
Non-Current Liabilities	12.33	11.27	+1.06
Current Liabilities	218.54	142.05	+76.49
<b>Equity &amp; Liabilities</b>	<b>359.51</b>	<b>278.03</b>	<b>+81.48</b>

### Company

	2021 FY	2020 FY	MOVT vs 2020
	N'Bn	N'Bn	N'Bn
Non-Current Assets	141.21	118.57	+22.64
Inventories	54.15	51.57	+2.58
Receivables	46.30	39.37	+6.93
Other Assets	5.66	5.38	+0.28
Cash and Cash Equivalents	102.06	44.39	+57.67
<b>Total Assets</b>	<b>349.38</b>	<b>259.28</b>	<b>+90.1</b>
Equity	129.83	125.30	+4.53
Non-Current Liabilities	12.33	11.23	+1.1
Current Liabilities	207.22	122.75	+84.47
<b>Equity &amp; Liabilities</b>	<b>349.38</b>	<b>259.28</b>	<b>+90.1</b>

## 2021 FY Audited Financial Results with a robust cashflow position

### Group

### Company

- Profit before tax (PBT) decreased -11.60bn and -11.41bn for Group and Company respectively on account elevated cost pressure.
- Net cash from investing activities at group level largely reflects sustained investment in expansion projects, agricultural equipment, storage facility, distribution trucks and other PPE
- Net cash in financing activities mainly reflects payment of 2020 dividend of N18.22bn against 2019 dividend of N13.2bn.
- Cash and Cash Equivalents increased by N58.15bn

	2021 FY	2020 FY	MOVT vs 2020
	N'Bn	N'Bn	N'Bn
Profit before taxation	34.02	45.62	- 11.60
Net cash from operating activities	127.92	60.47	+67.45
Net cash from investing activities	(49.87)	(26.17)	+23.70
Net cash in financing activities	(19.89)	(14.05)	+5.84
Net (decrease)/increase in Cash & Cash Equivalents	58.15	20.25	+37.90
<b>Cash and Cash Equivalents</b>	<b>103.01</b>	<b>44.86</b>	<b>+58.15</b>

	2021 FY	2020 FY	MOVT vs 2020
	N'Bn	N'Bn	N'Bn
Profit before taxation	34.63	46.04	-11.41
Net cash from operating activities	106.47	43.82	+62.65
Net cash from investing activities	(13.41)	(9.23)	+4.18
Net cash in financing activities	(35.39)	(13.85)	+21.54
Net (decrease)/increase in Cash & Cash Equivalents	57.66	20.73	+36.93
<b>Cash and Cash Equivalents</b>	<b>102.06</b>	<b>44.39</b>	<b>+57.67</b>

## 2021 FY Key Financial Performance Indicators show resilience amidst elevated costs pressures in the year

### Group

### Company

- Notable shocks in the operating environment which included changes in global market dynamics fueled by hike in international prices of raw sugar, FX unavailability, currency adjustment and high inflation environment caused uptick in cost of production.
- Bottom-line performance impacted hugely by increase in cost of raw materials and gas costs.
- Resilience in face of current challenges reflective in efforts made to optimize operations and deliver efficiencies across our business.
- Committed to maximizing shareholders' wealth.

	2021 FY	2020 FY
Price – to – Cashflow Ratio	1.65	3.54
Price – Earning Ratio	9.58	7.10
Asset Turnover Ratio	0.87	0.95
Current Ratio	0.98	1.24
Quick Ratio	0.73	0.80
Gross Profit Margin	18.2%	26.7%
Net Profit Margin	8.0%	13.9%
Operating Margin	14.1%	22.4%
Return on Equity (ROE)	17.1%	23.9%

	2021 FY	2020 FY
Price – to- Cashflow Ratio	7.44	3.20
Price – Earning Ratio	17.43	12.40
Asset Turnover Ratio	0.52	0.47
Current Ratio	1.03	2.08
Quick Ratio	0.69	1.84
Gross Profit Margin	21.7%	21.5%
Net Profit Margin	9.9%	12.2%
Operating Margin	18.0%	19.0%
Return on Equity (ROE)	10.9%	9.0%

# **DANGOTE SUGAR BACKWARD INTEGRATION PROJECTS UPDATE**

# DANGOTE SUGAR FOR NIGERIA MASTER PLAN

Dangote Sugar Backward Integration Projects master plan is aimed at producing 1.08M MT/PA refined sugar from locally grown sugarcane in 6 years across various sites in the country, and eventually 1.5M MT in 10 years.

