DANGOTE SUGAR REFINERY PLC

RC 613748

₦150,000,000,000
Domestic Commercial Paper Issuance Programme

Dangote Sugar Refinery PLC ("**Dangote Sugar**", the "**Issuer**" or the "**Company**"), a public limited liability company incorporated in Nigeria, has established this ₦150,000,000,000 commercial paper issuance programme (the "**CP Programme**" or "**Programme**") on 06 February 2024, under which Dangote Sugar may from time to time issue commercial paper notes ("**CPs**" or "**Notes**"), denominated in Nigerian Naira, in separate series or tranches subject to compliance with all relevant laws and in accordance with the terms and conditions ("**Terms and Conditions**") as defined in the section entitled, "Summary of the Programme" contained in this programme memorandum (the "**Programme Memorandum**").

Each Series or Tranche (as defined herein) will be issued in such amounts, and will have such discounts, periods of maturity and other terms and conditions as set out in the Pricing Supplement (as defined herein) applicable to such series or tranche (the "**Applicable Pricing Supplement**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the CP Programme shall not exceed ₦150,000,000,000 over a three-year period that this Programme Memorandum, including any amendments thereto, shall remain valid.

This Programme Memorandum is to be read and construed in conjunction with any supplement hereto and all documents which are incorporated herein by reference and, in relation to any Series or Tranche (as defined herein), together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Programme Memorandum.

This Programme Memorandum, the Applicable Pricing Supplement and the CPs have not been and will not be registered with the Securities and Exchange Commission ("**SEC**"), or under the Investments and Securities Act, No. 29 of 2007 (as amended).

The Notes issued under this Programme shall be issued in dematerialised form, registered, quoted and traded via the FMDQ Securities Exchange Limited ("**FMDQ Exchange**") platform in accordance with the rules, guidelines and such other regulation with respect to the issuance, registration and quotation of commercial paper as may be prescribed by the Central Bank of Nigeria ("**CBN**") and FMDQ Exchange from time to time, or any other recognized trading platform as approved by the CBN. The securities will settle via any central securities depository registered or recognised by the SEC, acting as custodian and clearing agent for the Notes.

This Programme Memorandum and the Applicable Pricing Supplement shall be the sole concern of the Issuer and the party to whom this Programme Memorandum and the Applicable Pricing Supplement is delivered (the "**Recipient**") and shall not be capable of distribution and should not be distributed by the Recipient to any other parties nor shall any offer made on behalf of the Issuer to the Recipient be capable of renunciation and assignment by the Recipient in favour of any other party.

If any Recipient is in any doubt about this Programme Memorandum's contents or the actions to be taken, such Recipient should consult his/her banker, stockbroker, accountant, solicitor and/or any other professional adviser for guidance. In the event of any occurrence of a significant factor, material mistake, omission or inaccuracy relating to the information included in this Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of CPs.

The document is important and should be read carefully. This Programme Memorandum has been prepared in accordance with the CBN Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on 18 November 2009 and updated and circulated on 11 September 2019, the CBN Circular to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together the "**CBN Guidelines**") and the Commercial Paper Registration and Quotation Rules, October 2023 (the "**Rules**") of FMDQ Exchange in force as at the date thereof. This Programme Memorandum has been seen and approved by the Board of Directors of Dangote Sugar and they individually and jointly accept full responsibility for the accuracy of all information given.

LEAD ARRANGER

Stanbic IBTC Capital
RC 1031358

JOINT ARRANGERS

absa
RC 1383925

Greenwich Merchant Bank
RC 189502

COLLECTION AND PAYING AGENTS

Stanbic IBTC Bank
RC125097

Greenwich Merchant Bank
RC 189502

THIS PROGRAMME MEMORANDUM IS DATED 06 FEBRUARY 2024

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DEFINITIONS AND INTERPRETATIONS

In this Programme Memorandum, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings. Words in the singular shall include the plural and vice versa, references to a person shall include references to a body corporate, and reference to a gender includes the other gender.

"Absa"	Absa Capital Markets Nigeria Limited
"Agency Agreements"	A) The Issuing and Placing Agency Agreement dated on or about the date of this Programme Memorandum executed by the Issuer and the Issuing and Placing Agents and (B) the Collecting and Paying Agency Agreement dated on or about the date of this Programme Memorandum executed by the Issuer and the Collecting and Paying Agents.
"Applicable Pricing Supplement" or "Pricing Supplement"	The document(s) to be issued pursuant to the Programme Memorandum, which shall provide the definitive final terms and conditions relating to a specific Tranche or Series under the Programme.
"Arrangers" "Issuing and Placing Agents" or "IPAs"	Stanbic IBTC Capital, Absa, Greenwich Merchant Bank, and any other arranger appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment. Appointed Arrangers will be disclosed in the Applicable Pricing Supplement for each issuance under the Programme.
"BA"	Banker's Acceptance.
"Board" or "Directors"	Board of Directors of the Issuer.
"Business Day"	Any day excluding Saturdays, Sundays and a public holiday declared by the Federal Government of Nigeria on which banks are open for general banking business in Nigeria.
"Business Hours"	8.00 am to 5.00 pm on any Business Day, as the case may be.
"CBN"	Central Bank of Nigeria.
"CBN Guidelines"	CBN Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued on 11 September 2019 and the CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Paper or any amendments thereto.
"Central Securities Depository", "CSD" or "Clearing Agent"	Central Securities Clearing System PLC or FMDQ Depository Limited (which expression shall include their successors) or any additional or alternative clearing system or any clearing system as may otherwise be specified in the Applicable Pricing Supplement.
"CGT"	Capital Gains Tax as provided for under the Capital Gains Tax Act (Chapter C1) LFN 2004 (as amended by the Finance Acts).
"CITA"	Companies Income Tax Act (Chapter C21) LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007 and the Finance Acts).
"Collecting and Paying Agents" or "CPA"	Stanbic IBTC Bank Limited, Greenwich Merchant Bank or any successor collecting and paying agent that may be appointed in accordance with the Collecting and Paying Agency Agreement under the Programme.
"Commercial Paper", "CP", "CP Notes" or "Notes"	The commercial paper issued by the Issuer from time to time pursuant to the Programme Memorandum and any Applicable Pricing Supplement as promissory notes and held in a dematerialised form by the Noteholders through the CSD.
"Conditions" or "Terms and Conditions"	Terms and conditions, in accordance with which the Notes will be issued, set out in the section of this Programme Memorandum headed "Terms and Conditions of the Notes".
"CP Programme" or "Programme"	The commercial paper issuance programme described in this Programme Memorandum pursuant to which the Issuer may issue several, separate series of Notes from time to time with varying maturities and discount rates, provided, however, that the aggregate Face Value of Notes in issue does not exceed ₦150,000,000,000.
"CSD Rules"	The rules governing transfer of title in securities held with the CSD.
"CSD Securities Account"	A securities account maintained by a Noteholder with the CSD.

“CSCS”	Central Securities Clearing System PLC.
“Day Count Fraction”	Such method of calculating the interest/discount in respect of a Note as specified in the Applicable Pricing Supplement.
"Deed of Covenant"	The Deed of Covenant dated on or about the date of this Programme Memorandum executed by the Issuer in favour of the Noteholders.
"Default Rate"	The interest rate equivalent to the daily overnight NIBOR + 5% per annum or issue rate +5% per annum (whichever is higher).
“Eligible Investor” or “EI”	An investor that is not a Qualified Institutional Investor as defined in the FMDQ Exchange Rules, that has executed a declaration attesting to his/her/its eligibility in the manner prescribed in the FMDQ Exchange Rules.
“Event of Default”	An event of default as set out in Condition 9 of the “Terms and Conditions”.
"Face Value"	The par value of the Notes.
"FGN"	Federal Government of Nigeria.
“Finance Acts”	Finance Act 2019, 2020,2021 and 2023 .
"FIRS"	Federal Inland Revenue Service.
“FMDQ Depository” or “FMDQD”	FMDQ Depository Limited.
“FMDQ Exchange” or the “Exchange”	FMDQ Securities Exchange Limited, a securities exchange and self-regulatory organisation licensed by the Securities and Exchange Commission to provide a platform for, amongst others, listing, quotation, registration, and trading of securities.
“FMDQ Exchange Rules”	The FMDQ Exchange Commercial Paper Registration and Quotation Rules, October 2023 (as may be amended or supplemented from time to time) and such other regulations (including but not limited to Market Bulletins) with respect to the issuance, registration and quotation of commercial papers as may be prescribed by FMDQ Exchange from time to time.
“Force Majeure”	Any event or circumstance (or combination of events or circumstances) that is beyond the control of the Issuer which materially and adversely affects its ability to perform its obligations as stated in the Conditions, which could not have been reasonably foreseen, including without limitation, nationwide strikes, lockout, national emergency, epidemic, pandemic, riot, war, civil commotion, unrest or disturbances, embargo, legislation, acts of God, acts of terrorism, and industrial unrest.
“Greenwich Merchant Bank”	Greenwich Merchant Bank Limited.
“Government”	Any federal, state, or local government of the Federal Republic of Nigeria.
"Implied Yield"	The yield accruing on the Issue Price of a Note, as specified in the Applicable Pricing Supplement.
"ISIN"	International Securities Identification Number.
"Issuer", “Dangote Sugar”, “DSR” or the “Company”	Dangote Sugar Refinery PLC, a public limited company incorporated under the laws of the Federal Republic of Nigeria with RC No 613748 and having its registered office at 3rd Floor Green View Development Nig Ltd, Building Terminal E, NPA, Apapa Port Complex, Apapa, Lagos, Nigeria.
"Issue Date"	The date upon which the relevant Series/Tranche of the Notes is issued as specified in the Applicable Pricing Supplement.
"Issue Price"	The price at which the relevant Series/Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
"Issue Rate"	The discount rate at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement.
“Joint Arrangers”	Absa and Greenwich Merchant Bank
“Lead Arranger”	Stanbic IBTC Capital

