



Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements

for the period ended June 30, 2025

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

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Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

General Information

Country of incorporation and domicile	Nigeria
Nature of business and principal activities	Cultivation, refining of raw sugar into edible sugar and selling of refined sugar
FRC Number	FRC/2014/00000003835
Chairman	Alh. Aliko Dangote (GCON) (Retired 16th June 2025)
Independent Non-Executive Director/ Chairman	Mr. Arnold Ekpe (Appointed as Chairman on 17th June 2025)
Group Managing Director/CEO	Mr. Ravindra Singhvi
Executive Director	Ms Mariya Aliko-Dangote
Non-Executive Director	Mr. Olakunle Alake
Non-Executive Director	Mr. Uzoma Nwankwo
Non-Executive Director	Ms. Bennedikter Molokwu
Non-Executive Director	Prof. Konyinsola Ajayi (SAN) (Retired 16th June 2025)
Non-Executive Director	Alh. Abdu Dantata
Non-Executive Director	Ms. Maryam Bashir (Retired 16th June 2025)
Independent Non-Executive Director	Mrs. Yabawa Lawan-Wabi (mni)
Independent Non-Executive Director	Mrs. Yemisi Ayeni (Appointed 20 March 2025)
Registered office	3rd Floor, Greenview Development Nig. Ltd. Administrative Building Terminal E, Shed 20, NPA Wharf Complex, Apapa Lagos State
Holding company	Dangote Industries Limited, incorporated in Nigeria
Ultimate holding company	Greenview International Corp. Cayman Island
Auditors	PricewaterhouseCoopers (Chartered Accountants) Landmark Towers Plot 5B, Water Corporation Road Victoria Island Lagos State
Bankers	Access Bank Plc Coronation Merchant Bank Ecobank Plc Fidelity Bank Plc First Bank of Nigeria Limited First City Monument Bank Plc FSDH Merchant Bank Globus Bank Ltd Guaranty Trust Bank Plc Greenwich Merchant Bank Jaiz Bank Plc Providus bank Plc Keystone bank Limited Rand Merchant Bank Sterling Bank Plc Stanbic IBTC Bank Plc Standard Chartered Bank Nigeria Limited United Bank for Africa Plc Union Bank of Nigeria Plc Unity Bank Plc Wema Bank Plc Zenith Bank Plc
Company Secretary/Legal Adviser	Mrs. Temitope Hassan 3rd Floor, Greenview Development Nig. Ltd. Administrative Building Terminal E, Shed 20, NPA Wharf Complex, Apapa Lagos State
Registrars	Veritas Registrars Limited Plot 89A Ajose Adeogun Street Victoria Island Lagos

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Consolidated and separate statement of profit or loss and other comprehensive income

Note(s)	GROUP					COMPANY					
	Qtr2, 2025 N'000	30/6/2025 N'000	Qtr2, 2024 N'000	30/6/2024 N'000	F/Yr, 2024 N'000	Qtr2, 2025 N'000	30/6/2025 N'000	Qtr2, 2024 N'000	30/6/2024 N'000	F/Yr, 2024 N'000	
Continuing operations											
Revenue	5	216,281,226	430,211,916	172,897,105	295,624,440	665,689,763	216,281,226	430,211,916	172,897,105	295,624,440	665,689,763
Cost of sales	6	(173,861,461)	(378,534,818)	(163,509,074)	(277,485,650)	(634,580,279)	(173,861,461)	(378,534,818)	(163,509,074)	(277,485,650)	(634,580,279)
Gross profit		42,419,765	51,677,098	9,388,031	18,138,790	31,109,484	42,419,765	51,677,098	9,388,031	18,138,790	31,109,484
Other income	11	101,755	244,952	163,196	215,681	2,213,001	94,313	191,794	116,002	168,287	2,061,075
Selling and distribution expenses	7	(177,070)	(351,054)	(159,104)	(310,317)	(821,864)	(177,070)	(351,054)	(159,104)	(310,317)	(821,864)
Administrative expenses	7	(6,486,740)	(12,960,678)	(4,249,806)	(7,751,590)	(18,922,120)	(5,125,998)	(9,896,435)	(4,001,933)	(7,250,552)	(17,208,994)
Impairment gains/(losses)	23.3	(511,388)	(511,388)	(111,250)	33,972	(907,121)	(511,388)	(511,388)	(111,250)	33,972	(907,121)
Operating profit/(loss)	14	35,346,322	38,098,930	5,031,067	10,326,536	12,671,380	36,699,622	41,110,015	5,231,746	10,780,180	14,232,580
Finance income	8	457,494	2,859,163	2,349,966	4,242,606	7,612,562	457,494	2,859,163	2,349,966	4,242,605	7,612,562
Finance cost	10	(35,104,236)	(64,968,952)	(111,662,554)	(234,186,558)	(301,277,687)	(35,078,237)	(64,918,660)	(111,700,380)	(233,881,794)	(301,088,518)
Finance costs - net		(34,646,742)	(62,109,789)	(109,312,588)	(229,943,952)	(293,665,125)	(34,620,743)	(62,059,497)	(109,350,414)	(229,639,189)	(293,475,956)
Change in fair value adjustment	9	(175,693)	1,902,886	(280,420)	8,197,785	10,099,566	(175,693)	1,902,886	(280,420)	8,197,785	10,099,566
Loss before tax		523,887	(22,107,973)	(104,561,941)	(211,419,631)	(270,894,179)	1,903,186	(19,046,596)	(104,399,088)	(210,661,224)	(269,143,810)
Taxation	12.1	(1,150,000)	(2,166,355)	29,547,308	67,411,592	78,277,361	(1,150,000)	(2,166,355)	29,547,308	67,411,592	78,277,361
Loss for the period		(626,113)	(24,274,328)	(75,014,633)	(144,008,039)	(192,616,818)	753,186	(21,212,951)	(74,851,780)	(143,249,632)	(190,866,449)
Loss attributable to:											
Owners of the parent		(612,320)	(24,243,714)	(75,013,004)	(144,000,455)	(192,599,314)	753,186	(21,212,951)	(74,851,780)	(143,249,632)	(190,866,449)
Non-controlling interest		(13,793)	(30,614)	(1,629)	(7,584)	(17,504)	-	-	-	-	-
		(626,113)	(24,274,328)	(75,014,633)	(144,008,039)	(192,616,818)	753,186	(21,212,951)	(74,851,780)	(143,249,632)	(190,866,449)
Other comprehensive income:											
Revaluation surplus		-	-	-	-	432,167,515	-	-	-	-	395,320,816
Income tax on revaluation surplus		-	-	-	-	(106,568,811)	-	-	-	-	(106,568,811)
		-	-	-	-	325,598,704	-	-	-	-	288,752,005
Total comprehensive (loss)/income for the period		(626,113)	(24,274,328)	(75,014,633)	(144,008,039)	132,981,886	753,186	(21,212,951)	(74,851,780)	(143,249,632)	97,885,556
Total comprehensive (loss)/income attributable to:											
Owners of the parent		(595,499)	(24,243,714)	(75,013,004)	(144,000,455)	132,999,389	753,186	(21,212,951)	(74,851,780)	(143,249,632)	97,885,556
Non-controlling interest		(30,614)	(30,614)	(1,629)	(7,584)	(17,504)	-	-	-	-	-
		(626,113)	(24,274,328)	(75,014,633)	(144,008,039)	132,981,886	753,186	(21,212,951)	(74,851,780)	(143,249,632)	97,885,556
Earnings per share											
Per share information											
Basic earnings per share (Naira)	15	(0.05)	(2.00)	(6.18)	(11.86)	(15.86)	0.06	(1.75)	(6.16)	(11.79)	(15.71)
Diluted earnings per share (Naira)	15	(0.05)	(2.00)	(6.18)	(11.86)	(15.86)	10.04	(1.75)	(9.56)	(11.79)	(15.71)


Dangote Sugar Refinery Plc


Consolidated and Separate Financial Statements for the Period Ended June 30, 2025


Consolidated and separate statements of financial position as at June 30, 2025

		GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Assets							
Property, plant and equipment	16	612,379,006	616,644,824	175,092,833	512,077,081	511,552,200	108,548,809
Deferred tax assets	13	8,231,388	8,231,388	102,509,375	8,231,388	8,231,388	102,509,375
Investment in subsidiaries	20	-	-	-	1,658,280	1,658,280	297,000
Deposit for shares	21	-	-	-	73,793,520	72,596,256	70,022,964
Total non-current assets		620,610,394	624,876,212	277,602,208	595,760,269	594,038,124	281,378,148
Current assets							
Inventories	22	108,557,518	179,825,100	133,259,129	107,516,440	178,778,130	132,347,830
Biological assets	17	17,484,835	19,189,380	18,350,974	17,484,835	19,189,379	18,350,974
Trade and other receivables	23	105,825,025	102,762,827	85,173,121	105,556,561	102,483,484	84,494,946
Other assets	18	31,973,673	15,144,041	16,270,205	31,725,853	14,980,907	16,267,158
Asset held for sale	19	868,642	868,642	868,642	868,642	868,642	868,642
Cash and cash equivalents	24	147,750,496	108,166,527	183,129,283	147,591,395	108,005,605	182,958,676
Total current assets		412,460,189	425,956,517	437,051,354	410,743,726	424,306,147	435,288,226
Total assets		1,033,070,583	1,050,832,729	714,653,562	1,006,503,995	1,018,344,271	716,666,374
Equity							
Attributable to owners of Parent company							
Share capital	25	6,073,439	6,073,439	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	6,320,524	6,320,524
Revaluation surplus	26.1	322,432,944	325,598,705	-	288,752,006	288,752,006	-
(Accumulated loss)/ retained earnings	26	(149,960,806)	(125,717,093)	(77,118,235)	(142,663,453)	(121,450,502)	(73,833,687)
		184,866,101	212,275,576	(64,724,271)	158,482,516	179,695,467	(61,439,724)
Non-controlling interest	27	(78,516)	(47,902)	(37,982)	-	-	-
		184,787,585	212,227,674	(64,762,254)	158,482,516	179,695,467	(61,439,724)
Liabilities							
Non-Current Liabilities							
Lease liability	31.1	5,502,178	2,553,490	2,140,714	5,627,749	2,672,011	2,140,714
		5,502,178	2,553,490	2,140,714	5,627,749	2,672,011	2,140,714
Current Liabilities							
Current tax liabilities	12.3	4,326,001	4,410,858	12,338,533	4,330,937	4,415,793	12,343,462
Lease liability	31.1	-	2,741,881	2,001,372	-	2,732,220	1,923,956
Trade and other payables	29	97,251,231	98,677,529	99,271,097	96,890,476	98,638,753	98,117,561
Financial liabilities	30	735,208,972	717,507,521	639,933,321	735,177,701	717,476,251	639,849,626
Employee benefits	28	642,797	681,823	710,828	642,797	681,823	710,828
Other liabilities	31	5,351,819	12,031,953	23,019,951	5,351,819	12,031,953	23,019,951
Total current liabilities		842,780,820	836,051,565	777,275,102	842,393,730	835,976,793	775,965,384
Total liabilities		848,282,998	838,605,055	779,415,816	848,021,479	838,648,804	778,106,098
Total equity and liabilities		1,033,070,583	1,050,832,729	714,653,562	1,006,503,995	1,018,344,271	716,666,374

The consolidated and separate financial statements on pages 2 to 39, were approved by the board on July 22, 2025 and were signed on its behalf by:


Yemisi Ayeni, FCA
 Independent Non-Executive Director
 FRC/2013/IODN/0000073173


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


Isiaka Dada Bello, PhD
 Chief Financial Officer
 FRC/2013/ ICAN/00000005105

The accompanying notes on pages 6 to 39 form an integral part of the consolidated and separate financial statements.