- 5 large sugar factories
- 108,000 Ha of land under cultivation
- 1.08 million MT/PA of refined sugar from locally grown sugarcane p.a.
- 100 million litres of ethanol potential across all sites
- Animal feed and surplus power generation capacity to be sourced from cane fiber
- Generate over 75,000 jobs

Due to the various challenges affecting the delivery timelines of the Sugar BIP plan, the FG reviewed the targets and DSR is now required to deliver 550,000MT/PA of refined sugar by 2024.



# NASARAWA SUGAR COMPANY LTD, TUNGA

**Nasarawa Sugar Company Limited, is a Dangote Sugar 68,000ha greenfield Project, located in Tunga, Awe Local Government Area of Nasarawa State.**

- Installation of the centre pivot irrigation system for the 665ha A & B nursery has been completed whilst Installation of the phase 1 of 6000HA of commercial development has started, though slowed by the impact of COVID 19 lockdown.
- Bush clearing is completed for the 1st Phase of the 6000ha commercial development. The planting will start in December 2022.
- Design for the bulk water supply and irrigation for the 6,000HA commercial development and tendering is ongoing. An 18-month project concluded and awarded by March 2021
- Other infrastructure development activities at the site are ongoing (Staff housing phase 1 completed, Phase 11 @ 80% completion. Comm tower, water & fuel tanks, boreholes completed. Water Treatment Plant in progress)

Sugarcane Irrigation





**NASARAWA SUGAR  
COMPANY LTD CONT.**





# LAU/TAU PROJECT, TARABA STATE

**Lau/Tau Sugar Project, is a 25,000ha Dangote Sugar greenfield Sugar Backward Integration Project, located at Lau/Tau areas of Taraba State.**

- To date there has been no action by the State Government on alleged unpaid land compensation by the community and the attack on our workers. However, engagement with the State Government is ongoing for the resolution of the challenges.



Lau seed cane farm, Variety B47-419



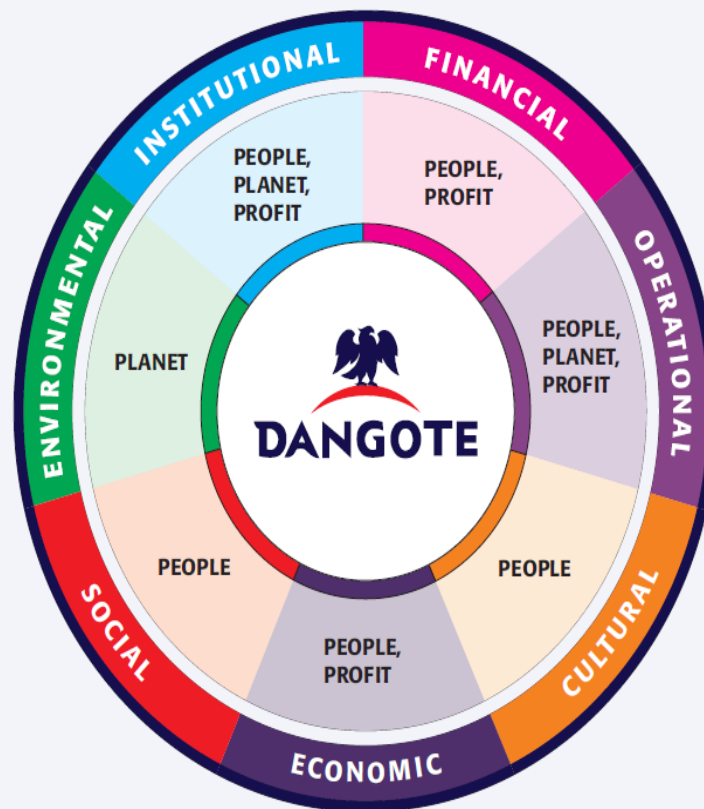
# SUSTAINABILITY

*Dangote Sugar Refinery has adopted the Global Reporting Initiatives (GRI) standards as its framework for disclosing progress in its sustainability policies and practices.*

*Driven by the goal of achieving the highest levels of governance, the 7 Sustainability Pillars are embedded in our corporate culture and guide our approach to building a prosperous and sustainable business.*

*Our 7 Sustainability Pillars support our unique approach to creating a world-class enterprise. This gave rise to the adoption of 6 Strategic Sustainable Development Goals (SDGs), 2, 4, 6, 8, 12 & 13 to further help manage our impacts and ensure a balanced operational score card.*

## DANGOTE 7 SUSTAINABILITY PILLARS & THE TRIPLE BOTTOM-LINE



# Our 7 Sustainability Pillars



**Institutional:**  
Effectively manage our governance, regulatory compliance, internal control and risk management issues





**Financial:**  
Drive sustainable profit and quality return on investments for shareholders




**Operational:**  
Manage our production processes and service delivery in line with global best practices and continuously innovate for product excellence and brand relevance.