"LFN"	Laws of the Federation of Nigeria.
"Maturity Date" or "Redemption date"	In relation to any Series or Tranche of Notes, the date on which redemption monies are due and payable in respect of the Notes as specified in these Conditions and the Pricing Supplement.
"Naira" or "₦"	The Nigerian Naira, the official currency of the Federal Republic of Nigeria.
"NGX"	The Nigerian Exchange Group Limited
"NIBOR"	The Nigerian Inter-Bank Offered Rate.
"Nigeria"	The Federal Republic of Nigeria. "Nigerian" shall be construed accordingly.
"Noteholder" or "Holder"	The holder of a Note as recorded in the Register in accordance with the Terms and Conditions.
"Outstanding"	in relation to the Notes, all the Notes issued, other than: (i) those Notes which have been redeemed pursuant to the provisions of the Conditions; (ii) those Notes in respect of which the date (including, where applicable, any deferred date) for its redemption in accordance with the relevant conditions has occurred and the redemption moneys have been duly paid in accordance with the provisions of the Conditions; and (iii) those Notes which have become void under the provisions of the Conditions.
"PITA"	Personal Income Tax Act (Chapter P8) LFN 2004 (as amended by the Personal Income Tax (Amendment) Act of 2011, and the Finance Acts).
"Principal Amount"	The Face Value of each Note as specified in the Applicable Pricing Supplement.
"Programme Memorandum"	This information memorandum which sets out the detailed particulars of the Programme and includes any supplementary programme memorandum issued by the Issuer from time to time in respect of the Notes
"Qualified Institutional Investor" or "QII"	Include banks, fund/asset managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral, and bilateral institutions, registered private equity funds, registered hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms, issuing houses and any other category of investors as may be determined by the FMDQ Exchange from time to time.
"Redemption Amount"	The amount specified in the Applicable Pricing Supplement as the amount payable in respect of each Note at the Redemption Date.
"Register"	The register to be maintained by the CSD in respect of the Notes and the Noteholders.
"Registrar"	The CSD or such other registrar as may be duly appointed by the Issuer to hold the Notes in uncertificated (dematerialised) form so that ownership can be easily transferred through a book-entry
"Relevant Date"	The payment date of any obligation due on the Notes.
"Relevant Last Date"	The date specified in the Applicable Pricing Supplement after which transfer of the Notes will not be registered.
Rollover	A Rollover shall refer to the issuance of a CP for the repayment of an existing CP Issue on its maturity date. A CP Issue shall qualify as Rollover where:: • The funds of the investors from the matured CP issue are withheld at the request of the Issuer for investment in the new (Rollover) CP Issue under a registered Programme/Discrete Issue • Only the existing investors of the matured CP Issue are invested in the new CP Issue having consented for their funds to be withheld for the purpose stated above • The combined tenors of the initial CP Issue and any subsequent Rollover(s) do not exceed 270 days
"SEC"	The Securities and Exchange Commission, Nigeria.

"SEC Rules"	The Rules and Regulations of the Securities and Exchange Commission 2013, (as may be amended from time to time by the SEC), made pursuant to the Investments and Securities Act No. 29 of 2007 (as may be amended from time to time).
"Series"	A series of Notes issued by the Issuer comprising one or more Tranches, having identical terms on issue, and expressed to have the same series number but may not have the same Issue Date and issue price.
“Stanbic IBTC Capital”	Stanbic IBTC Capital Limited
"Tranche"	In relation to a Series, those Notes of that Series that are issued on the same date and at the same issue price.
“Unique Identifier”	A code specifically designated/assigned to identify a Commercial Paper.
"VAT"	Value Added Tax as provided for in the Value Added Tax Act (Chapter V1) LFN, 2004 (as amended) (the “VAT Act”).
“WHT”	Withholding Tax as provided for in section 78(2) of CITA and section 70 of PITA.
"Zero Coupon Note"	Notes which will be offered and sold at a discount to their Principal Amount and will not bear interest, save for default interest payable on late payments.

IMPORTANT NOTICES

This Programme Memorandum contains information provided by the Issuer in connection with the CP Programme under which the Issuer may issue and have outstanding at any time, Notes up to a maximum aggregate amount of ₦150,000,000,000. The Notes shall be issued subject to the Terms and Conditions contained in this Programme Memorandum.

The Issuer shall not require the consent of the Noteholders for the issue of Notes under the Programme.

The Issuer accepts responsibility for the information contained in this Programme Memorandum. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Programme Memorandum is correct and does not omit anything likely to affect the import of such information.

The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is reasonably material in the context of the CP Programme and the offering of the Notes, that the information contained in this Programme Memorandum and the Applicable Pricing Supplement is true and accurate in all material respects and is not misleading and that there are no other facts the omission of which would make this document or any of such information misleading in any material respect.

To the fullest extent permitted by law, the Arrangers or other professional advisers make no representation, warranty or undertaking, express or implied and accept no responsibility for the contents of this Programme Memorandum or for any other statement, made or purported to be made by the Arrangers or on their behalf in connection with the Issuer or the issue and offering of the Notes. The Arrangers and other professional advisers accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Programme Memorandum or any such statement.

To the fullest extent permitted by law, the Arrangers accept no responsibility for the contents of this Programme Memorandum or for any other statement, made or purported to be made by the Arrangers or on their behalf in connection with the Issuer or the Programme and offering of the Notes. The Arrangers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save to the extent precluded by law), which they might otherwise have in respect of this Programme Memorandum or any such statement.

No person has been authorised by the Issuer to give any information or to make any representation not contained or not consistent with this Programme Memorandum or any information supplied in connection with the CP Programme and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, unless explicitly delivered by the Issuer.

Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation or the rendering of investment advice by the Issuer, the Arrangers, that any Recipient of this Programme Memorandum or any other information supplied in connection with the CP Programme should purchase any Notes.

Each person contemplating the purchase of any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness, of the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the CP Programme constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes.

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof. Investors should review, among other things, the most recent audited annual financial statements of the Issuer prior to taking any investment decision.

Notes issued under the Programme shall be restricted to Qualified Institutional Investors and Eligible Investors who meet the qualification criteria prescribed by FMDQ Exchange from time to time.

All currency risks assumed by investors upon purchase of the Notes are borne by the individual investors.

The Arrangers and the CPA are under no obligation to seek recovery or initiate any action against the Issuer on behalf of a Noteholder.

FMDQ SECURITIES EXCHANGE LIMITED TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROGRAMME MEMORANDUM, NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THIS CP PROGRAMME, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROGRAMME MEMORANDUM.

INCORPORATION OF DOCUMENTS BY REFERENCE

This Programme Memorandum should be read and construed in conjunction with:

1. each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme; and

2. the audited annual financial statements (and notes thereto) and any audited interim financial statements published subsequent to such annual financial statements of the Issuer for the financial years/periods prior to each issue of Notes under this Programme,

which shall be deemed to be incorporated into, and to form part of, this Programme Memorandum and which shall be deemed to modify, complete and/or supersede the contents of this Programme Memorandum as appropriate.

The Issuer may for so long as any Note remains outstanding, publish an amended and restated Programme Memorandum or a supplement to the Programme Memorandum on the occasion of any subsequent issue of Notes, where there has been:

(a) a material change in the condition (financial or otherwise) of the Issuer which is not then reflected in the Programme Memorandum or any supplement to the Programme Memorandum; or

(b) any modification of the terms of the Programme, which would then make the programme materially inaccurate or misleading.

Any such new Programme Memorandum as supplemented and/or modified shall be deemed to have been substituted for the previous Programme Memorandum or to have modified the previous Programme Memorandum from the date of its issue.

The Issuer will provide free of charge to each prospective investor upon request, a copy (which includes an electronic copy at the Issuer's option) of any of the documents deemed to be incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents shall be directed to the Issuer at its specified office(s) as set out in this Programme Memorandum.

SUMMARY OF THE PROGRAMME

This summary information should be read in conjunction with the full text of this Programme Memorandum, from where it is derived and the Applicable Pricing Supplement. The information below is a summary of the key features and summarized terms and conditions of the proposed CP Programme.