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Consolidated and separate statements of changes in equity

Company	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total		
	N'000	N'000	N'000	N'000	N'000		
Balance as at 1 January 2024	6,073,439	6,320,524	-	69,415,947	81,809,910		
Loss for the period	-	-	-	(143,249,632)	(143,249,632)		
Total comprehensive Loss for the period	-	-	-	(143,249,632)	(143,249,632)		
Dividend paid	-	-	-	-	-		
Balance as at 30 June 2024	6,073,439	6,320,524	-	(73,833,685)	(61,439,724)		
Balance as at 1 July 2024	6,073,439	6,320,524	-	(73,833,685)	(61,439,724)		
Loss for the period	-	-	-	(47,616,817)	(47,616,817)		
Other comprehensive Income	-	-	288,752,005	-	288,752,005		
Total comprehensive income for the period	6,073,439	6,320,524	288,752,005	(121,450,502)	179,695,464		
Transaction with owners:							
Dividend paid	-	-	-	-	-		
Balance as at 31 December 2024	6,073,439	6,320,524	288,752,005	(121,450,502)	179,695,467		
Loss for the period	-	-	-	(21,212,951)	(21,212,951)		
Balance as at June 2025	6,073,439	6,320,524	288,752,005	(142,663,453)	158,482,516		
Note (s)	25	25	26.1	26			
Group							
	Share Capital	Share Premium	Retained Earnings	Revaluation Surplus	Attributable to owners of parent company	Non-controlling interest	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance as at 1 January 2024	6,073,439	0	66,882,221	-	79,276,184	(30,398)	79,245,786
Loss for the period	-	-	(144,008,039)	-	(144,008,039)	-	(144,008,039)
Total comprehensive Loss for the period	-	-	(144,008,039)	-	(144,008,039)	-	(144,008,039)
Transaction with owners:							
Dividend paid	-	-	-	-	-	-	-
Balance as at 30 June 2024	6,073,439	0	(77,125,818)	-	(64,731,855)	(30,398)	(64,762,254)
Balance as at 1 July 2024	6,073,439	0	(77,125,818)	-	(64,731,855)	(30,398)	(64,762,254)
Loss for the period	-	-	(48,591,275)	-	(48,591,275)	(17,504)	(48,608,778)
Total comprehensive income for the period	6,073,439	-	(125,717,093)	-	(113,323,130)	(47,902)	(113,371,032)
Other comprehensive income	-	-	-	325,598,704	325,598,704	-	325,598,704
Dividend paid	-	-	-	-	-	-	-
Balance as at 31 December 2024	6,073,439	0	(125,717,093)	325,598,704	212,275,574	(47,902)	212,227,674
Loss for the period	-	-	(24,274,328)	-	(24,274,328)	-	(24,274,328)
Total comprehensive income for the period	-	-	(24,274,328)	-	(24,274,328)	-	(24,274,328)
Transaction with owners:							
Other comprehensive income	-	-	-	(3,165,761)	(3,165,761)	-	(3,165,761)
Dividend paid	-	-	-	-	-	-	-
Balance as at June 2025	6,073,439	-	(149,991,420)	325,598,704	188,001,247	(47,902)	184,787,585
Note (s)	25	25	26	26.1		27	

The accompanying notes on pages 6 to 39 form an integral part of the consolidated and separate financial statements.

Dangote Sugar Refinery Plc.

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Consolidated and separate statements of cash flows

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Cash flows for operating activities						
Loss before taxation	(22,107,973)	(270,894,179)	(211,419,631)	(19,046,596)	(269,143,810)	(210,661,224)
Adjustments for non-cash income and expenses:						
Depreciation of property, plant and equipment	13,602,897	12,598,078	6,101,322	12,329,183	11,555,811	5,628,322
Property, plant and equipment transferred	3,819	-	-	172,674	(526,570)	-
Increase in impairment loss on financial assets	-	907,121	(33,972)	511,388	907,121	(33,972)
Lease written off	(21,083)	-	-	-	-	-
Lease reassessments	-	4,218,796	-	-	4,411,886	-
Government grant	(7,089)	(28,739)	(16,468)	(7,089)	(28,739)	(16,468)
Property, plant and equipment impaired and written off	-	-	7,192,648	-	-	7,192,648
Property, plant and equipment scrapped	-	2,337	-	-	2,337	-
(Profit)/loss on sale of assets	-	(17,161)	-	-	(17,161)	-
Interest income	(2,859,163)	(7,612,562)	(4,242,606)	(2,859,163)	(7,612,562)	(4,242,605)
Interest on lease	272,890	476,406	150,284	223,517	474,191	147,368
Interest on bank loan	17,746,827	7,254,901	40,247	17,746,827	7,254,901	40,247
Exchange loss	-	201,886,871	-	-	201,403,944	-
Fair value loss/(gain) on biological assets	(1,902,886)	(10,099,566)	(8,197,785)	(1,902,886)	(10,099,566)	(8,197,785)
Changes in working capital						
(Increase)/decrease in Inventory	71,267,582	(131,908,247)	(85,342,276)	71,261,690	(131,716,881)	(85,286,582)
Net (addition)/usage of biological assets	3,607,431	5,374,613	4,311,237	3,607,431	5,374,613	4,311,237
(Increase)/decrease in trade and other receivables	(3,062,198)	28,134,238	46,665,037	(3,584,465)	28,179,067	47,108,698
(Increase)/decrease in other assets	(16,829,632)	(14,399,033)	(15,525,197)	(16,744,946)	(14,237,294)	(15,523,546)
Increase/(decrease) in other liabilities	(6,680,134)	(5,799,878)	5,227,655	(6,680,134)	(5,799,878)	5,227,655
Increase/(decrease) in trade payables	(1,419,209)	(178,746,886)	88,152,112	(1,741,188)	(177,264,821)	89,179,007
Cash generated from operations	51,612,079	(358,652,889)	(166,937,394)	53,286,244	(356,883,411)	(165,274,369)
Tax paid	(2,251,211)	(13,412,266)	(4,059,534)	(2,251,211)	(13,412,260)	(4,059,534)
Gratuity paid	(39,026)	(30,224)	(1,220)	(39,026)	(30,224)	(1,220)
Net cash generated from operating activities	49,321,846	(372,095,388)	(170,998,149)	50,995,997	(370,325,889)	(169,335,123)
Cash flows from investing activities						
Purchase of property, plant and equipment	(12,506,664)	(29,934,830)	(21,303,991)	(13,026,730)	(26,942,652)	(20,191,922)
Deposit for shares	-	-	-	(1,197,264)	(5,560,965)	(2,987,673)
Proceeds on disposal of property, plant and equipment	-	22,512	-	-	22,512	-
Interest received	2,859,163	7,612,562	4,242,606	2,859,163	7,612,562	4,242,605
Net cash used in investing activities	(9,647,501)	(22,299,756)	(17,061,385)	(11,364,831)	(24,868,544)	(18,936,990)
Cash flows from financing activities						
Unclaimed dividend received	-	39,535	-	-	39,535	-
Lease Liabilities payment	(45,000)	(226,251)	(92,488)	-	(226,251)	(112,660)
Proceed from commercial paper	152,578,948	95,855,046	141,337,390	152,578,948	95,855,046	141,337,390
Bank overdraft	(21,728,378)	72,550,865	25,358,704	(21,728,378)	72,550,865	25,358,704
Movement in letters of credit	(90,313,797)	(12,615,061)	-	(90,313,797)	(11,891,471)	-
Interest payment on bank loans	(9,503)	(7,513,968)	(23,761)	(9,503)	(7,513,968)	(23,761)
Proceeds from bank loan	138,193,185	157,190,472	-	138,193,185	157,190,472	-
Loan from Dangote petroleum and petrochemical Limited	-	3,659,480	-	-	3,659,480	-
Repayment of borrowings	(178,765,831)	(11,141,149)	(153,731)	(178,765,831)	(11,141,149)	(153,731)
Net cash used in financing activities	(90,376)	297,798,968	166,426,113	(45,376)	298,522,558	166,405,941
Net increase in cash and cash equivalents	39,583,969	(96,596,176)	(21,633,420)	39,585,790	(96,671,874)	(21,718,803)
Cash and cash equivalents at beginning of period	108,166,527	204,762,703	204,762,703	108,005,605	204,677,479	204,677,479
Cash and cash equivalents at end of the period	147,750,496	108,166,527	183,129,283	147,591,395	108,005,605	182,958,676

The accompanying notes on pages 6 to 39 form an integral part of the consolidated and separate financial statements.

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

1 General information

Dangote Sugar Refinery Plc (the Company) 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 68% by Dangote Industries Limited and 32% 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 Wharf Complex, Apapa, Lagos State

The consolidated financial statements of the Group for the Period ended 30 June 2025 comprise the Company and its subsidiaries - Dangote Sugar (Ghana) Limited, Taraba Sugar Company Limited, Adamawa Sugar Company Limited and

1.1 The principal activity

The principal activity of the Group include raw sugar cultivation, refining into edible sugar and the selling of refined sugar. The Group's products are sold to Corporate customers as well as through distributors across the country.

1.2 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.

1.3 Going Concern status

The Group has consistently been making profits until recently. 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.

1.4 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.

1.5 Financial period

These financial statements cover the financial period from 1 January 2025 to 30 June 2025 with comparatives for the year ended 31 December 2024 and period ended 30 June 2024.

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.

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 March 2022 and requirements of the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council (FRC) Act 2011 of Nigeria.

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Notes to the Consolidated and Separate Financial Statements

2.2 Basis of preparation

The consolidated and separate financial statements have been prepared on the historical cost basis except for biological assets which is measured at fair value less cost to sell. Historical cost is generally based on the fair value of the consideration given in exchange for assets. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Naira unless otherwise stated. The principal accounting policies are set out below:

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 and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income 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.

When necessary adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. 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.

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. This occurs when the goods are delivered to the customer and customer's acceptance is received or when goods are picked up by the customers.

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.

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.

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Notes to the Consolidated and Separate Financial Statements

Revenue recognition (continued)

Disaggregation of revenue from contract with customers

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

	Freight services	Sale of sugar	Sale of molasses	Total
	N'000	N'000	N'000	N'000
Revenue from contract with customers	39,812	426,886,121	3,285,983	430,211,916

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 Company 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's to that asset's net carrying amount on initial recognition.

2.6 Segment reporting

An operating segment is a distinguishing 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.

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 statements of comprehensive income 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 3% of the assessable profits in accordance with the Tertiary Education Tax Act.

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2.7 Taxation (continued)

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.