**Cultural:**  
Entrench our core values as a business and build a business culture where our people are prioritized, respected and empowered for enhanced productivity.

**Economic:**  
Promote inclusive, sustainable economic growth, self-reliance, self-sufficiency and industrialisation in the different markets where we operate




**Social:**  
Engage effectively with key stakeholders, including employees, customers and host communities and prioritize health and safety and other wellbeing issues for our internal and external stakeholders; invest in community development and effectively track and measure our socio-economic impacts




**Environmental:**  
Manage our environmental impact, set realistic goals and targets; and effectively track our performance and report our environmental footprints. Hedge the risks and explore the opportunities in climate change.





**2 ZERO HUNGER**  
End hunger, achieve food security and improved nutrition and promote sustainable agriculture



**4 QUALITY EDUCATION**  
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



**6 CLEAN WATER AND SANITATION**  
Ensure availability and sustainable management of water and sanitation for all



**8 DECENT WORK AND ECONOMIC GROWTH**  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
Ensure sustainable consumption and production patterns



**13 CLIMATE ACTION**  
Take urgent action to combat climate change and its impacts

# DSR Six (6) Strategic Priority SDGs

## 2021 Sustainability Week & Milestones

Winner of Best Company in Good Health Wellbeing, at The SERAS CSR Awards Africa 2021

Increased the DSR five (5) Strategic Priority UN SDGs to six (6) with addition of SDG 13 : Climate Action towards the attainment of UN SDGs by 2030 and integration of the principles across our operations.

Total revenue for 2021 increased by 28.8% to N276.05bn (2020: N214.30bn)

Dividend of N18.2 billion was paid to shareholders in 2021 , a 37.9% increase from dividend payment of N13.2 billion in 2020.

Our staff strength of over 2,881 employees remains strong, and quarterly Motivation Award was introduced to recognize outstanding performance.

The 2021 Sustainability week was anchored on the DSR 6 strategic priority SDGs (COVID-19 Care Pack distribution, donation of educational materials to schools/students, Tree planting, donation of fertilizers to farmers, career, social etiquette and behavioral counselling for students )

COVID-19 sensitization programs held across all our immediate communities with distribution of COVID – 19 care kits during the 2021 Sustainability Week Celebration across the DSR Group.

Embarked on a tree planting initiative at our DSR Numan Operations. Over 500 trees were planted to preserve the environment.

Over 100 employees volunteered during the week-long event across DSR operations at Apapa, Fleet, Nasarawa and Numan Operations.

211 hours were spent by the volunteers on the planning and execution of the various activities.



# 2021 Sustainability Milestones

## OUTLOOK – leveraging our strength

We are positive that in the year 2022 we would continue to strengthen brand presence through our newly launched packaging designs and strong engagement with our trade and channel partners. There is a commitment to sustain market share growth and while pursuing diversity in our customer base. We expect our recent investments in our fleet to deliver positive results in on-time delivery of products to our customers. It's expected that the full year benefits of our cost savings initiatives will also come through.

We will continue in the trajectory of increasing the area under cane and yield through improved agricultural practices and seed varieties with measures to expand our footprints with the out-growers scheme in Numan.

Backward Integration Project goal remains a key priority, though we anticipate increase in cost to completion in naira-terms. The focus is to achieve the Federal Government's revised sugar production target of 550,000 metric tonnes annually by 2024. We remain confident of the huge benefits the Backward Integration Programme would deliver and the positive impacts it will have on the economy.

We are mindful of the continued volatility in the local and global economies. We will leverage our risk management framework, sustainability, health and safety efforts to mitigate its impact on our business operations. We are hopeful that the business environment will be more conducive as some of the prevalent challenges being faced ranging from heightened insecurity, high inflation rate, and foreign currency challenges are tackled by responsible agencies.

# Q & A



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