1.	**Issuer:**	Dangote Sugar Refinery PLC.
2.	**Programme Description:**	Commercial Paper Issuance Programme.
3.	**Size of Programme:**	₦150,000,000,000 aggregate principal amount of Notes outstanding at any point in time.
4.	**Issuance in Series:**	The Notes will be issued in Series, and each Series may comprise one or more Tranches issued on different dates. The Notes in each Series, each a Tranche, will have the same maturity date and identical terms (except that the Issue Dates and Issue Prices may be different). Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement.
5.	**Arrangers:**	Stanbic IBTC Capital, Absa, and Greenwich Merchant Bank and any other arranger appointed from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment. Appointed Arrangers will be disclosed in the Applicable Pricing Supplement for each issuance under the Programme.
6.	**Collecting and Paying Agent:**	Stanbic IBTC Bank Limited and Greenwich Merchant Bank
7.	**Auditors:**	PricewaterhouseCoopers Chartered Accountants.
8.	**Central Securities Depository:**	Central Securities Depository specified in the Applicable Pricing Supplement.
9.	**Solicitor:**	Banwo & Ighodalo.
10.	**Use of Proceeds:**	The net proceeds from each issue of Notes under the Programme will be used to support the Issuer's short-term financing requirements and general corporate purposes or as may otherwise be described in the Applicable Pricing Supplement.
11.	**Source of Repayment:**	The CPs issued under the Programme will be repaid from the cash flows of DSR, unless otherwise specified in the Applicable Pricing Supplement.
12.	**Method of Issue:**	The Notes may be offered and sold by way of a fixed price offer for subscription or through a book building process and/or any other methods as described in the Applicable Pricing Supplement within Nigeria or otherwise, in each case as specified in the Applicable Pricing Supplement.
13.	**Maturity Date:**	As specified in the Applicable Pricing Supplement, subject to a minimum tenor of 15 days and a maximum tenor of 270 days (including rollover, from date of issue).
14.	**Interest Payments:**	Notes issued will be in the form of Zero-Coupon Notes.
15.	**Default Rate**:	Interest rate equivalent to the daily overnight Nigerian Inter-bank Offered Rate (NIBOR) +5% per annum or issue rate +5% per annum (whichever is higher).
16.	**Issue Price:**	The Notes shall be issued at a discount. The effective discount will be calculated based on such Day Count Fraction as specified in the Applicable Pricing Supplement.
17.	**Issue Size:**	As specified in the Applicable Pricing Supplement.
18.	**Issue Rate**	The discount rate at which the relevant Series or Tranche of the Notes is issued, as specified in the Applicable Pricing Supplement
19.	**Currency of Issue:**	The Notes issued under this programme will be denominated in Naira.

20.	**Redemption:**	As stated in the Applicable Pricing Supplement, subject to the CBN Guidelines and FMDQ Exchange Rules.
21.	**Rating:**	The Issuer has been assigned a rating of "Baa3.ng" from Moody's Pursuant to the CBN Guidelines and FMDQ Exchange Rules, either the Issuer or the specific issue itself shall be rated by a rating agency registered in Nigeria or any international rating agency acceptable to the CBN. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.
22.	**Sponsors to the Registration of the Programme**	Stanbic IBTC Capital, Absa, and Greenwich Merchant Bank
23.	**Registration & Quotation:**	The Issuer shall have any Series or Tranche of Notes issued under this Programme quoted on the FMDQ Exchange's Platform or any other recognized trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation of any Series or Tranche of Notes quoted on the relevant trading platform.
24.	**Status of the Notes:**	Each Note constitutes a direct, unconditional, unsubordinated, and unsecured obligation of the Issuer and the Notes rank *pari passu* among themselves and, save for certain debt obligations mandatorily preferred by law, *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer outstanding from time to time.
25.	**Quotation:**	The Issuer will quote all Series or Tranche of Notes issued on FMDQ Exchange's platform or any other recognised trading platform. All secondary market trading of the Notes shall be done in accordance with the rules in relation to the quotation or listing of any Series or Tranche of Notes quoted or listed on the relevant trading platform.
26.	**Taxation:**	Refer to the section of this Programme Memorandum headed "*Tax Considerations*".
27.	**Governing Law:**	The Notes issued under the Programme and all related contractual documentation will be governed by and construed in accordance with Nigerian law.
28.	**Settlement Procedures:**	The Notes will be settled via direct debit, electronic funds transfers, NIBBS Instant Payment, NIBBS Electronic Funds Transfer, or Real Time Gross Settlement and in accordance with the guidelines and procedures of the CSD.

USE OF PROCEEDS AND SOURCE OF REPAYMENT

The net proceeds from each issue of Notes will be used to support the Issuer's short-term financing requirements and for general corporate purposes or as may otherwise be described in the Applicable Pricing Supplement.

The repayment of all obligations under the Programme will be funded from the operating cash flows of the Issuer, unless otherwise specified in the Applicable Pricing Supplement.

Background

In an attempt to facilitate the effective and efficient functioning of the Nigerian money market and provide a regulatory framework for the issuance of CPs and BAs in Nigeria, the CBN, on 18 November 2009, issued the CBN Guidelines which were subsequently updated and circulated on 11 September 2019.

Regulatory Framework

Issuance of and investment in CPs by banks and discount houses in Nigeria is subject to the provisions of the CBN Guidelines and the FMDQ Exchange Rules. The provisions applicable to CPs under the CBN Guidelines are as highlighted below:

Qualification

A CP qualifies as a financing vehicle if:

i. the issuer has 3 years' audited financial statements, the most current not exceeding 18 months from the last financial year end; or
ii. the issuer has an approved credit line with a Nigerian bank acting as an issuing and paying agent, where the bank guarantees the issue.

Size and Tenor

CPs shall be issued at the primary market for a minimum value of ₦100,000,000 and multiples of ₦50,000,000 or

Furthermore, they shall be issued for maturities of between 15 days and 270 days (including rollover, from the date of issue). The interest or discount element on maturing CPs (as applicable) may not be capitalised and rolled over.

Rating

Either the issuer of CP or the specific issue shall have an investment grade rating (minimum of BBB-) by a rating agency registered in Nigeria or any international rating agency acceptable to the CBN.

An indicative rating should have been obtained prior to the submission of declarations and information to the Clearing Agent.

Investors in Bankers Acceptances and Commercial Papers

CPs may be issued to and held by individuals, deposit money banks, other corporate bodies registered or incorporated in Nigeria and unincorporated bodies, non-resident Nigerians and foreign institutional investors.

Forms of Maintaining CPs

The CP Notes shall be issued and held in dematerialised form with the CSD in accordance with the terms of this Programme Memorandum.

Issuing and Paying Agent

Only a deposit money bank and discount house may act as an IPA for the issuance of CP.

General Requirements

i. CPs are only redeemable at maturity and as such cannot be pre-liquidated.

ii. Investors may rediscount the paper with the Issuer before maturity at new market terms if the Issuer is willing to purchase the risk.

iii. Any proposed issue of CPs shall be completed within the period of two (2) weeks from the date of opening of the issue for subscription.

iv. All CPs issued in Nigeria shall be registered with a SEC-registered or recognised Central Securities Depository, which shall serve as the custodian of all issues and central depositary for all dematerialised instruments.

Compliance with the CBN Guidelines

The Issuer has complied with all applicable provisions as stated in the CBN Guidelines. A legal opinion confirming adherence to the CBN Guidelines is incorporated on page 42 of this Programme Memorandum.

Compliance with Securities Regulations

As at the date of this Programme Memorandum, there is no obligation for the Issuer to register the Notes with the SEC. This is by virtue of Rule 8 of the SEC Rules, which exempts short-term securities (including notes) with maturity dates not exceeding nine months from the date of issuance from registration with the SEC.

Mandatory Registration & Quotation

The CBN Circular of 12 July 2016 on Mandatory Registration and Listing of Commercial Papers requires CPs to be registered and quoted on authorised securities exchanges. Accordingly, banks are prohibited from transacting in CPs (that are not quoted or intended for quotation on an authorised securities exchange), in any capacity whatsoever, including to act as issuer, guarantor, issuing, placing, paying, and collecting agent, issuing, calculation and paying agent etc.

The CBN having approved the quotation rules of FMDQ Exchange has cleared it for the quotation of CPs in Nigeria.

The following are the Terms and Conditions of the Notes to be issued by the Issuer under the Programme. The provisions of the Applicable Pricing Supplement to be issued in respect of any Note are incorporated by reference herein and will supplement these Terms and Conditions for the purposes of that Note. The Applicable Pricing Supplement in relation to any series of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions contained herein, replace, or modify the following Terms and Conditions for the purpose of such series of Notes.

1. Currency, Form, Title and Denomination

1.1 Issuance of Notes and Currency

1.1.1 The Notes may be issued from time to time by the Issuer in Tranches pursuant to the Programme. A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued, provided that the aggregate Principal Amount of all Notes outstanding under the Programme at any point in time does not exceed the N150,000,000,000 (One Hundred and Fifty Billion Naira). The Applicable Pricing Supplement for each Tranche/Series of Notes is (to the extent relevant) incorporated herein for the purposes of those Notes and supplements these Conditions.

1.1.2 The Noteholders are by virtue of their subscription to or purchase of the Notes, deemed to have notice of, and are entitled to the benefit of and are subject to all the provisions of the Applicable Pricing Supplement and the Deed of Covenant.

1.1.3 The Notes shall be registered electronically and serially numbered.

1.1.4 Notes issued under the Programme will be Zero-coupon Notes.

1.1.5 The Notes may be issued in Nigerian Naira or any other currency specified in the Applicable Pricing Supplement.

1.2 Form and Title

1.2.1 The Notes shall be issued in uncertificated (de-materialised or book entry) form, which shall be registered with a separate securities identification code with the CSD.

1.2.2 Title to the Notes passes upon credit to the CSD account of the Noteholder.

1.2.3 Transfer of title to Notes shall be effected in accordance with the CSD Rules governing transfer of title in securities held with the CSD.