Upon disposal of an associate that results in the Company losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with IAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Company account for all amounts previously recognised in other income in relation to that associate on the assets or liabilities. Therefore , if a gain or loss previously recognized in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets and liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustments) when it loses significant influence over the associate.

When the company transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Company's financial statements only to the extent of interest in the associates that are not related to the Company.

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies.

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 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.

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Notes to the Consolidated and Separate Financial Statements

2.8 Property, plant and equipment

i. Recognition and measurement

IAS 16 permits two accounting models:

Cost model: The asset is carried at cost less accumulated depreciation and impairment. [IAS 16.30]

Revaluation model: The asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably. [IAS 16.31]

To ensure the Group's financial position reflects current economic realities, the directors decided during the year to change the basis of measuring some property, plant and equipment from historical cost model to revaluation model as at 31 December 2024. Under the revaluation model, revaluation will be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the balance sheet date. The asset cost and accumulated depreciation are grossed up so that the net book value as at revaluation date will reflect the revalued amount. Revalued assets are depreciated in the same way as under the cost model.

If an item is revalued, the entire class of assets to which that asset belongs will be revalued. The following asset classes are excluded from revaluation; bearer plants, furniture and fittings, computer equipment, tools and equipment and capital work in progress. These asset classes will continue to be measured at cost less accumulated depreciation and impairment losses.

If a revaluation results in an increase in value, the revaluation surplus, net of tax, will be credited to other comprehensive income and accumulated in equity under the heading "revaluation surplus" unless it represents the reversal of a revaluation decrease of the same asset previously recognised as an expense, in which case it will be recognised in profit or loss. A decrease arising as a result of a revaluation will be recognised as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset.

When a revalued asset is disposed off, any revaluation surplus will be transferred directly to retained earnings. The transfer to retained earnings will not be made through profit or loss.

The Group will engage external, independent and qualified valuers to perform independent valuations for its property, plant and equipment at sufficient regular period, between 2 to 5 years, to ensure that the fair value of the revalued asset does not differ materially from its carrying amount. At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The directors would determine a property's value within a range of reasonable fair value estimates. The best evidence of fair value will be current prices in an active market for similar properties.

Under the cost model, the asset cost includes expenditure that is directly attributable to the acquisition of the asset.

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 Company 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 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 Company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life.

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 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.

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2.8 Property, plant and equipment (continued)

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 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating-unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.10 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.

Long-term employee benefits (Defined contribution plan)

Employees are members of defined contribution plans. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

The group makes provision for retirement benefits in accordance with the Pension Reform Act 2014. 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.

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2.10 Employee benefits (continued)

Long-term employee benefits (Defined benefit plan)

For defined benefit plans, the Group's contributions were based on the recommendations of independent actuaries and the liability measured using the projected unit credit method, up to the date of cessation of the scheme on 30 September, 2013.

Under the plan, the employees were entitled to retirement benefits which vary according to length of service. Actuarial gains and losses were recognised in the income statement. These gains or losses were recognised over the expected average remaining working lives of the employees participating in the plans.

Past-service costs were recognised as an expense on a straight-line basis over the average period until the benefits became vested. If the benefits vested immediately following the introduction of, or changes to, a defined benefit plan, the past-service cost was recognised immediately.

2.11 Government grants

Government grants are recognised when there is reasonable assurance that:

- i) the group will comply with the conditions attaching 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).

2.12 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

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Leases in which the Group is a Lessor

(i) Operating lease

When assets are subject to an operating lease, the assets continue to be recognised as property and equipment based on the nature of the asset. Lease income is recognised on a straight line basis over the lease term.

Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term.

(ii) Finance lease

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

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2.13 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 realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.14 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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.

2.15 Financial instruments

a) *Financial instruments accounting policy*

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments disclosures.

i) **Classification and measurement**

Financial assets

It is the Company's policy to initially recognise financial assets at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss which are expensed in profit or loss.

Classification and subsequent measurement is dependent on the Company's business model for managing the asset and the cashflow characteristics of the asset. On this basis, the Company may classify its financial instruments at amortised cost, fair value through profit or loss and at fair value through other comprehensive income.

The business models applied to assess the classification of the financial assets held by the company are;

- **Hold to collect:** Financial assets in this category are held by the Company solely to collect contractual cash flows and these cash flows represents solely payments of principal and interest. Assets held under this business model are measured at amortised cost
- **Fair value through other comprehensive income:** Financial assets in this category are held to collect contractual cash flows and sell where there are advantageous opportunities. The cash flows represents solely payment of principal and interest. These financial assets are measured at fair value through other comprehensive income.
- **Fair value through profit or loss:** This category is the residual category for financial assets that do not meet the criteria described above. Financial assets in this category are managed in order to realise the asset's fair value.

The financial assets of Dangote Sugar are held to collect contractual cashflows that are solely payments of principal (for non-interest bearing financial assets) or solely payments of principal and interest ((for interest bearing financial assets)

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2.15 Financial instruments (continued)

The Company's financial assets include trade and other receivables, cash and cash equivalents. They are included in current assets, except for maturities greater than 12 months after the reporting date. Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in finance income/cost.

Financial liabilities

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

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 receivables. This involves determining the expected loss rates using a provision matrix that is based on the Company's 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 Company 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 Company 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 Company'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 Company carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Company 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.

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2.15 Financial instruments (continued)

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition. Gains or losses on derecognition of financial assets are recognised in profit or loss.

Financial liabilities

The Company 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.

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.

2.16 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.

2.17 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 Company'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 and other comprehensive income.

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.

2.18 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.

Investment 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.

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

2.19 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

2.20 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.

2.21 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 and other comprehensive income.

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.

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i) 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 Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company'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.

ii) 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.

4 New Standards and Interpretations

i) Standards and interpretations effective and adopted in the current year

There are no new standards applicable to annual reporting period commencing 1 January 2024 which are expected to have a material impact on the group:

ii) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Dangote Sugar Refinery Plc

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5	Revenue	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
		30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
	Revenue from the sale of sugar - 50kg	416,854,000	643,735,203	284,193,427	416,854,000	643,735,203	284,193,427
	Revenue from the sale of sugar - Retail	10,032,121	17,454,099	8,604,326	10,032,121	17,454,099	8,604,326
	Revenue from the sale of molasses	3,285,983	4,161,935	2,558,868	3,285,983	4,161,935	2,558,868
	Freight income	39,812	338,526	267,819	39,812	338,526	267,819
		430,211,916	665,689,763	295,624,440	430,211,916	665,689,763	295,624,440

6.0 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.

	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Nigeria:						
Lagos	228,181,323	373,530,894	180,148,380	228,181,323	373,530,894	180,148,380
North	163,455,267	215,909,081	82,402,196	163,455,267	215,909,081	82,402,196
West	28,531,224	55,457,161	24,013,195	28,531,224	55,457,161	24,013,195
East	10,044,101	20,792,627	9,060,669	10,044,101	20,792,627	9,060,669
	430,211,916	665,689,763	295,624,440	430,211,916	665,689,763	295,624,440

Group	Segment Revenue		Segment Cost of Sales		Segment Gross Profit	
	30/6/2025 N'000	30/6/2024 N'000	30/6/2025 N'000	30/6/2024 N'000	30/6/2025 N'000	30/6/2024 N'000
Nigeria:						
Lagos	228,181,323	180,148,380	(194,505,734)	(164,612,998)	33,675,589	15,535,382
North	163,455,267	82,402,196	(149,388,637)	(81,247,003)	14,066,631	1,155,193
West	28,531,224	24,013,195	(25,305,240)	(22,727,833)	3,225,985	1,285,362
East	10,044,101	9,060,669	(9,337,121)	(8,897,816)	706,980	162,853
	430,211,916	295,624,440	(378,536,732)	(277,485,650)	51,675,184	18,138,790

Company	Segment Revenue		Segment Cost of Sales		Segment Gross Profit/(loss)	
	30/6/2025 N'000	30/6/2024 N'000	30/6/2025 N'000	30/6/2024 N'000	30/6/2025 N'000	30/6/2024 N'000
Nigeria:						
Lagos	228,181,323	180,148,380	(194,505,734)	(164,612,998)	33,675,589	15,535,382
North	163,455,267	82,402,196	(149,388,637)	(81,247,003)	14,066,631	1,155,193
West	28,531,224	24,013,195	(25,305,240)	(22,727,833)	3,225,985	1,285,362
East	10,044,101	9,060,669	(9,337,121)	(8,897,816)	706,980	162,853
	430,211,916	295,624,440	(378,536,732)	(277,485,650)	51,675,184	18,138,790

Dangote Sugar Refinery Plc

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Notes to the Consolidated and Separate Financial Statements

6.1 Segment information (Continued)

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 of the segment and the physical location of the asset.

Investments in shares held by the Group and deferred tax assets are not considered to be segment assets and are not allocated to segments.

Capital expenditure reflects additions 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 Group's interest-bearing liabilities are not considered to be segment liabilities but rather are managed by the Group's treasury function.

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 30 June 2025;

	Total Segment Assets			Total Segment liabilities		
	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Group						
Nigeria:						
Lagos	558,077,878	419,905,295	520,994,022	681,563,393	393,320,471	549,305,997
North	474,992,705	180,884,630	193,659,540	158,488,217	128,223,670	127,600,444
Sub-total	1,033,070,583	600,789,925	714,653,562	840,051,610	521,544,141	676,906,441
Unallocated deferred tax	-	-	-	8,231,388	-	102,509,375
Total	1,033,070,583	600,789,925	714,653,562	848,282,998	521,544,141	779,415,816

	Total Segment Assets			Total Segment liabilities		
	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Company						
Nigeria:						
Lagos	633,361,868	487,969,369	592,049,542	682,761,883	394,057,187	550,046,579
North	373,142,127	113,071,155	124,616,831	157,028,208	125,173,427	125,550,145
Sub-total	1,006,503,995	601,040,524	716,666,373	839,790,091	519,230,614	675,596,724
Unallocated deferred tax	-	-	-	8,231,388	-	102,509,373
Total	1,006,503,995	601,040,524	716,666,373	848,021,479	519,230,614	778,106,097

Included in the Lagos segment is asset held for sale of N868.6 million (2024: N868.6 million).

Information about major customers

The company has one Customer (NBC) whose Sales make up 31.74% of total revenue. The revenue from the customer within the Second Quarter 2025 is 63.9 billion and the revenue from the Customer is included in the Lagos Region.

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Notes to the Consolidated and Separate Financial Statements

6 Segment information (Continued)

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 65% 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 period. The associated cost of providing this service is included in Cost of sales.