1.2.4 The Noteholder of any Series will (except as otherwise required by law) be treated as legal and beneficial owner for all purposes, including but not limited to the payment of outstanding obligations in respect of the Notes, and no person will be liable for so treating the Noteholder.

1.3 Denomination

The aggregate Principal Amount of the Notes will be as specified in the Applicable Pricing Supplement, offered in a minimum denomination of N1,000 (One Thousand Naira) (or the equivalent in the Relevant Currency); and will be sold at such discount from their face amounts as shall be agreed upon by the Issuing and Placing Agents and the Issuer; and shall have a maturity not exceeding two hundred and seventy (270) days, including the roll over from the Issue Date.

1.4 Closed Periods

No Noteholder may require the transfer of the Notes (i) during the period of fifteen (15) days ending on the Redemption Date or such other date as may be specified in the Applicable Pricing Supplement; or (ii) following the issuance of default notice to the Issuer pursuant to Condition 9 (Events of Default).

2. Status of the Notes

Each Note constitutes a direct, unconditional, unsubordinated, and unsecured obligation of the Issuer and shall at all times rank pari passu and without any preference or priority among themselves. The payment obligations of the Issuer under the Notes shall, save for such obligations as may be preferred by applicable legislation relating to preferred payment obligations, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, from time to time.

3. Redemption

Unless previously redeemed or purchased and cancelled as specified below, the Notes will be redeemed at the Redemption Amount, specified in or determined by the manner specified in the Applicable Pricing Supplement, on the Maturity Date subject to the provisions contained in Condition 4 (Payments).

4. Payments

4.1 Only Noteholders named in the Register as at the close of business on the Relevant Last Day shall be entitled to payment of amounts due and payable in respect of Notes. The Noteholder shall be the only person entitled to receive payments in respect of Notes and the Issuer will be discharged by payment to, or to the order of, the Noteholder in respect of each amount so paid.

4.2 Payments of any outstanding obligation regarding the Notes will be made in the Relevant Currency by credit/electronic funds transfer to the specified bank account of the Noteholder.

4.3 In the case of joint Noteholders, payment by electronic transfers will be made to the account of the first named Noteholder in the Register. Payment by electronic transfer to the first named Noteholder in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

4.4 In the case of nominees, the nominee shall be paid as the registered Noteholder, which payee shall in turn be responsible for transferring such funds to the holders of the beneficial interests and the Issuer's obligation in respect of such payment shall be fully discharged. The Issuer shall not be under an obligation to enquire as to whether such funds are actually transferred to the holders of the beneficial interests and bears no liability with respect to whether or not such amount is transferred by the nominee to the beneficial interest holder(s).

4.5 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer by reason of a Force Majeure event, the Issuer shall to the extent practicable make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) of any such amounts made payable to the relevant Noteholder. Such payments by cheque shall be sent by post to the address of the Noteholder of registered Notes as set forth in the Register or, in the case of joint Noteholders of registered Notes, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.

4.6 Cheques may be posted by ordinary post/registered mail, provided that the Issuer shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 4.6.

4.7 Where the Issuer fails to redeem the Notes on the Redemption Date interest shall begin to accrue on the Redemption Amount at the Default Rate from the date on which the Redemption Amount becomes due and payable until the date on which all amounts due in respect of such Note have been paid.

4.8 If the Redemption Date is not a Business Day, then the Noteholder thereof shall not be entitled to the Redemption Amount until the next Business Day, and the Noteholder shall not be entitled to any interest, return or other payment in respect of any such delay. Provided that where the next Business Day falls in a different calendar month, that payment shall be made on or by the immediately preceding Business Day.

4.9 On the Redemption Date, payment shall only be made to the Noteholders if the Issuer has made funds available to the Collecting and Paying Agents.

4.10 In respect of payments relating to Notes under a Tranche, notwithstanding that such Notes may have the same Issue Date, where the total Principal Amount payable by a Noteholder in respect of the said Notes has not been received by the relevant Issue Date but is received within 5 (five) Business Days thereof, the discount payable by the Issuer in respect of such Notes shall be adjusted accordingly.

4.11 All monies payable in respect of the Notes shall be paid to or to the order of the Noteholders by the Collecting and Paying Agents. Noteholders shall not be required to present and/or surrender any documents of title to the Collecting and Paying Agents.

4.12 Neither the Issuer nor its agents shall be responsible for any loss in transmission of funds paid in respect of each Note, where the Agent has provided evidence that the money was transferred into the account of the Noteholder.

5. Transfer of Notes

5.1 All Notes issued under the Programme in dematerialized or immobilized (book entry) form may be transferred only in accordance with the CSD Rules.

5.2 Transfer of the Notes will only occur by way of electronic book entry in the CSD accounts of the Noteholders in accordance with the CSD Rules.

6. Register

6.1 The Register shall be maintained by the CSD. The Register shall reflect the number of Notes issued and shall contain the name, address, and bank account details of the registered Noteholders. The Register shall set out the aggregate Principal Amount of the Notes issued to such Noteholder and the date of issue.

6.2 The records of the relevant CSD and/or statements/certificates issued by the CSD as to the aggregate number of Notes standing to the CSD account of any Noteholder shall be conclusive and binding for all purposes save in the case of manifest error and such person shall be treated by the Issuer and the Agents as the legal and beneficial owner of such aggregate number of Notes for all purposes.

6.3 The Register shall be open for inspection during the normal business hours of the Registrar to any Noteholder or any person authorised by the Noteholder.

6.4 The CSD shall alter the Register in respect of any change of name, address or bank account number of any of the registered Noteholders of which it is notified in accordance with these Conditions.

7. Taxation

7.1 The Notes issued under the Programme will be Zero-coupon Notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest (save for default interest payable on late payments) and the Issuer will not be required to withhold or deduct tax from payments in respect of the Notes to the Noteholders. However, the discount on the Notes may be taxed in accordance with applicable Nigerian tax laws.

8. Prescription

No action can be brought by a Noteholder in respect of the Notes unless the action is commenced within six (6) years from the appropriate Relevant Date.

9. Events of Default

9.1 Upon the happening of any of the following events ("Events of Default") which is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer declare the Notes held by that Noteholder to be forthwith due and payable, provided that (other than in the event of non-payment or part payment) no such action shall be taken if it is as a result of Force Majeure or the in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction. In addition, the Noteholders shall have the right to exercise all other remedies available to them under the laws of the Federal Republic of Nigeria.

9.2 Upon the occurrence of an Event of Default, the Issuer shall pay Noteholders interest at the Default Rate until the debt obligations to the investors have been settled in full.

9.3 Failure to Notify: failure to notify FMDQ Exchange by 5:00pm in writing that the CP has been liquidated and that funds have been transferred to all CP holders on the maturity date of the CP and failure to provide evidence of settlement of all investors to the Exchange on the maturity date.

9.4 Non-Payment or Part-Payment: part-payment or non-payment of the CP value to investors shall also constitute a Credit Default. In the case of a Rollover, if any investor objects to a proposed Rollover, the Issuer/Promoter shall effect the payment of the value of the investors' CP holding on the maturity date, based on the initial terms of the Issue. Failure by the Issuers/Promoters to effect such payment shall result in a default.

9.5 Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations in the Notes which default is incapable of remedy or where capable of remedy, is not remedied within thirty (30) days after written notice of such default shall have been given to the Issuer at its specified office; or

9.6 Breach of Representation: any representation, warranty or undertaking made in connection with any documentation supplied by the Issuer pursuant to the Programme is in the reasonable opinion of the Issuing and Placing Agents, materially incorrect; or

9.7 Winding-up: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer, or the Issuer applies or petitions for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Noteholders provided that the proposed merger involving the Issuer as approved by its Board of Directors as at the date of this Agreement shall not require the approval of the Noteholders; or

9.8 Insolvency: the Issuer is, or is deemed by law or a court to be insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or

9.9 Enforcement Proceedings: a distress, attachment, execution, or other legal process is levied, enforced, or sued out, on or against a material or substantial part of the property, assets or revenues of the Issuer, and such distress, attachment, execution, or other legal process is not discharged or stayed within ninety (90) days; or

9.10 Failure to take action: any action, condition or thing (including the obtaining of any consent or approval) now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme for the issuance of the Notes is not taken, fulfilled or done, or any such consent, or approval shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, resulting in the Issuer being unable to perform any **of its payment or other obligations in terms of the Notes or the Programme for the issuance of the Notes.**

10. Action Upon Event of Default

10.1 Upon the occurrence of an Event of Default and such Event of Default is continuing, any Noteholder may by written notice to the Issuer at its specified office(s), effective upon the date of receipt thereof by the Issuer, declare the Notes held by that Noteholder to be forthwith due and payable, provided that no such action shall be taken if it is as a result of a Force Majeure event or if the Issuer withholds or refuses to make any payment in order to comply with any law or regulation of Nigeria or to comply with any order of a court of competent jurisdiction

10.2 Upon the occurrence of an Event of Default which results in the inability of the Issuer to make a payment on the Maturity Date, the Issuer shall pay the Noteholders interest at the Default Rate until the debt obligations to the Noteholders have been settled in full

10.3 In addition, each Noteholder shall have the right to exercise all other remedies available to it/him/her under the laws of the Federal Republic of Nigeria

11. Notices

11.1 Notices to the Noteholders

11.1.1 All notices to the Noteholders will be valid if mailed to them at their respective addresses of record or electronically mailed to them via their respective email addresses in the relevant Register. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the CBN Guidelines, the FMDQ Exchange Rules, the CSD Rules or such other regulatory authority as may be applicable to the Notes.