7 Cost of sales	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Raw material	318,028,041	546,050,652	239,560,921	318,028,041	546,050,652	239,560,921
Direct labour cost	5,919,417	9,131,642	4,797,178	5,919,417	9,131,642	4,797,178
Direct overheads	34,055,329	52,022,872	21,006,709	34,055,329	52,022,872	21,006,709
Depreciation	8,118,340	9,047,595	4,350,358	8,118,340	9,047,595	4,350,358
Freight expenses	12,413,691	18,327,518	7,770,484	12,413,691	18,327,518	7,770,484
	378,534,818	634,580,279	277,485,650	378,534,818	634,580,279	277,485,650

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	3,966,673	1,979,003	1,052,132	3,966,672	1,979,003	1,052,132
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8 Administrative expenses

Management fees	1,183,264	2,435,625	1,053,224	1,183,264	2,435,625	1,053,224
Assessment rates and municipal charges	36,224	50,815	32,874	36,224	50,815	32,874
Auditors Fees and remuneration	77,375	150,000	73,623	72,000	140,000	69,331
Cleaning and fumigation	39,159	80,852	39,055	38,394	80,852	39,055
Legal, consulting and professional fees	161,820	563,349	310,097	161,820	562,599	310,097
Consumables	12,669	23,121	10,493	11,196	22,079	10,493
Depreciation	1,521,702	1,571,480	698,831	244,171	529,213	225,831
Scrap	-	2,337	-	-	2,337	-
Donations	120,591	96,950	122,975	102,629	96,950	122,975
Scholarship and Sponsorships	-	146,230	-	-	117,870	-
Employee costs (note 36)	4,895,864	6,227,621	3,123,500	4,018,845	6,227,621	3,123,500
Entertainment	17,109	37,568	18,609	17,062	37,568	18,609
Insurance	330,075	798,566	332,147	316,669	798,566	332,147
BIP Abuja expenses	37,795	-	-	37,795	-	-
Bank charges	1,215,043	704,735	357,154	1,214,760	704,150	356,911
Rental expenses	33,677	-	-	-	-	-
Magazines, books, print and periodicals	19,403	43,175	25,038	18,484	43,175	25,038
Utilities	371,150	424,589	166,018	370,927	424,589	166,018
Petrol and oil	168,953	202,971	81,382	153,146	202,971	81,382
Repairs and maintenance	1,620,847	3,005,925	320,052	862,968	2,433,961	296,550
Secretarial fees	64,566	67,000	34,000	64,566	67,000	34,000
Security expense	325,685	503,924	238,873	296,871	503,924	238,873
Staff welfare	41,675	122,624	40,986	38,284	73,480	40,986
Subscriptions	19,039	30,898	6,824	18,546	30,891	6,824
Sustainability Expenses	18,630	16,670	10,750	18,630	16,670	10,750
Telephone and fax	116,740	260,813	106,173	115,263	260,813	106,173
Training	43,312	143,464	25,992	42,281	143,464	25,992
Travel-local	319,707	947,472	395,039	312,093	938,465	395,039
Travel-overseas	148,603	263,346	127,881	129,547	263,346	127,881
	12,960,678	18,922,120	7,751,590	9,896,435	17,208,994	7,250,552

Selling and Distribution expenses

Selling and marketing expenses	351,054	821,864	310,317	351,054	821,864	310,317
	351,054	821,864	310,317	351,054	821,864	310,317

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	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
9 Finance income						
Interest income on bank deposits	2,859,163	7,612,562	4,242,606	2,859,163	7,612,562	4,242,605
	2,859,163	7,612,562	4,242,606	2,859,163	7,612,562	4,242,605
Interest is earned on bank deposits at an average rate of 12 % p.a. on short term (30days) bank deposits.						
10 Finance cost						
Exchange loss in the ordinary course of business	160,218	208,903,088	193,681,261	160,218	208,716,365	193,379,412
Finance cost on Letter of Credit	21,901,512	53,020,165	32,162,605	21,900,592	53,019,933	32,162,605
Interest on lease payments (Note 32)	272,890	476,406	150,284	223,517	474,191	147,368
Accrued Interest on bank loan (Note 30.1)	17,746,827	7,254,901	40,247	17,746,827	7,254,901	40,247
Interest - Commercial Paper	14,161,604	19,585,494	5,551,769	14,161,604	19,585,494	5,551,769
Issuance cost – Commercial Paper	384,340	755,911	74,202	384,340	755,911	74,202
Interest on overdraft	10,341,561	11,281,723	2,526,190	10,341,561	11,281,723	2,526,190
Interest on intercompany loan	-	-	-	-	-	-
	64,968,952	301,277,687	234,186,558	64,918,660	301,088,518	233,881,794
10.1 The exchange loss above is analysed below:						
Realised	160,218	7,016,217	8,162,511	160,218	7,312,421	7,888,608
Unrealised	-	201,886,871	185,518,750	-	201,403,944	185,490,804
	160,218	208,903,088	193,681,261	160,218	208,716,365	193,379,412
11 Other income						
Insurance claim income	63,195	313,960	94,120	63,195	264,011	94,120
Sale of scrap	60,718	258,393	56,283	7,560	156,416	8,888
Grant income	7,089	28,739	16,468	7,089	28,739	16,468
Rental income	93,020	275,452	48,810	93,020	275,452	48,810
WHT credit from interest income	-	1,148,388	-	-	1,148,388	-
ITF refund on training	20,930	19,430	-	20,930	19,430	-
Compensation from resolution of legal dispute	-	150,860	-	-	150,860	-
Profit on sale of asset (Note 11.1)	-	17,161	-	-	17,161	-
Miscellaneous income	(0)	618	-	(0)	618	-
	244,952	2,213,001	215,681	191,794	2,061,075	168,287
11.1 Loss/(profit) on sale of asset for the period is arrived at as below:						
	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Cost of assets disposed	-	22,508	-	-	22,508	-
Accum dep of assets disposed	-	(17,157)	-	-	(17,157)	-
Net book value disposed	-	5,350	-	-	5,350	-
Sales proceed received in consideration	-	(22,512)	-	-	(22,512)	-
(Loss)/Profit on sale of asset	-	(17,161)	-	-	(17,161)	-
12 Taxation						
12.1 Major components of the tax expense						
Current Tax						
Income tax based on profit for the year	2,166,355	3,377,543	1,952,486	2,166,355	3,377,543	1,952,486
Education tax expense	-	-	-	-	-	-
	2,166,355	3,377,543	1,952,486	2,166,355	3,377,543	1,952,486
Deferred tax						
Deferred tax expense/(credit) recognised in the current period	-	(81,651,471)	(69,364,078)	-	(81,651,471)	(69,364,078)
Adjustments recognised in the current period in relation to the deferred tax of prior periods	-	(3,433)	-	-	(3,433)	-
Total deferred tax credit	2,166,355	(81,654,904)	(67,411,592)	2,166,355	(78,277,361)	(67,411,592)
Total tax credit recognised in profit or loss	4,332,710	(78,277,361)	(65,459,106)	4,332,710	(74,899,818)	(65,459,106)
Recognised in other comprehensive income	-	106,568,810	-	-	106,568,810	-

The tax rates used in the above comparative figures are the corporate tax rate of 30% (2023: 30%) payable by corporate entities in Nigeria. Education Tax rate is also payable at 3% of assessable profit (2023: 3% of assessable profit) while Police Trust Fund Levy is 0.005% (2023: 0.005%) of the net profit of the companies operating business in Nigeria.

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	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
12.2 Reconciliation of the tax expense						
Reconciliation between accounting profit and tax expense						
Accounting profit before tax	(22,107,973)	(270,894,179)	(106,857,693)	(19,046,596)	(269,143,810)	(106,262,140)
Income tax expense calculated at 30% of PBT	-	(80,743,143)	1,952,486	-	(80,743,143)	1,952,486
Tertiary education tax expense calculated at 2.5% of assessable profits	-	-	-	-	-	-
Effect of income that is exempt from taxation	-	(67,875)	-	-	(67,875)	-
Effect of investment allowance	-	-	-	-	-	-
Effect of expenses that are not deductible in determining taxable profit	-	774,368	-	-	774,368	-
Effect of tax adjustments (minimum tax, dividend tax etc)	-	3,375,268	-	-	3,375,268	-
Adjustments recognised in the current period in relation to the deferred tax of prior periods	-	(3,433)	(15,524,549)	-	(3,433)	(15,524,549)
Adjustment recognised due to difference in tax rate	-	(1,612,546)	-	-	(1,612,546)	-
Income tax expense recognised in profit or loss	-	(78,277,361)	(13,572,063)	-	(78,277,361)	(13,572,063)

12.3 Current tax liabilities

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
At January 1	4,410,858	14,445,581	14,445,581	4,415,793	14,450,510	14,450,510
Charge for the period	2,166,355	3,377,543	1,952,486	2,166,355	3,377,543	1,952,486
Payment made during the period	(2,251,211)	(13,412,266)	(4,059,534)	(2,251,211)	(13,412,260)	(4,059,534)
Balance end of the period	4,326,001	4,410,858	12,338,533	4,330,937	4,415,793	12,343,462

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)

Deferred tax liabilities are attributable to the following:

Property plant and equipment @ 30%	(16,367,299)	(16,367,299)	(13,667,444)	(16,367,299)	(16,367,299)	(13,667,444)
Property plant and equipment @ 10%	(121,878)	(121,878)	(121,878)	(121,878)	(121,878)	(121,878)
Revaluation surplus on land @10%	(6,013,764)	(6,013,764)	-	(6,013,764)	(6,013,764)	-
Revaluation surplus on property, plant and equipment @10% ex land	(100,554,953)	(100,554,953)	-	(100,554,953)	(100,554,953)	-
Unutilised tax credits	5,635,987	5,635,987	-	5,635,987	5,635,987	-
Tax losses	60,977,236	60,977,236	-	60,977,236	60,977,236	-
Provisions	1,545,614	1,545,614	1,123,365	1,545,614	1,545,614	1,123,365
Exchange difference @ 33%	66,463,302	66,463,302	118,309,009	66,463,302	66,463,302	118,309,009
Fair value adjustment	(3,332,857)	(3,332,857)	(3,133,677)	(3,332,857)	(3,332,857)	(3,133,677)
Net deferred tax assets	8,231,388	8,231,388	102,509,375	8,231,388	8,231,388	102,509,375

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Notes to the Consolidated and Separate Financial Statements

13 Deferred tax balances (Continued)

Deferred income tax charged in profit or loss ("P/L) are attributable to the following items:

13.1 Deferred tax reconciliation

	Opening balance	Movement recognised in the year-SPL	Movement recognised in the year -OCI	Closing balance
	N'000	N'000	N'000	N'000
Company and Group as at 31 December 2024				
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment @ 30%	13,667,444	2,699,855	100,554,953	116,922,252
Property, plant and equipment @ 10%	121,878	-	-	121,878
Revaluation surplus on land @10%	-	-	6,013,764	6,013,764
Unutilised tax credits	-	(5,635,987)	-	(5,635,987)
Tax losses	-	(60,977,236)	-	(60,977,236)
Provisions	(1,123,365)	(422,249)	-	(1,545,614)
Exchange difference	(48,944,928)	(17,518,374)	-	(66,463,302)
Fair value adjustment	3,133,677	199,180	-	3,332,857
	(33,145,294)	(81,654,811)	106,568,717	(8,231,388)
Company and Group as at 31 December 2023				
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment @ 30%	12,866,209	801,235	-	13,667,444
Property, plant and equipment @ 10%	121,878	-	-	121,878
Exchange rate	(827,496)	(295,869)	-	(1,123,365)
Fair value adjustment	-	(48,944,928)	-	(48,944,928)
Provisions	1,077,483	2,056,194	-	3,133,677
	13,238,074	(46,383,368)	-	(33,145,294)