11.1.2 The Parties agree that the Issuing and Placing Agents' obligation under Condition 11.1.1, shall be limited to providing administrative support to relay notices issued to Noteholders pursuant to the CBN Guidelines, the FMDQ Exchange, CSD Rules or such other regulatory authority as may be applicable to the Notes. The Collecting and Paying Agents shall not be obliged to review or check the adequacy, accuracy, or completeness of any document/notice it relays or sends to the Noteholders pursuant to this Condition 11 where the Collecting and Paying Agents receive such document/notice from the Issuer and is not involved in the preparation of such document/notice. For the avoidance of doubt, the duties of the Issuing and Placing Agents are solely mechanical and administrative in nature. The Issuing and Placing Agents are not obliged to review or check the adequacy, accuracy, or completeness of any document it receives directly from the Issuer for delivery, publication or notification to the Noteholders. Provided that where such document/notice is prepared by the Issuing and Placing Agents, the Issuing and Placing Agents shall be obliged to confirm the adequacy, accuracy and completeness of such document/notice.

11.1.3 Any notice shall be deemed to have been given on the second day after being so mailed or on the date of publication in national newspapers, or if published more than once or on different dates, on the date of the first publication.

11.2 Notices from the Noteholders

11.2.1 Notices to be given by any Noteholder to the Issuer shall be in writing and given by lodging the same with the Collecting and Paying Agents.

11.2.2 Any change of name or address on the part of the Noteholder shall forthwith be notified to the Issuer and the Agents and subsequently, the Register shall be altered accordingly following notifications to the CSD

12. Change of Agents

12.1 Upon receipt of FMDQ Exchange's approval to effect the revision, and following the submission of a formal revision application, the Issuer is entitled to vary or terminate the appointment of the Agents and/or appoint additional or other agents and/or approve any change in the Specified Office through which any agent acts, provided that there will, at all times during the subsistence of the Programme, be an agent with Specified Offices.

12.2 Each Agent acts solely as agent of the Issuer and does not assume any obligation towards or any relationship of agency or trust for or with any Noteholder.

13. Modification

13.1 The Agents may agree with the Issuer, without the consent of the Noteholders to any modification of any of these Conditions which is in the opinion of the Agents of a minor or technical nature or is made to correct a manifest error, or to comply with the mandatory provisions of any law in Nigeria and which is in the opinion of the Agents not materially prejudicial to the interests of the Noteholders.

13.2 Save as provided in condition 13.1 above, no amendment of the Conditions may be effected unless:

(i) such amendment is in writing and signed by or on behalf of the Issuer;
(ii) the Exchange is notified of such amendment; and
(iii) such amendment:
   (a) If it affects the rights, under the Conditions, of all the Noteholders, is signed by or on behalf of Noteholders, holding not less than 75% (seventy-five percent) of the outstanding Principal Amount of the Notes; or
   (b) If it affects only the rights, under the Conditions, of a particular group (or groups) of Noteholders, is signed by or on behalf of the Noteholders in that group (or groups) holding not less than 75% (seventy-five percent) of the Outstanding Principal Amount of all the Notes held by that group.

13.3 Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified to the Noteholders, as soon as practicable in accordance with Condition 11 (Notices).

14. Meetings of Noteholders

14.1 The Issuer may at any time convene a meeting of all Noteholders (whether physically or virtually) upon at least twenty-one (21) days prior written notice to such Noteholders. The notice is required to be given in terms of Condition 11 (Notices). Such Notice shall specify the date, place, agenda, and time of the meeting to be held, which place shall be in Nigeria.

14.2 Every director or duly appointed representative of the Issuer may attend and speak at a meeting of the Noteholders but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.

14.3 Two (2) or more Noteholders holding or representing by proxy a simple majority of the Principal Amount of the Notes that are Outstanding for the time being, shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within ten (10) Business Days of such a request being received by the Issuer, the Noteholders requesting the meeting may convene such a meeting.

14.4 A Noteholder may by an instrument in writing (a "Form of Proxy") signed by the holder or, in the case of a corporation executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "Proxy") to act on his or its behalf in connection with any meeting or proposed meeting(s) of the Noteholders.

14.5 Any Noteholder, which is a corporation may by resolution of its directors or other governing body, authorise any person to act as its representative (a "Representative") in connection with any meeting or proposed meeting(s) of the Noteholders.

14.6 Any Proxy or Representative so appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting(s) of the Noteholder specified in the appointment, to be the holder of the Notes to which the appointment relates, and the holder of the Notes shall be deemed for such purposes not to be the holder.

14.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 14. Should the Noteholders requisition a meeting, and the Issuer fails to call such a meeting within 10 (ten) Business Days of the requisition, then the chairman of the meeting held at the instance of the Noteholders, shall be selected by a simple majority of Noteholders present in person or proxy.

14.8 At any such meeting two (2) or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one third (1/3rd) of the Principal Amount of Notes shall form a quorum. On a poll, each Noteholder present in person or by proxy at the time of the meeting shall have the number of votes equal to the number of Notes, by denomination held by the Noteholder.

14.9 If within thirty (30) minutes after the time appointed for any such meeting a quorum is not formed, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned to such date and time not being less than fourteen (14) days nor more than twenty-one (21) days thereafter and at the same time and place. At such adjourned meeting two or more Noteholders present or represented by proxy holding in aggregate not less than one third of the Principal Amount of outstanding Notes shall form a quorum and shall have power to pass any Special Resolution and to decide upon all matters which could properly have been dealt with at the original meeting had the requisite quorum been present.

14.10 A resolution in writing duly signed by seventy-five percent (75%) of the Noteholders holding in aggregate not less than seventy-five percent (75%) of the Principal Amount of outstanding Notes, shall be as effective for all purposes as a resolution duly passed at a meeting of the Noteholders, provided that the resolution was sent to all the Noteholders entitled to receive notice of a meeting of Noteholders. Such resolution may be contained in one document or in several documents of identical form signed by all the Noteholders entitled to receive notice of a meeting.

15. Further Issues

15.1 The Issuer shall be at liberty from time to time without the consent of the Noteholders to issue further Notes under the Programme.

16. Governing Law

16.1 The provisions of these Conditions, the Programme Memorandum, Pricing Supplement and the Notes are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

TAX CONSIDERATIONS

The tax consequences of investments in the Notes are broadly summarised below. The summary is not intended and should not be construed, to be tax advice to any particular subscriber. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Notes in view of his/her own personal circumstances. Neither the Issuer nor its advisers shall be liable to any subscriber in any manner for placing reliance upon the contents of this section.

The Notes issued under the Programme will be zero-coupon notes and as such, will be offered and sold at a discount to Face Value. The Notes will thus not bear interest, however, in the case of a late payment, interest will accrue on the redemption monies to be paid to the Note holders. The discount on the Notes, and/or any accrued interest on the redemption monies to be paid to Noteholders may be taxed in accordance with applicable Nigerian tax laws. Such discount or accrued interest on the redemption monies may be subject to Withholding Tax at the rate of 10% in accordance with the provisions of the CITA, and the PITA or form part of the taxable income of the recipients.

The foregoing summary does not purport to be comprehensive and does not constitute advice on tax to any actual or prospective purchaser of Notes issued under the Programme. In particular, it does not constitute a representation by the Issuer or its advisers on the tax consequences attaching to a subscription or purchase of Notes issued under the Programme. Tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes issued under the Programme and the tax consequences applicable to each actual or prospective purchaser of the Notes may vary. Any actual or prospective purchaser of the Notes who intends to ascertain his/her tax position should seek professional advice from his/her preferred professional advisers as to the tax consequences arising from subscribing to or purchasing the Notes, bearing in mind his/her peculiarities. Neither the Issuer nor its advisers shall be liable to any subscriber or purchaser of the Notes in any manner for placing reliance upon the contents of this section.

The following section does not describe all the risks (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Notes. The risks in the following section are provided as general information only. Prospective investors should refer to and carefully consider the risks described below and the information contained elsewhere in this Programme Memorandum, which may describe additional risks associated with the Notes.

Investors should also seek professional advice before making investment decisions in respect of the Notes.

RISKS RELATING TO NIGERIA

Political Risk

Political risk is the possibility of risk of loss arising, where political or economic conditions or events in a particular country inhibit the ability of counterparties resident in that country to meet their financial obligations. Several significant changes have occurred within the Nigerian political environment since the general elections in February 2023. The administration of President Bola Tinubu was inaugurated in May 2023 and there have been a number of significant policy shifts including removal of fuel subsidy and several operational changes to the country's foreign exchange regime, all of which are aimed at expanding the country's GDP. There continues to be the possibility that further economic and political reforms will be instituted as part of the administration's reform agenda.

Economic Risk

The Nigerian economy continues to face significant headwinds. Based on the FGN's Medium-Term Fiscal Framework, GDP growth is projected to be modest over the short-term (3.76%, 4.22% and 4.78% in 2024, 2025 and 2026, respectively). Inflation is also projected to remain considerably elevated for the foreseeable future. Furthermore, FX liquidity and volatility remains a challenge. While the new administration is committed to an economic growth agenda and has commenced the implementation of a reform agenda, there is no guarantee that the economic environment will improve in the near term.