14 Operating profit

Profit for the period is arrived at after charging/(crediting):

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Depreciation of property, plant and equipment (note 16)	12,329,184	12,598,078	2,079,987	12,329,183	11,555,812	2,079,986
Defined contribution plans -direct employee cost (note 36)	231,107	404,069	172,933	231,107	404,069	172,933
Defined contribution plans -indirect employee cost (note 36)	131,152	234,090	103,143	126,916	234,090	103,143
Auditors remuneration	77,375	150,000	73,623	72,000	140,000	69,331

14.1 Operating profit is arrived at as below:

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Gross profit	51,677,098	31,109,484	18,138,790	51,677,098	31,109,484	18,138,790
Other income	11 244,952	2,213,001	215,681	191,794	2,061,075	168,287
Selling and distribution expenses	8 (351,054)	(821,864)	(310,317)	(351,054)	(821,864)	(310,317)
Administrative expenses	8 (12,960,678)	(18,922,120)	(7,751,590)	(9,896,435)	(17,208,994)	(7,250,552)
Impairment (losses)/gains on financial assets	23 (511,388)	(907,121)	33,972	(511,388)	(907,121)	33,972
	38,098,930	12,671,380	10,326,536	41,110,015	14,232,580	10,780,180

15 Earnings per share

Basic and diluted earnings per share

Basic 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 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Loss for the period	(24,274,328)	(192,616,818)	(144,008,039)	(21,212,951)	(190,866,449)	(143,249,632)
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	12,146,878	12,146,878
Basic and diluted earnings per share from continuing operations (Naira)	(2.00)	(15.86)	(11.86)	(1.75)	(15.71)	(11.79)

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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:	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance, 1/1/2024	19,984,209	6,226,712	25,328,862	50,940,350	519,935	34,956,789	565,562	899,828	9,464,281	92,178,151	241,064,679
Additions during the year	10,887,948	232,901	4,970,276	2,417,002	18,855	8,084,248	88,894	-	516,239	2,783,894	30,000,257
Revaluation	-	81,407,927	16,629,957	428,278,913	-	309,231,491	-	5,025,966	-	-	840,574,253
Reclassifications	-	-	-	723,972	-	-	5,790	-	-	(729,761)	-
Disposal	-	-	-	-	-	(22,508)	-	-	-	-	(22,508)
Scrap	-	-	-	-	-	(280,115)	-	-	-	-	(280,115)
Balance, 31/12/2024	30,872,157	87,867,539	46,929,095	482,360,236	538,790	351,969,906	660,246	5,925,794	9,980,519	94,232,284	1,111,336,565
Addition-BIP	-	42,091	164,937	629,293	-	0.00	-	-	-	(1,356,387)	(520,066)
Additions-Apapa and Numan	-	-	24,681	678,915	24,418	2,438,839	27,720	-	309,186	9,522,971	13,026,730
Revaluation adjustments-BIP	-	26,226,019	(27,729,439)	10,911,890	-	(12,574,230)	-	-	-	-	(3,165,761)
Transfer	-	-	-	100,490	-	-	-	-	105,427	(205,917)	-
Balance, 30/6/2025	30,872,157	114,135,649	19,389,273	494,680,824	563,207	341,834,515	687,966	5,925,794	10,395,131	102,192,951	1,120,677,469
DEPRECIATION:											
Balance, 1/1/2024	10,767,668	115,273.00	7,913,799	22,671,745	447,907	22,065,534	406,188	362,890	9,230,861	-	73,981,867
Charge for the year	4,211,075	128,615	2,476,736	2,032,631	66,805	3,201,971	93,779	35,993	350,471	-	12,598,078
Revaluation	-	-	7,205,438	153,548,001	-	245,626,385	-	2,026,911	-	-	408,406,737
Disposal	-	-	-	-	-	(17,157)	-	-	-	-	(17,157)
Scrap	-	-	-	-	-	(277,778)	-	-	-	-	(277,778)
Balance, 31/12/2024	14,978,743	243,888	17,595,974	178,252,378	514,712	270,598,956	499,967	2,425,794	9,581,333	-	494,691,746
Charge for the period	2,572,680	72,540	1,758,245	4,624,612	17,389	2,686,760	47,055	420,497	129,404	-	12,329,184
Charge-BIP	-	12,150	25,096	368,600	3,802	846,430	1,998	-	15,638	-	1,273,713
Transfer	-	-	-	1,652	-	0	-	-	2,166	-	3,819
Balance, 30/6/2025	17,551,423	328,578	19,379,314	183,247,242	535,903	274,132,146	549,020	2,846,292	9,728,541	-	508,298,462
NET BOOK VALUE:											
Balance, 31/12/2024	15,893,414	87,623,651	29,333,121	304,107,858	24,077	81,370,950	160,278	3,500,000	399,186	94,232,284	616,644,819
Balance, 30/6/2025	13,320,734	113,807,071	9,959	311,433,582	27,304	67,702,368	138,946	3,079,502	666,590	102,192,951	612,379,006

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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:	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance, 1/1/2024	19,984,209	5,621,959	19,238,923	42,365,664	503,279	33,126,514	543,440	899,828	7,638,938	42,235,892	172,158,646
Additions during the year	10,887,948	Ravindra Singh Singhvi	4,685,709	1,886,932	18,855	7,785,586	73,137	-	333,522	1,308,703	26,980,392
Revaluation	-	52,131,295	21,012,218	498,860,823	-	311,388,952	-	5,025,965	-	-	888,419,253
Adjustment (Note 16.2)	-	-	-	-	-	-	-	-	-	(889,932)	(889,932)
Reclassifications	-	-	-	723,972	-	-	5,790	-	-	(729,761)	-
Transfer	-	-	-	-	-	786,333	-	-	-	-	786,333
Disposal	-	-	-	-	-	(22,508)	-	-	-	-	(22,508)
Scrapping	-	-	-	-	-	(280,115)	-	-	-	-	(280,115)
Balance, 31/12/2024	30,872,157	57,753,254	44,936,849	543,837,391	522,134	352,784,762	622,366	5,925,793	7,972,459	41,924,903	1,087,152,070
Additions during the period	-	-	24,681	678,915	24,418	2,438,839	27,720	-	309,186	9,522,971	13,026,730
Transfer	-	-	-	-	-	103,950	-	-	-	(205,917)	(101,967)
Reclassifications	-	-	-	-	-	-	-	-	-	-	-
Balance, 30/6/2025	30,872,157	57,753,254	44,961,530	544,516,306	546,552	355,327,552	650,086	5,925,793	8,281,645	51,241,957	1,100,076,833
DEPRECIATION:											
Balance, 1/1/2024	10,767,668	66,245	7,342,397	22,289,239	411,404	22,522,288	390,015	362,890	6,828,642	-	70,980,788
Charge for the year	4,211,075	128,615	2,307,896	1,650,099	36,268	2,759,382	89,972	35,993	336,510	-	11,555,812
Transfer	-	-	-	-	-	259,763	-	-	-	-	259,763
Revaluation	-	-	8,045,413	237,516,675	-	245,509,437	-	2,026,911	-	-	493,098,435
Disposal	-	-	-	-	-	(17,157)	-	-	-	-	(17,157)
Balance, 31/12/2024	14,978,743	194,860	17,695,706	261,456,014	447,672	270,755,935	479,987	2,425,793	7,165,152	-	575,599,864
Charge for the period	2,572,680	72,540	1,758,245	4,624,612	17,389	2,686,760	47,055	420,497	129,404	-	12,329,183
Transfer	-	-	-	-	-	70,707	-	-	-	-	70,707
Balance, 30/6/2025	17,551,423	267,400	19,453,950	266,080,626	465,061	273,513,402	527,042	2,846,291	7,294,557	-	587,999,754
NET BOOK VALUE:											
Balance, 31/12/2024	15,893,414	57,558,393	27,241,144	282,381,377	74,462	82,028,828	142,380	3,500,000	807,307	41,924,903	511,552,205
Balance, 30/6/2025	13,320,734	57,485,854	25,507,580	278,435,680	81,490	81,814,150	123,045	3,079,503	987,088	51,241,957	512,077,081

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Notes to the Consolidated and Separate Financial Statements

16. Property, Plant and Equipment (continued)

The following Right-of Use assets have been included in the property, plant and equipment movement schedules above:

	GROUP Land N'000	GROUP Building N'000	GROUP Total N'000	COMPANY Land N'000	COMPANY Building N'000	GROUP Total N'000
COST:						
Balance, 31/12/2024	478,276	7,995,581	8,473,857	534,743	7,894,487	8,429,230
Addition during the period	-	-	-	-	-	-
Balance, 30/6/2025	<u>478,276</u>	<u>7,995,581</u>	<u>8,473,857</u>	<u>534,743</u>	<u>7,894,487</u>	<u>8,429,230</u>
DEPRECIATION:						
Balance, 31/12/2024	320,626	5,350,971	5,671,597	320,626	5,326,822	5,647,448
Depreciation charge for the period	84,690	1,031,989	1,116,679	72,540	1,031,989	1,104,529
Balance, 30/6/2025	<u>405,316</u>	<u>6,382,960</u>	<u>6,788,276</u>	<u>393,167</u>	<u>6,358,811</u>	<u>6,751,977</u>
NET BOOK VALUE:						
Balance, 31/12/2024	157,649	2,644,610	2,802,260	214,116	2,567,665	2,781,782
Balance, 30/6/2025	<u>72,959</u>	<u>1,612,621</u>	<u>1,685,581</u>	<u>141,576</u>	<u>1,535,676</u>	<u>1,677,252</u>
	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000

17 Biological assets

Cost

Carrying value at the beginning of the period	19,189,379	14,464,427	14,464,427	19,189,379	14,464,427	14,464,427
Net (usage)/addition	(3,607,431)	(5,374,613)	(4,311,237)	(3,607,431)	(5,374,613)	(4,311,237)
Fair value adjustments	1,902,886	10,099,566	8,197,785	1,902,886	10,099,566	8,197,785
Carrying amount at the end of the period	<u>17,484,835</u>	<u>19,189,379</u>	<u>18,350,974</u>	<u>17,484,835</u>	<u>19,189,379</u>	<u>18,350,974</u>
Current	17,484,835	19,189,379	18,350,974	17,484,835	19,189,379	18,350,974
Non-current	-	-	-	-	-	-
	<u>17,484,835</u>	<u>19,189,379</u>	<u>18,350,974</u>	<u>17,484,835</u>	<u>19,189,379</u>	<u>18,350,974</u>

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 Mar, 2025, the group has a total of 8,600 hectares of growing canes.

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

	30/6/2025	31/12/2024	31/3/2024	30/6/2025	31/12/2024	31/3/2024
Industry out-grower price. (N per ton)	44,540	44,979	26,401	44,364	44,979	26,401
Average yield per hectare (tonnes)	81.80	80.08	82.74	81.80	80.08	82.74
Discount rate (%)	12.45%	12.45%	14.29%	12.45%	12.45%	14.29%

Changes in fair value of the biological asset are recognised in the statement of profit and loss.

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

18 Other assets

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Prepaid rent	2,800,079	2,613,684	162,671	2,800,079	2,613,684	162,671
Prepaid insurance	208,207	277,716	233,136	208,207	277,026	230,089
Prepaid housing allowances	890,755	56,242	943,901	890,755	56,242	943,901
Prepaid medicals	56,569	39,309	22,517	56,569	39,309	22,517
Issuance cost and discount on commercial paper	26,280,340	11,060,446	13,714,442	26,280,340	11,060,446	13,714,442
Issuance cost - \$200m facility for Nasarawa Sugar	247,820	162,445	-	-	-	-
Prepaid Interest - bank loan	579,581	134,375	-	579,581	134,375	-
Others	910,321	799,824.36	1,193,538	910,321	799,824.36	1,193,538
	<u>31,973,673</u>	<u>15,144,042</u>	<u>16,270,205</u>	<u>31,725,853</u>	<u>14,980,907</u>	<u>16,267,158</u>
Current	31,973,673	15,144,042	16,270,205	31,725,853	14,980,907	16,267,158
	<u>31,973,673</u>	<u>15,144,042</u>	<u>16,270,205</u>	<u>31,725,853</u>	<u>14,980,907</u>	<u>16,267,158</u>

Included in others are Prepaid cost on merger of N578,859,783.33 relates to planned merger between Dangote Sugar Refinery, NASCON Allied product and Dangote rice while Prepayment others of N242,661,346.81 include payment for SON CAP inspection fees , CSCS Depository fees among others

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	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
19 Asset held for sale	<u>868,642</u>	<u>868,642</u>	<u>868,642</u>	<u>868,642</u>	<u>868,642</u>	<u>868,642</u>

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 threat of Corona virus and 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 company's Solicitors in Algeria has received an offer for the property in October 2024. This is currently being finalized.

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		
			30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Dangote Taraba Sugar Ltd	Dangote Sugar Refinery Plc	99	99,000	99,000	99,000
Dangote Adamawa Sugar Ltd	Dangote Sugar Refinery Plc	99	99,000	99,000	99,000
Nassarawa Sugar Company Limited	Dangote Sugar Refinery Plc	99	99,000	99,000	99,000
Dangote Sugar (Ghana) Limited	Dangote Sugar Refinery Plc	100	1,361,280	1,361,280	-
			<u>1,658,280</u>	<u>1,658,280</u>	<u>297,000</u>

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 Ltd, Dangote Adamawa Sugar Ltd 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.

	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Total funding to date			
Nasarawa Sugar Company Limited	44,924,456	43,772,192	41,395,331
Dangote Adamawa Sugar Ltd	26,966,800	26,921,800	26,727,469
Dangote Taraba Sugar Ltd	1,902,264	1,902,264	1,900,164
	<u>73,793,520</u>	<u>72,596,256</u>	<u>70,022,964</u>

22 Inventories

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Raw materials	10,642,768	106,374,044	25,104,654	10,552,990	106,283,347	24,996,597
Raw material in transit	9,015	78,545	44,903,053	9,015	78,545	44,903,053
Work-in-process	10,763,263	10,794,489	8,020,638	10,763,263	10,794,489	8,020,638
Finished goods	38,711,976	23,495,906	5,422,610	38,711,976	23,495,906	5,422,610
Finished goods in transit	1,896,591	7,490,506	5,983,701	1,896,591	7,490,506	5,983,701
Production supplies	38,226,837	23,738,159	35,146,723	37,501,148	23,007,125	34,369,765
Chemicals and consumables	7,769,615	7,073,956	7,832,573	7,544,004	6,848,717	7,806,290
Packaging materials	881,529	1,123,571	1,189,253	881,529	1,123,571	1,189,253
	<u>108,901,594</u>	<u>180,169,176</u>	<u>133,603,205</u>	<u>107,860,516</u>	<u>179,122,206</u>	<u>132,691,907</u>
Allowance for obsolete inventory	(344,076)	(344,076)	(344,076)	(344,076)	(344,076)	(344,076)
	<u>108,557,518</u>	<u>179,825,100</u>	<u>133,259,129</u>	<u>107,516,440</u>	<u>178,778,130</u>	<u>132,347,831</u>
Movement in provision for obsolete inventory						
As at 1 January	(344,076)	(344,076)	(344,076)	(344,076)	(344,076)	(344,076)
Charge for the period	-	-	-	-	-	-
As at 30 June	<u>(344,076)</u>	<u>(344,076)</u>	<u>(344,076)</u>	<u>(344,076)</u>	<u>(344,076)</u>	<u>(344,076)</u>

Amount of inventory charged as expense in the period: - - - - - -

No inventory was pledged as security for any liability.

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23 Trade and other receivables	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Trade receivables	27,664,402	20,738,670	8,360,382	27,664,402	20,738,670	8,360,382
Allowance for doubtful debts and impairments (Note 23.2)	(93,661)	(196,322)	(195,176)	(93,661)	(196,322)	(195,176)
	27,570,741	20,542,348	8,165,207	27,570,741	20,542,348	8,165,206
Staff loans and advances	367,767	329,525	406,763	355,150	328,745	402,895
Allowance for impaired Staff advances	(156,856)	(80,773)	(108,749)	(156,856)	(80,773)	(108,749)
Allowance for impaired staff loans (Note 23.2)	(43,914)	(43,914)	(37,752)	(43,914)	(43,914)	(37,752)
Other financial assets	20,197,244	39,353,280	57,701,685	20,185,659	39,341,695	57,690,100
Advance payment to contractors	29,760,960	16,373,471	7,778,166	29,516,698	16,106,494	7,598,606
Insurance claim receivable	-	-	856,550	-	-	373,388
Allowance for impaired Insurance claim (Note 23.2)	-	-	(373,388)	-	-	(373,388)
Negotiable Duty Credit Certificates (Note 23.1)	593,973	602,238	623,592	593,973	602,238	623,592
Other receivables	23,637,812	19,169,014	5,269,556	23,637,812	19,169,014	5,269,556
Amount due from related parties (Note 35)	6,871,731	8,878,021	5,944,705	6,871,731	8,878,021	5,944,705
Allowance for impaired -related parties Trade(Note 23.2)	(39,752)	(40,869)	(429,805)	(39,752)	(40,869)	(429,805)
Allowance for impaired -related parties Non-Trade(Note 23.2)	(2,934,681)	(2,319,515)	(623,408)	(2,934,681)	(2,319,515)	(623,408)
	105,825,025	102,762,826	85,173,121	105,556,561	102,483,484	84,494,946

Other financial asset is in respect of the deposit for open Letters of Credit with the banks.

Trade receivables disclosed above include amounts (see note 32 for aged analysis) that are past due more than 30 days as at the reporting date for which the company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

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 2022 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 NDCC/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

Company and Group	Insurance claim		Trade receivables		Related party		Staff loans	Total
			Trade-related	Non-trade related				
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
Balance as at 1/1/2024	373,388	435,350	79,396	767,613	37,752		1,693,499	
Increase/(decrease) in allowance for credit losses for the period	(373,388)	(239,028)	(38,527)	1,551,902	6,162		907,121	
Balance as at 31/12/2024	-	196,322	40,869	2,319,515	43,914		2,600,620	
Net impact on retained earnings in prior period	(373,388)	(239,028)	(38,527)	1,551,902	6,162		907,121	
Balance as at 1/1/2025	-	196,322	40,869	2,319,515	43,914		2,600,620	
Increase/(decrease) in allowance for credit losses for the period	-	(102,661)	(1,117)	615,166	-		511,388	
Balance as at 30/6/2025	-	93,661	39,752	2,934,682	43,914		3,112,008	
Net impact on retained earnings in current period	-	(102,661)	(1,117)	615,166	-		511,388	

23.3 Provision for impairment (gain)/loss on financial assets	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000

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 and short term deposits with 30 days 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:

	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Cash in hand	4,922	2,709	4,675	2,650	2,650	3,150
Bank balances	111,880,116	31,343,746	34,407,924	111,723,287	31,182,883	34,238,842
Short term deposits	35,865,458	73,820,072	145,716,684	35,865,458	73,820,072	145,716,684
Nigerian Treasury bill	-	3,000,000	3,000,000	-	3,000,000	3,000,000
	147,750,496	108,166,527	183,129,283	147,591,395	108,005,605	182,958,676
Bank overdraft (Note 30)	(50,822,486)	(72,550,865)	(25,358,704)	(50,822,486)	(72,550,865)	(25,358,704)
Cash and cash equivalent for cashflow purpose	96,928,010	35,615,662	157,770,580	96,768,909	35,454,740	157,599,972

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25 Share capital and Premium

The balance in the share capital account was as follows:

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Authorised:						
Balance at January 1 (12,146,878,239 Ordinary shares of NO.50 each)	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439
Balance at end of period	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439
Allotted, called up issued and fully paid:						
12,146,878,239 Ordinary shares issued at NO.5 each	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439
Balance at end of period	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439	6,073,439
Share premium						
12,000,000,000 ordinary shares of NO.5 each issued at NO.5267	6,320,524	6,320,524	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.

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
26 Retained earnings						
Balance at January 1	(125,717,093)	66,882,221	66,882,220	(121,450,502)	69,415,947	69,415,945
Loss for the period	(24,243,714)	(192,599,314)	(144,000,455)	(21,212,951)	(190,866,449)	(143,249,632)
Balance at June 30	(149,960,806)	(125,717,093)	(77,118,235)	(142,663,453)	(121,450,502)	(73,833,687)
26.1 Revaluation surplus	322,432,944	325,598,705	-	288,752,006	288,752,006	-
	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Revalued property, plant and equipment at cost	840,574,253	840,574,253	-	888,419,253	888,419,253	-
Revalued property, plant and equipment at accumulated depreciation	(408,406,737)	(408,406,737)	-	(493,098,435)	(493,098,435)	-
	432,167,516	432,167,516	-	395,320,817	395,320,817	-
Income tax on revaluation surplus	(106,568,811)	(106,568,811)	-	(106,568,811)	(106,568,811)	-
	325,598,705	325,598,705	-	288,752,006	288,752,006	-
Revaluation adjustment	(3,165,761)	-	-	-	-	-
	322,432,944	325,598,705	-	288,752,006	288,752,006	-
27 Non-controlling interest						
Balance brought forward	(47,902)	(30,398)	(30,398)	-	-	-
Share of Profit/(loss) for the period	(30,614)	(17,504)	(7,584)	-	-	-
Balance at June 30	(78,516)	(47,902)	(37,982)	-	-	-

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28 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 are 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 was measured using the Project Unit Credit Method.

The most recent Actuarial Valuation was carried out in 2013 using the staff payroll of 30 September 2013.

Movement in gratuity	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Balance as at 1 January	681,823	712,047	712,047	681,823	712,047	712,047
Benefits paid from plan	(39,026)	(30,224)	(1,220)	(39,026)	(30,224)	(1,220)
Balance as at 30 June	642,797	681,823	710,828	642,797	681,823	710,828

Defined contribution plan

The Group operates a defined contribution retirement benefit 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.