Insecurity Risk

Security remains a major concern for the Nigerian government in 2023. Despite making notable progress in combating insecurity and insurgency in Nigeria and across Africa, the nation grapples with significant security challenges, enduring attacks, and kidnappings, notably in the North-East, North-West, and South-South regions. While, the Federal Government has recently succeeded in limiting the activities of the Boko Haram group, including the recapture of previously controlled territories, the humanitarian situation, on the other hand, has deteriorated. In addition, rising sectarian conflicts in Nigeria's middle belt and eastern regions continue to pose a threat to the country's political stability. The occurrence of an event of political instability, at either State or National level, could have a material adverse effect on Nigeria's economy and the operations of the Issuer.

RISKS RELATING COMPANY'S BUSINESS AND INDUSTRY

Risks relating to volatility in global sugar prices

The Company imports raw sugar from Brazil and is therefore exposed to price volatility of the commodity. Global sugar prices are largely affected by supply from a few dominant producing countries (including Australia, Brazil, China, the EU, India, Mexico, Pakistan, Russia, Thailand, Turkey, and the USA) and as such susceptible to any concerns regarding lower-than anticipated production levels or any potential hindrances to exports. Sugar prices in the international markets have been volatile in recent years, and these fluctuations may adversely affect the Issuer's business and results of operations.

Various factors, many of which are beyond the Company's control, contribute to volatility in the price of sugar that it purchases, and sells, including the level of both domestic and international supply and demand, farmers' decision to expand, or on the contrary decrease, the acreage space devoted to growing sugar, weather conditions and natural disasters, incentives, subsidies and Government legislation and regulations, tariff barriers and other import restrictions, speculation on the future price of sugar, evolutions of bilateral and multilateral trade agreements and foreign exchange rates. Generally, a reduction in demand for the Company's products, a lower-than-expected raw material supply, a decrease in the price of the products that it sells or in the price of substitute products, or the inability to pass on raw material price increases to customers may have a material adverse effect on the Company's business, financial position, and results of operations.

Risks relating to the economic environment and financial markets

The current economic conditions in Nigeria (which may remain challenging for the foreseeable future) may adversely impact demand for the Company's products or reduce its access to credit (also affecting its suppliers or its customers), all of which could adversely impact the Company's business, results of operations, financial condition, and cash flows. General business and economic drivers that could affect the Company include short-term and long-term interest rates, unemployment, inflation, and fluctuations in debt markets.

Risks relating to climate conditions and to seasonality

Sugar like most other crops, is affected by climate conditions, soil quality, disease and parasites and availability of fertilizers or crop protection chemicals. The sugar crop may also be affected by extreme weather conditions, among which floods, drought, frost, or natural disasters. If climate conditions are less favorable than expected, the quantity and quality of sugar produced may be insufficient for the Company's processing needs, which could affect the results (e.g., it will be forced to pay higher prices for sugar) or even reduce the activity of some of its plants.

Climate change may increase the frequency or intensity of extreme weather such as storms, floods, heat waves, droughts and other events that could affect the quality, volume and cost of goods produced for sale, as well as demand and product mix. Climate change may also affect the availability and suitability of arable land and contribute to unpredictable shifts in the average growing season and types of crops produced. Crop seasons may also be affected by the occurrence of natural disasters or an outbreak of crop disease, which may impact our suppliers' ability to provide us with the quantity of sugar we need in our production processes. The potential impact of climate change is uncertain and may vary by region. These potential effects could include changes in rainfall patterns, water shortages, changing sea levels, changing storm patterns and intensities, the proliferation of pests, such as the yellows virus, or crop disease, and changing temperature levels that could adversely impact our ability to source necessary inputs.

Risks relating to the competitive environment

Despite being a market leader, competition on sales of the Company's products is intense and driven by quality, price, reliability of supply, and customer service. Nevertheless, the sugar industry is very commoditized. As a result, parts of the Company's market share may not be protected through product differentiation, and it may be unable to pass on cost increases to its customers. In addition, the Company's competitors may benefit from lower costs, including for the supply of agricultural raw materials, or from greater financial, technological, or other resources than the Company and may be able to react more rapidly to technological changes or customer requirements.

Although the Company believes that its significant investments in production, including its backward integration aspirations, should enable it to compete successfully with other major producers, the Company cannot guarantee the success of these performance plans and that they will be sufficient to face increased competition.

Risks relating to environmental regulations

The operations of the Company are governed by environmental laws and regulations, and it may be subject to fines and penalties in the event of any violations of the relevant environmental laws and regulations or the occurrence of any adverse environmental effect arising from the Company's operations. In Nigeria, the Company is obligated to obtain certification from the Federal Ministry of Environment upon successful completion of an environmental assessment. The Company is also subject to the regulatory oversight of the Standards Organization of Nigeria as well as the National Environmental Standards and Regulation Enforcement Agency with respect to compliance with environmental standards. The Federal Ministry of Environment and relevant State Government agencies are the authorities responsible for the enforcement of environmental laws and have the authority in certain circumstances to halt the Company's activities on a permanent or temporary basis where the Company fails to comply with instruction for rectification or suspension of operations that are causing damage to the environment.

While the Company continues to pay keen attention to environment, safety, health and quality issues, there is no guarantee that it will always be in compliance with all relevant environmental laws and regulations of the respective countries in which it operates, especially in the light of potential and unpredictable changes to environmental requirements, varying interpretation of environmental laws and regulations by the courts and legislators, or upon discovery of environmental conditions that were previously unknown. Additional environmental requirements relating to the location of the Company's operations may be imposed by relevant governments, especially if stricter environmental standards are adopted.

There is a risk of increased exposure in terms of additional costs to the Company on the occurrence of any of these events. The consequent increase in environmental liabilities may entail significant capital expenses and may potentially lead to the imposition of restrictions on the Company's operations, adversely impacting the Company's business, operating results, and financial performance.

Risks relating to growth and expansion

The potential business growth, expansion and development projections of the Company are made on the basis of indices consisting primarily of forecasts, patterns, and estimates. There is no assurance that such indices are correct or would unfold following the exact pattern of forecasts. In the event that any of the forecasts or estimates turns out to be inaccurate, then it may adversely affect the Company's business, financial position, operating results, and future prospects.

Furthermore, the future of the Company will depend in part on its ability to manage its growth in a sustainable manner. The Company's management will need to expand operations for achieving the necessary growth, while retaining and supporting its existing customers, attracting new ones, recruiting, training, retaining personnel and managing their affairs in an effective manner and maintaining financial controls. Failure to achieve forecasted growth in a sustainable manner may affect the Company's business, financial position, and market share.

Risks relating to the construction of plants

In line with the core objectives of the National Sugar Master Plan, and as part of its strategy to increase its market share, the Company has committed to a capital-intensive backward integration project, involving expansion of sugar cultivation and refining capacity. Although the Company has a long experience in developing plants in its core operations, extensions, conversions, and greenfield sites involve risks, including the risk that projects may be delayed or abandoned due to certain regulatory or technical obstacles, relating in particular to construction, financing, or regulation, which could significantly increase costs and delay any return on investment. The Company's ability to complete its projects on time and within estimated budgets is subject to certain factors beyond its control. In the event the estimated costs of these projects are exceeded, or deadlines are not complied with, or the Company is unable to sell the additional production, or the production cost of its products is increased, its business, financial position and results of operations may be materially affected as a consequence.

Risks relating to operational hazards and unforeseeable events

The Company operates large-scale sugar plants that are subject to significant operational risks generally associated with industrial companies, including human resource mismanagement, information technology issues; litigations against the group; compliance risk; fines, penalties or expenses incurred as a result of settlement delays and regulatory infractions; reporting risk; health & safety malpractices; quality control risk; technical failures; theft and fraud; industrial accidents; unusual or unexpected climatic conditions and environmental hazards. The Company and its operations may also suffer as a result of other general unforeseeable events outside its control, such as natural disasters which adversely affect the Company.

Such hazards or events could cause significant damage to the Company's facilities or occasion harm to its workforce, major disruption to the production process, and the Company's ability to deliver its products, and/or result in significant losses or liabilities being incurred by the Company, any of which may have a material adverse effect on the Company's business, prospects, results of operations, and financial position.

Risks relating to the Company's distribution network

The Company operates and controls much of its own distribution, a fleet of over 800 trucks with a dedicated sales and marketing team and warehouses strategically located across the country (combined capacity of 966,000 bags). The Company is therefore exposed to the risk of possible disruption which may adversely affect production and delivery capabilities. These include accidents, strike action and political instability. The occurrence of any disruption to its distribution network may impact the Company's business, results of operation and financial position.

RISKS RELATING TO THE NOTES

Liquidity Risk

There may not be an active two-way quote trading market for the Notes when issued, and thus the Notes may have limited liquidity. Accordingly, Investors may not be able to sell the Notes in a transparent and efficient system. Although applications will be made for Notes issued under the Programme to be admitted and traded on the FMDQ Exchange platform, there is no assurance that such applications will be accepted, that any particular issue of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular issue of Notes.

Investment Risk

Investment risk involves a decline in the net realizable value of investment assets arising from adverse movement in market prices or factors specific to investment itself e.g. reputation. Every investment varies and each type has its inherent risks, which has the potential to reduce the value of such investments.