29 Trade and other payables	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Trade payables	49,085,734	52,342,007	26,284,669	48,845,953	52,099,308	25,679,040
Dividend Payable	1,674,316	1,674,316	1,634,780	1,674,316	1,674,316	1,634,780
Accruals and sundry creditors	13,787,682	11,760,606	48,313,261	13,707,122	11,730,899	48,122,198
Other credit balances	8,005,725	8,348,833	9,527,433	7,721,162	8,338,314	9,279,313
Due to related parties (Note 35)	24,697,774	24,551,766	13,510,953	24,941,923	24,795,916	13,402,229
	97,251,231	98,677,529	99,271,097	96,890,476	98,638,753	98,117,561

30 Financial Liabilities

	GROUP	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Letters of credit	308,806,515	399,120,312	472,842,910	308,775,244	399,089,041	472,759,215
Borrowings (Note 30.1)	123,486,497	146,321,819	394,318	123,486,497	146,321,819	394,318
Commercial paper (30.2)	248,433,994	95,855,046	141,337,390	248,433,994	95,855,046	141,337,390
Credit advance from Dangote Petroleum and Petrochemical Limited	3,659,480	3,659,480	-	3,659,480	3,659,480	-
Bank overdraft	50,822,486	72,550,865	25,358,704	50,822,486	72,550,865	25,358,704
	735,208,972	717,507,521	639,933,321	735,177,701	717,476,250	639,849,626
Non-current liabilities	-	-	-	-	-	-
Current liabilities	735,208,972	717,507,521	639,933,321	735,177,701	717,476,251	639,849,626
	735,208,972	717,507,521	639,933,321	735,177,701	717,476,251	639,849,626

30.1 Movement of borrowings

Opening balance	146,321,819	531,563	531,563	146,321,819	531,563	531,563
Addition during the period	138,193,185	157,190,472	-	138,193,185	157,190,472	-
Accrued interest on bank loan (Note 10)	17,746,827	7,254,901	40,247	17,746,827	7,254,901	40,247
Interest payment on bank loans	(9,503)	(7,513,968)	(23,761)	(9,503)	(7,513,968)	(23,761)
Principal repayment	(178,765,831)	(11,141,149)	(153,731)	(178,765,831)	(11,141,149)	(153,731)
Closing balance	123,486,496	146,321,819	394,318	123,486,496	146,321,819	394,318
Non-current liabilities	123,486,496	37,253,788	394,318	123,486,496	37,253,788	394,318
Current liabilities	-	109,068,030	-	-	109,068,030	-
	123,486,496	146,321,819	394,318	123,486,496	146,321,819	394,318

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 operations.

In 2024, the company used the following sources: Commercial papers, term loans and bank overdrafts, to finance its expanding working capital requirements.

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	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
31 Other Liabilities						
Advance payment for goods	5,351,819	12,031,953	23,019,951	5,351,819	12,031,953	23,019,951
31.1 Lease Liability	5,502,178	5,295,371	4,142,086	5,627,748	5,404,231	4,064,670
<i>Lease liabilities</i>						
	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Opening balance as at 1 January	5,295,371	200,208	200,208	5,404,231	145,880	145,880
Addition	-	65,427	-	-	37,740	-
Modifications/reassessments during the period	-	4,218,796	3,884,082	-	4,411,886	3,884,082
Interest expense (note 10)	272,890	476,406	150,284	223,517	474,191	147,368
Reversal of lease no longer required	(21,083)	-	-	-	-	-
Exchange Difference	-	560,785	-	-	560,785	-
Payments made during the period	(45,000)	(226,251)	(92,488)	-	(226,251)	(112,660)
Closing balance as at 30 June	5,502,178	5,295,371	4,142,086	5,627,749	5,404,231	4,064,670
Current	-	2,741,881	2,001,372	-	2,732,220	1,923,956
Non-current	5,502,178	2,553,490	2,140,714	5,627,749	2,672,011	2,140,714
	5,502,178	5,295,371	4,142,086	5,627,749	5,404,231	4,064,670
31.2 Amounts recognised in the statement of profit or loss						
	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Depreciation charge on right of use assets						
Land	84,690	128,615	23,517	72,540	128,615	23,517
Buildings	1,031,989	1,759,356	971,012	1,031,989	1,907,540	953,058
	1,116,679	1,887,972	994,529	1,104,529	2,036,156	976,575
Interest expense (included in finance cost)	272,890	476,406	150,284	223,517	474,191	147,368
Foreign exchange difference	-	560,785	-	-	560,785	-

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31.4 Leases where the Group is a lessor.

The Group has leased one of its buildings to a related party. These are classified as operating leases.

Lease rental recognised in profit or loss as rental income in which the Group acts as a lessor is as shown below:

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
<i>Other income</i>						
Rental income on operating lease (Note 11)	93,020	275,452	48,810	93,020	275,452	48,810

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 30 June 2024 (see below).

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position as at 30 June 2025) less cash and cash equivalents. Total capital is calculated as 'equity' as shown as at 31 March 2025 plus net debt.

The gearing ratio at 2025 and 2024 respectively were as follows:

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Total borrowings						
Borrowings (Note 28)	735,208,972	717,507,521	639,933,321	735,177,701	717,476,250	639,849,626
Less: Cash and cash equivalent (Note 24)	147,750,496	108,166,527	183,129,283	147,591,395	108,005,605	182,958,676
Net Cash	(587,458,476)	(609,340,994)	(456,804,038)	(587,586,306)	(609,470,645)	(456,890,950)
Total Equity	184,787,585	212,227,674	(64,762,254)	158,482,516	179,695,467	(61,439,724)
Gearing ratio	398%	338%	-988%	464%	399%	-1041%

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

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.

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32 Risk management (continued)

Group	Less than one year N'000	More than one year N'000	Total N'000
At 30 June 2025			
Borrowings (Note 30)	735,208,972	-	735,208,972
Letters of credit (Note 30)	308,806,515	-	308,806,515
Lease liability (Note 32.1.2)	-	5,502,178	5,502,178
Bank overdraft (Note 30)	-	-	-
Trade and other payables (Note 29)	97,251,231	-	97,251,231
	1,141,266,718	5,502,178	1,146,768,896
At 31 December 2024			
Borrowings (Note 30)	109,068,030	37,253,788	146,321,819
Letters of credit (Note 30)	399,120,312	-	399,120,312
Lease liability (Note 32.1.2)	3,033,025	2,683,311	5,716,336
Bank overdraft (Note 30)	72,550,865	-	72,550,865
Trade and other payables (Note 29)	85,242,609	-	85,242,609
	669,014,840	39,937,099	708,951,940
At 30 June 2024			
Borrowings (Note 30)	167,193	297,100	464,293
Letters of credit (Note 30)	420,310,743	-	420,310,743
Lease liability (Note 32.1.2)	238,346	8,640	246,986
Trade and other payables (Note 29)	97,979,350	-	97,979,350
	518,695,632	305,740	519,001,372
Company			
At 30 June 2025			
Borrowings (Note 30)	735,177,701	-	735,177,701
Letters of credit (Note 30)	308,775,244	-	308,775,244
Trade and other payables (Note 29)	96,890,477	-	96,890,477
	1,140,843,422	-	1,140,843,422
At 31 December 2024			
Borrowings (Note 30)	109,068,030	-	109,068,030
Letters of credit (Note 30)	399,089,041	-	399,089,041
Lease liability (Note 32.1.2)	3,010,803	2,683,311	5,694,114
Bank overdraft (Note 30)	72,550,865	-	72,550,865
Trade and other payables (Note 29)	85,233,539	-	85,233,539
	668,952,278	2,683,311	671,635,589
At 30 June 2024			
Borrowings (Note 30)	167,193	297,100	464,293
Letters of credit (Note 30)	420,009,675	-	420,009,675
Lease liability (Note 32.1.2)	149,883	-	149,883
Trade and other payables (Note 29)	96,280,179	-	96,280,179
	516,606,930	297,100	516,904,030

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

Ravindra Singh Singhvi

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.

Concentration of risk

The company supply Sugar on Credit basis. Customers pay after Supply is made and Trade Receivables of Q2 2025 is sales of Sugar on credit to customer amounting to #14,023,760,752.20

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

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	GROUP	GROUP	COMPANY	COMPANY	COMPANY
	30/6/2025	31/12/2024	30/6/2024	30/6/2025	31/12/2024	30/6/2024
	N'000	N'000	N'000	N'000	N'000	N'000
Trade receivables	27,570,741	20,542,348	8,165,207	27,570,741	20,542,348	8,165,206
Other receivables	23,804,810	19,373,851	6,386,367	23,792,192	19,373,072	5,899,338
Deposit for open Letters of Credit with the banks	20,197,244	39,353,280	57,701,685	20,185,659	39,341,695	57,690,100
Amount due from related party	3,897,298	6,517,637	4,891,492	3,897,298	6,517,637	4,891,492
Cash and cash equivalents	147,750,496	108,166,527	183,129,283	147,591,395	108,005,605	182,958,676
	223,220,589	193,953,643	260,274,034	223,037,285	193,780,357	259,604,812

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.

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/floating rate 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.

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

33 Financial assets by category

The accounting policies for financial instruments have been applied to the line items below

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Assets						
Trade and other receivables	75,470,093	85,787,116	77,144,751	75,445,890	85,774,752	76,646,136
Cash and cash equivalents	147,750,496	108,166,527	183,129,283	147,591,395	108,005,605	182,958,676
	223,220,589	193,953,643	260,274,034	223,037,285	193,780,357	259,604,812

34 Financial liabilities by category

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Liabilities						
Borrowings	735,208,972	717,507,521	639,933,321	735,177,701	717,476,251	-
Lease liabilities	5,502,178	5,295,371	4,142,086	5,627,749	5,404,231	4,064,670
Trade and other payables	97,251,231	98,677,529	99,271,097	96,890,476	98,638,753	98,117,561
	837,962,381	821,480,421	743,346,504	837,695,926	821,519,235	102,182,231

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 line Limited	Fellow subsidiary Company that provides clearing and stevedoring services
Taraba Sugar Company Limited	Subsidiary- Backward integrated project
Adamawa Sugar Company Limited	Subsidiary- Backward integrated project
Nassarawa Sugar Company Limited	Subsidiary- Backward integrated project
Dangote Sugar (Ghana) Limited	Fully owned subsidiary
Dangote Global Services Limited (UK)	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
Dancom Technologies Limited	Fellow subsidiary - Supply of IT services
AG Dangote construction Limited	Entity under common control
Dangote Rice Limited	Entity under common control
Dangote Petroleum and Petrochemical Limited	Entity under common control
MHF Properties Limited	Fellow subsidiary - Property rentals.
Greenview Development Company Limited	Ravindra Singh Singhvi
Kura Holdings Limited	Fellow subsidiary - Travel services
Aliko Dangote Foundation	Under common control- Incurs expenses on each other's behalf
Dangote Sinotrucks west Africa Limited	Fellow subsidiary- Supply of fleet trucks
Dangote Cement Plc	Fellow subsidiary - Supply of Diesel and LPFO
Dangote Fertiliser Limited	Fellow subsidiary - Supply of Diesel and LPFO
Dangote Packaging Limited	Fellow subsidiary- Supplies empty for bagging of finished sugar

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

35 Related party information (continued)

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
iv) Amount owed by related parties						
Dangote Global Services Limited	-	-	330,477	-	-	330,477
Dangote Sugar (Ghana) Limited	-	166	-	-	166	-
NASCON Allied Industries Plc	263,571	354,898	590,893	263,571	354,898	590,893
Bluestar Shipping Lines Limited	15,277	-	185,712	15,277	-	185,712
Dangote Oil and Gas Company Limited	-	-	1,072,386	-	-	1,072,386
Dangote petroleum and petrochemical Limited	2,487,632	4,585,158	-	2,487,632	4,585,158	-
Kura Holdings Limited	50,234	241	12,343	50,234	241	12,343
MHF Properties Limited	309	309	309	309	309	309
Dancom Technologies Limited	-	97,807	-	-	97,807	-
Dangote Fertilizer Limited	97,807	959,130	97,807	97,807	959,130	97,807
AG Dangote Construction Limited	959,130	51,150	959,130	959,130	51,150	959,130
Aliko Dangote Foundation	-	2,829,162	91,200	-	2,829,162	91,200
Dangote Cement PLC	2,997,772	-	2,604,447	2,997,772	-	2,604,447
Gross amount due from related parties (Note 23)	6,871,731	8,878,020	5,944,705	6,871,731	8,878,020	5,944,705
Allowance for impaired -related parties Trade (Note 23.2)	(39,752)	(40,869)	(429,805)	(39,752)	(40,869)	(429,805)
Allowance for impaired -related parties Non-Trade(Note 23.2)	(2,934,681)	(2,319,515)	(623,408)	(2,934,681)	(2,319,515)	(623,408)
Net amount due from related parties	28,062,510	6,517,636	4,891,492	3,897,298	6,517,636	4,891,492
v) Amount owed to related parties						
Dangote Cement PLC	6,796,584	6,844,627	8,313,822	6,572,616	6,620,659	8,208,328
Dangote Packaging Limited	1,157,337	1,575,513	21,724	1,157,337	1,575,513	21,724
Dangote Global Services Limited	506,495	739,174	-	506,495	739,174	-
Dangote Sugar (Ghana) Limited	-	-	-	471,348	471,348	-
Bluestar Shipping line Limited	10,753	262,046	-	10,753	262,046	-
Dangote Oil and Gas Company Limited	4,625,283	1,323,588	-	4,625,283	1,323,588	-
Greenview Development Nig. Limited	2,488,464	3,759,088	1,696,741	2,488,464	3,759,088	1,696,741
Dancom Technologies Limited	56,455	69,761	51,970	53,224	66,530	48,740
Dangote Sinotruck west Africa Limited	1,602	1,602	452	1,602	1,602	452
Dangote Industries Limited	9,054,801	9,976,367	3,426,244	9,054,801	9,976,367	3,426,244
	24,697,774	24,551,766	13,510,953	24,941,923	24,795,916	13,402,229

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

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. Purchases were made at market price and there was no discount on all purchases.

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 payment shall be made in addition to management fees payable from 1 January 2015 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 30 June 2025

36 Key Management Personnel

List of Directors of Dangote Sugar Refinery Plc

1 Alh. Aliko Dangote (GCON)	Chairman (Retired 16th June 2025)
2 Mr. Arnold Ekpe	Independent Non-Executive Director/Chairman (Appointed as Chairman on the 17th June, 2025)
3 Mr. Ravindra Singhvi	Board Member (Group Managing Director/CEO)
4 Ms. Mariya Aliko-Dangote	Board Member (Executive Director)
5 Mr. Olakunle Alake	Board Member (Non-Executive Director)
6 Mr. Uzoma Nwankwo	Board Member (Non-Executive Director)
7 Ms. Bennedikter Molokwu	Board Member (Non-Executive Director)
8 Dr. Konyinsola Ajayi (SAN)	Board Member (Director) (Retired 16th June 2025)
9 Alh. Abdu Dantata	Board Member (Non-Executive Director)
10 Ms. Maryam Bashir	Board Member (Director) (Retired 16th June 2025)
11 Mrs. Yabawa Lawan-Wabi (mni)	Independent Non-Executive Director
12 Mrs. Yemisi Ayeni	Independent Non-Executive Director (Appointed 20 March 2025)

List of key management staff

	2025	2024
1 Group Managing Director/CEO	Mr. Ravindra Singhvi	Mr. Ravindra Singhvi
2 Executive Director, Operations	Ms. Mariya Aliko- Dangote	Ms. Mariya Aliko- Dangote
3 Group Chief Finance Officer	Mr. Oscar Mbeche	Mr. Oscar Mbeche
4 Divisional General Manager, DSR Numan Operations	Mr. Chinnaya Sylvian	Mr. Chinnaya Sylvian
5 Chief Finance Officer	Dr. Isiaka Bello	Dr. Isiaka Bello
6 Company Secretary/Legal Adviser	Mrs. Temitope Hassan	Mrs. Temitope Hassan
7 GGM Operational Services, DSR Numan Operations	Mr. Bello Dan-Musa Abdullahi	Mr. Bello Dan-Musa Abdullahi
8 General Manager, Human Resources and Admin.	Mr. Hassan Salisu	Mr. Hassan Salisu
9 General Manager, Sales and marketing	Mr. Saddiq Bello	Mr. Saddiq Bello
10 General Manager, Refinery Operations	Mr. Thiru Rajashekar	Nil
11 Chief Internal Auditor	Mr. Babafemi Gbadewole	Mr. Babafemi Gbadewole
12 Head, HSSE/Sustainability	Mr. Ito Unam	Mr. Ito Unam
13 Head, Corporate Affairs	Ms. Ngozi Ngene	Ms. Ngozi Ngene
14 Head, Risk Management	Mr. Ayokunle Ushie	Mr. Ayokunle Ushie
15 Head Quality Assurance	Mr Aderemi Adepoju	Mr Aderemi Adepoju
16 Head, DSR Logistics and Transport	Mr. Rasheed Azeez	Mr. Rasheed Azeez
17 Head, Social Performance	Ms. Adenike Olaoye	Mrs. Adenike Olaoye
18 Head, Internal Control	Mr. Oludare Ogunmoroti	Mr. Godfrey Ojo
19 Head of Procurement	Mr. John Inaju	Mr. Patrick Okolie
20 Head, Material Management	Mr. Thomas Okhabu	Mr. Oluyemi Ogunyemi
21 GM, Projects	Mr. Urlaam Rajashekar	Nil

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements

36 Related parties (Cont'd)

36.1 Compensation to key management staff

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Short-term employee benefits	-	2,113,402	-	-	2,113,402	-
	<u>-</u>	<u>2,113,402</u>	<u>-</u>	<u>-</u>	<u>2,113,402</u>	<u>-</u>

36.2 Employee costs

The following items are included within employee benefits expenses:

	GROUP 30/6/2025 N'000	GROUP 31/12/2024 N'000	GROUP 30/6/2024 N'000	COMPANY 30/6/2025 N'000	COMPANY 31/12/2024 N'000	COMPANY 30/6/2024 N'000
Direct employee costs						
Basic	1,428,141	4,601,293	1,153,854	1,428,141	4,601,293	1,153,854
Medical claims	154,849	253,813	115,505	154,849	253,813	115,505
Leave allowance	149,791	354,199	124,049	149,791	354,199	124,049
Short term benefits	3,455,611	2,085,921	2,860,905	3,455,612	2,085,921	2,860,905
Other short term costs	499,918	1,432,347	369,932	499,917	1,432,347	369,932
Pension	231,107	404,069	172,933	231,107	404,069	172,933
	<u>5,919,417</u>	<u>9,131,642</u>	<u>4,797,178</u>	<u>5,919,417</u>	<u>9,131,642</u>	<u>4,797,178</u>

	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000	30/6/2025 N'000	31/12/2024 N'000	30/6/2024 N'000
Indirect employee costs						
Basic	853,389	1,454,026	681,382	822,905	1,454,026	681,382
Medical claims and allowance	51,034	100,354	29,683	50,527	100,354	29,683
NSITF and ITF levies	82,827	124,681	58,853	81,648	124,681	58,853
Short term benefits	1,977,009	3,121,637	1,522,127	1,949,345	3,121,637	1,522,127
Other short term costs	1,776,667	1,192,833	727,514	963,716	1,192,833	727,514
Pension	131,152	234,090	103,143	126,916	234,090	103,143
Termination benefit	23,786	-	798	23,786	-	798
	<u>4,895,864</u>	<u>6,227,621</u>	<u>3,123,500</u>	<u>4,018,845</u>	<u>6,227,621</u>	<u>3,123,500</u>

Total employee costs

Direct employee cost	5,919,417	9,131,642	4,797,178	5,919,417	9,131,642	4,797,178
Indirect employee cost	4,895,864	6,227,621	3,123,500	4,018,845	6,227,621	3,123,500
	<u>10,815,281</u>	<u>15,359,263</u>	<u>7,920,678</u>	<u>9,938,262</u>	<u>15,359,263</u>	<u>7,920,678</u>

Average number of persons employed during the period was:

	30/6/2025 Number	31/12/2024 Number	30/6/2024 Number	30/6/2025 Number	31/12/2024 Number	30/6/2024 Number
Management	166	160	146	160	152	139
Senior Staff	664	644	608	653	634	597
Junior Staff	2,170	2,174	2,227	2,151	2,154	2,194
	<u>3,000</u>	<u>2,978</u>	<u>2,981</u>	<u>2,964</u>	<u>2,940</u>	<u>2,930</u>

Dangote Sugar Refinery Plc

Consolidated and Separate Financial Statements for the Period Ended June 30, 2025

Notes to the Consolidated and Separate Financial Statements**37 Free Float Computation**Company Name: **Dangote Sugar Refinery Plc**

Board Listed: Main Board

Year End: December

Reporting Period: Period Ended 30 June 2025(Q2)

Share Price at end of reporting period: N47.85 (2024:N43.00)

Shareholding structure/Free Float Status

Description	30-June-25		30-Jun-24	
	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. Arnold Ekpe	-	-	-	-
Mr. Olakunle Alake (Direct)	7,194,000	0.06%	7,194,000	0.06%
Ms. Bennedikter 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%
Dr. Konyinsola Ajayi (SAN)	-	-	-	-
Ms. Maryam Bashir	-	-	-	-
Mr. Ravindra Singhvi	-	-	-	-
Ms. Mariya Aliko-Dangote	-	-	-	-
Mrs. Yabawa Lawan Wabi (mni)	-	-	-	-
Mrs. Yemisi Ayeni	-	-	-	-
Total Directors' Shareholdings	9,721,800	0.08%	10,106,492	0.08%
Free Float in Units and Percentage	3,361,615,146	27.67%	3,361,230,454	27.67%
Free Float in Value (N)	160,853,284,736		144,532,909,522	

Declaration:

(A) Dangote Sugar Refinery PLC with a free float percentage of 27.67% as at 30 June 2025, is compliant with The Exchange's free float requirements for companies listed on the

(B) Dangote Sugar Refinery PLC with a free float value of N144,532,909,522.00 as at 30 June 2024, is compliant with The Exchange's free float requirements for companies

38 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.