Notes Issued at a Discount

The Notes are discounted; the market value of securities issued at a discount from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the security, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Amendment to Prevailing Laws

This Programme Memorandum, the Notes and the Terms and Conditions, are governed by, and will be construed in accordance with, the laws of the Federal Republic of Nigeria. No assurance can be given as to the impact of any possible judicial decision or amendment and, or review of the laws of the Federal Republic of Nigeria or administrative practice in the Federal Republic of Nigeria after the issue.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Words used in this section shall bear the same meanings as used in the section headed "Definitions and Interpretations", except to the extent that they are separately defined in this section or the meaning if applied, would be clearly inappropriate for the context.

Clearing System

The Notes will be issued in dematerialised form and will not be represented by any certificate or written instrument. As stipulated by the CBN Guidelines, each Series or Tranche will be held in custody by the CSD, either in the name of the beneficial owner or nominee.

All transactions in the Notes shall be cleared and settled electronically in accordance with the rules and operating procedures of the CSD. Subject as aforesaid, each Tranche will be issued, cleared, and transferred in accordance with the Terms and Conditions and will be settled through authorised participants who will follow the electronic settlement procedures prescribed by the CSD.

Authorised Participants

The CSD will maintain a central securities account for Dealing Members (the "Authorised Participants") and each beneficial owner of the Notes is required to have a sub-account under the Authorised Participants. Noteholders may exercise their rights in respect of the Notes held in the custody of the CSD only through the Authorised Participants.

For purposes of Notes issued under this Programme, the Authorised Participants are Stanbic IBTC Bank Limited and Greenwich Merchant Bank and any other bank appointed by the Issuer to act as Collecting and Paying Agents.

Registration

a. The Authorised Participants are required to register with the CSD before dealing in CPs.

b. Noteholders are required to route their account opening applications and transactions through any Authorised Participant who would then notify the CSD to create a relevant sub-account for the Noteholder.

c. The CSD will assign a unique identification number (the “Trade Member Code”) to an Authorised Participant and also open the account(s) requested by an Authorised Participant.

d. FMDQ Exchange will request for the CP to be registered with the CSD, who in turn will furnish FMDQ Exchange and the Authorised Participant(s) with the unique identifier for the registered CP.

e. The CSD will re-open the existing ISIN code or unique identifier for all Tranches with same maturity dates, however new ISIN codes or unique identifiers will be issued for Tranches with different maturity dates.

Lodgement

a. An Authorised Participant will electronically lodge CPs within ten (10) Business Days after the approval for the quotation of the CP on the Exchange and advise the CSD after lodgement to transfer the CPs to the sub-account of the beneficial owners of the Notes.

b. The CSD shall process same within 24 hours of receipt.

Redemption

a. No transactions or trades may be effected for any CPs seven (7) working days prior to its maturity date.

b. An Authorised Participant will submit a letter to the CSD confirming the intention of the Issuer to repay the Noteholders on the Maturity Date by 12.00 noon on the date which is two (2) Business Days before the Maturity Date.

c. The Authorised Participant shall obtain the statement of investors’ accounts/holdings from the CSD one (1) business day before the maturity date of the CP.

d. The Authorised Participant must notify the CSD to expunge matured CPs latest by 3.00pm on the Maturity Date of the CP.

e. The Authorised Participant shall effect repayment to the designated accounts of all registered holders of the CP.

f. The Issuer shall ensure that there are sufficient funds in its funding account with the CPA to pay all investors (i.e., including investors that have indicated interest to participate in another CP issuance [which is not a Rollover] within the Programme) by 12:00 Noon on the Maturity Date of the CP, failing which the Issuer shall be in violation of FMDQ Exchange Rules. The CPA shall ensure that funds have been transferred to all CP holders (i.e., excluding investors that have indicated interest to participate in another CP/NICP issuance within the Programme/ Discrete Issue) by 3:00 PM on the maturity date of the CP

g. In case of default by the Issuer, the Collecting and Paying Agent must notify the CSD and FMDQ Exchange latest by 4.00pm on the Maturity Date, or as specified in the FMDQ Exchange Rules to make public, the default status of the CP to the market.

h. In case of (g) above, the CP must remain with the CSD until the Collecting and Paying Agent pays off the Noteholders and notifies the CSD and the FMDQ Exchange with evidence.

Roll-over

a. All CPs including roll-over shall not exceed 270 days (tenor) from the date of issue.

b. Every roll-over of a CP issue shall be treated or classified as a fresh/separate CP.

c. Upon granting confirmation of eligibility for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish the FMDQ Authorised Participants with the new CP symbol codes and Unique Identifiers, subject to receipt of CP rollover fees from the Authorised Participants.

d. Where the Issuer is desirous to rollover, the IPA shall be informed no later than three business days before the maturity date of the CP and shall furnish the IPA with the relevant updated document for the re-evaluation of the CP

e. The IPAs upon receipt of notification shall notify FMDQ Exchange by providing the relevant documentation that all investors have been duly informed not later than 3:00 PM, one business day prior to the maturity of the CP. Upon receipt, FMDQ Exchange shall confirm approval

f. Upon granting approval for rollover, FMDQ Exchange shall request for the rollover CP to be registered with the CSD, who in turn shall furnish FMDQ Exchange and the Authorised Participant with the new unique identifier, subject to receipt of CP rollover fees from the Authorised Participant

g. The CSD shall expunge the existing CP symbol codes and Unique Identifiers from the system and replace with the new codes.

Default

a. The IPAs shall notify FMDQ Exchange by 5:00 PM in writing that the CP has been liquidated and that funds have been transferred to all CP holders on the maturity date of the CP failing which the Issuer shall be deemed to be in default

b. In the case of a rollover, rollover, if any investor objects to a rollover, the Issuer shall effect the payment of the value of the investor's CP holding on the maturity date, based on the initial terms of the Issue. Failure by the Issuer to effect such payment shall result in a default

c. Part-payment or non-payment of the CP value to investors shall also constitute a default. In the case of a proposed Rollover, if any investor objects to a proposed Rollover, the Issuer/Promoter shall effect the payment of the value of the investors' CP holding on the maturity date, based on the initial terms of the Issue. Failure by the Issuers/Promoters to effect such payment shall result in a default.

d. The FMDQ Exchange shall be notified immediately it is identified that a default is imminent or there is a strong possibility of default. The IPA shall provide reasons for the default or imminent default (e.g., insufficient funds in the funding account to meet payment obligations on maturity date or inability of IPCA/CPA to effect payment to investors due to technical issues such as a market disruption or as the case may be).

Note: In the event of default, the IPAs are under no obligation to seek recovery or initiate any action against the Issuer either on its own or on behalf of the investors

Secondary Market trading (OTC) Guidelines

a. An Authorised Participant will submit CP transaction instructions/details to the CSD via the authorised data-exchange platform.

b. CP transactions are to be submitted to the CSD by the applicable cut off time on the settlement date and the Authorised Participant is to state the particular account number where the CP(s) should be traded from or deposited into.

c. The CSD shall deliver securities and send confirmation of transfers via the authorised platform by 2.00pm on the settlement date to the Nigeria Inter-Bank Settlement System ("NIBSS") and to the Exchange simultaneously.

d. NIBSS shall transfer settlement amounts to respective accounts and send confirmation to the CSD, and the Authorised Participant simultaneously.

e. Transactions for standard settlement (T+2) shall stop five (5) Business Days before the Maturity Date. Therefore, the last applicable settlement shall be before close of business on the date which is five Business Days before the Maturity Date.

Reporting

a. The CSD will effect the transfer of CPs on the settlement date as advised by the buyer and seller ("Transaction Parties") and also keep records of consideration for each transaction.

b. The CSD will advise the Authorised Participant or the FMDQ Exchange for onward communication to the Authorised Participant, as applicable, of successful and failed transactions on each settlement day.

c. The Authorised Participant and Noteholders can ascertain their CP balances after each day's trade via the CSD's website (if applicable).

Transfer of Notes

Title to beneficial interest in the Notes will pass on transfer thereof by electronic book entry in the securities accounts maintained by the CSD and may be transferred only in accordance with rules and operating procedures of the CSD.

Cash Settlement

Transaction parties will be responsible for effecting the payment transfers either via Real Time Gross Settlement, National Electronic Funds Transfer or any other transfer mode agreed by the Transaction Parties and recognised by the CBN.

DANGOTE SUGAR REFINERY PLC

RC 613748

Issue of [Aggregate Nominal Amount of Series/Tranche] [Title of Notes]

Under its ₦150,000,000,000
Domestic Commercial Paper Issuance Programme

This Pricing Supplement must be read in conjunction with the Programme Memorandum dated 06 February 2024 issued by Dangote Sugar Refinery PLC in connection with its ₦150,000,000,000.00 Commercial Paper Issuance Programme, as amended and / or supplemented from time to time (the "**Programme Memorandum**").

Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the Programme Memorandum.

This document constitutes the Pricing Supplement relating to the issue of Commercial Paper Notes ("**CPs**" or the "**Notes**") described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and / or supplemented by the Terms and Conditions contained in this Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

This document has been prepared in accordance with the Central Bank of Nigeria ("**CBN**") Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers, issued on 11 September 2019, the CBN letter to all deposit money banks and discount houses dated 12 July 2016 on Mandatory Registration and Listing of Commercial Papers (together the "**CBN Guidelines**") and the Commercial Paper Registration and Quotation Rules (the "**Rules**") of FMDQ Exchange in force as at the date thereof.

The document is not required to be registered with The Nigerian Exchange Limited or the Securities and Exchange Commission. This document is important and should be read carefully. If any recipient is in any doubt about its contents or the actions to be taken, such recipient should consult his / her banker, stockbroker, accountant, solicitor, or any other professional adviser for guidance immediately.

PARTIES		
1.	**ISSUER**	Dangote Sugar Refinery PLC
2.	**ARRANGERS**	Stanbic IBTC Capital Limited, Absa Capital Markets Nigeria Limited, Greenwich Merchant Bank Limited
3.	**COLLECTION AND PAYING AGENT**	Stanbic IBTC Bank Limited and Greenwich Merchant Bank Limited
4.	**SPONSORS TO THE QUOTATION ON FMDQ EXCHANGE**	Stanbic IBTC Capital Limited, Absa Capital Markets Nigeria Limited, Greenwich Merchant Bank Limited
5.	**AUDITOR**	PricewaterhouseCoopers Chartered Accountants
6.	**CENTRAL SECURITIES DEPOSITORY**	[●]
7.	**LEGAL COUNSEL**	Banwo & Ighodalo
PROVISIONS RELATING TO THE NOTES		
8.	**SERIES NUMBER**	[●]
9.	**TRANCHE NUMBER**	[●]

10.	PROGRAMME INFORMATION		[●]
	(a)	PROGRAMME SIZE	₦150,000,000,000
	(b)	ISSUED AND OUTSTANDING AT THE DATE OF THIS PRICING SUPPLEMENT	[●]
11.	AGGREGATE NOMINAL AMOUNT		[●]
12.	FACE VALUE		[●]
13.	DISCOUNTED VALUE		[●]
14.	MINIMUM SUBSCRIPTION AMOUNT		[●]
15.	NOMINAL AMOUNT PER NOTE		[●]
16.	TENOR		[●]
17.	MATURITY DATE		[●]
18.	FINAL REDEMPTION AMOUNT		[●]
19.	SPECIFIED DENOMINATION		[●]
20.	SPECIFIED CURRENCY		[●]
21.	STATUS OF NOTES		[●]
22.	FORM OF NOTES		[●]
23.	SOURCE(S) OF REPAYMENT		[●]
24.	QUOTATION		[●]
25.	TAXATION		[●]
26.	METHOD OF OFFER		[●]
27.	BOOK CLOSED PERIOD		The Register will be closed from [●] to [●] (until the Maturity Date)
28.	SOURCE OF REPAYMENT		The CPs will be repaid from the cash flows of the Issuer
29.	USE OF PROCEEDS		[The net proceeds will be used to support the Issuer's short-term working capital and funding requirements]
ZERO COUPON NOTES			
30.	(a)	DISCOUNT RATE ("DR")	[●]
	(b)	IMPLIED YIELD	[●]
	(c)	ANY OTHER FORMULA OR BASIS FOR DETERMINING AMOUNT(S) PAYABLE	[●]
31.	DAY COUNT FRACTION		[●]
32.	BUSINESS DAY CONVENTION		[●]
PROVISIONS REGARDING REDEMPTION			
33.	REDEMPTION/PAYMENT BASIS		[Redemption at par] [other (specify)]
34.	ISSUER'S EARLY REDEMPTION		[Applicable/Not applicable]
35.	ISSUER'S OPTIONAL REDEMPTION		[Applicable/Not applicable]
36.	OTHER TERMS APPLICABLE ON REDEMPTION		[●]

GENERAL		
37.	**OFFER OPENS**	[●]
38.	**OFFER CLOSES**	[●]
39.	**ALLOTMENT DATE**	[●]
40.	**NOTIFICATION OF ALLOTMENT**	All applicants will be notified through an email and/or telephone of their allotment by no later than [●]
41.	**ISSUE DATE**	[●]
42.	**PAYMENT DATE**	[●]
43.	**SETTLEMENT DATE**	[●]
44.	**DETAILS OF BANK ACCOUNT(S) TO WHICH PAYMENTS ARE TO BE MADE IN RESPECT OF THE NOTES**	[●]
45.	**SETTLEMENT PROCEDURES AND SETTLEMENT INSTRUCTIONS**	[●]
46.	**DELIVERY DATE**	[●]

[MATERIAL ADVERSE CHANGE STATEMENT]

[Except as disclosed in this document,] there has been no significant change in the financial position of the Issuer since [insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts.]

RESPONSIBILITY

The Issuer and its Board of Directors accept responsibility for the information contained in this Applicable Pricing Supplement, which when read together with the Programme Memorandum [and supplemental Programme Memorandum, if any], contains all information that is material in the context of the issue of the Notes.

Signed at ______________________________ on this ____________ day of ______________________________ [•]

For and on behalf of
Dangote Sugar Refinery PLC

______________________________	______________________________
Name	Name
Capacity: Director	Capacity: Director
Who warrants his/her authority hereto	Who warrants his/her authority hereto

1. BUSINESS DESCRIPTION

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

DSR was listed on the Nigerian Stock Exchange (now the Nigerian Exchange Limited) in March 2007 following an initial public offering of its shares in 2006. Following a review of its corporate structure, DSR, on September 1, 2020, completed a scheme of arrangement, which successfully effected the merger of DSR and its former subsidiary Savannah Sugar Company Limited.

The Company is involved in refining raw sugar to produce fortified and non-fortified granulated white sugar and distributing same to consumers and industrial customers in Nigeria. DSR has its headquarters in Lagos, Nigeria and currently has four (4) subsidiaries, Nasarawa Sugar Company Limited, Dangote Taraba Sugar Limited, Dangote Adamawa Sugar Limited, and Dangote Sugar (Ghana) Limited.

2. SHAREHOLDING STRUCTURE

Shareholder	Number of shares held	Percentage Holding (%)
Dangote Industries Limited	8,122,446,281	66.87
Alhaji Aliko Dangote	653,095,014	5.38
Others	3,371,336,946	27.75
Total	**12,146,878,241**	**100.00**

As of 31 December 2022

3. OPERATING OVERVIEW

DSR is a leading player in the Nigerian sugar industry, with a market share of about. 55%, driven by its combined installed refining capacity of 1.44 million tonnes per annum. The Company currently grows 75% of sugar cane used in local sugar production with a dedicated jetty at Apapa ports for efficient receipt of raw sugar imported from Brazil to cover the shortfall. Marketing and distribution are supported by a fleet of over 800 haulage trucks for product delivery across Nigeria.

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

Furthermore, the ongoing upgrading of Dangote Sugar refinery, Numan, Adamawa State is expected to generate 32 megawatts of electricity from installation of new turbines and 2 high-pressure boilers of 90 tonnes of steam per hour when completed.

4. PRODUCTS

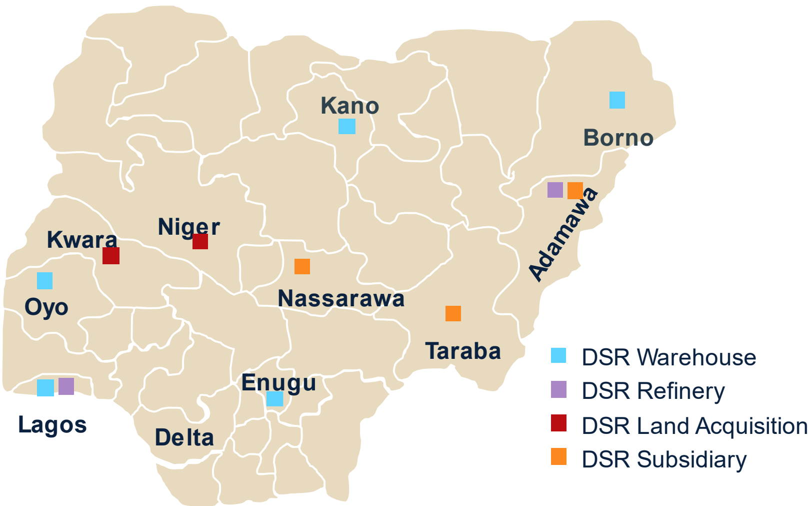
The Company's primary business activity is the refining of raw sugar into edible sugar and the selling of refined sugar through distributors across the country. The Company's main product, Vitamin A-fortified and non-fortified white sugar, is marketed & distributed in 5 product packages. The non-fortified industrial sugar is mainly sold to pharmaceutical, food and beverage manufacturers while the Vitamin A fortified sugar is mainly sold to retail distributors.

The first set of product sizes (1kg, 500 and 250grams) were introduced into the market in 2011. In 2021, 50kg fortified and non-fortified sugar bags were launched and the 1tonne package in 2022. As of FY2022, the 50kg sugar package accounted for 97.02% of revenue, sugar retail packages accounted for 1.99%, and the sale of molasses and freight income accounted for 0.50% each. Key customers for sugar include corporate customers, cubing companies, private label packaging, small-scale businesses, and retailers.

Its by-products include molasses and bagasse. Molasses can be processed further to produce ethanol while bagasse is used as biofuel to generate electricity.

5. LOCATIONS

Dangote Sugar's refining capacity and warehouses are strategically located at the following locations in Nigeria:



- **DSR Apapa**
  - Installed refining capacity of 1.44MMT per annum in Apapa, Lagos
  - Powered by an in-house turbo-alternator power generating plant with a capacity of 16MW
  - Dedicated jetty for efficient receipt of raw sugar imported from Brazil
- **DSR Numan**
  - Operates on 32,000 hectares of land in Numan, Adamawa State
  - Refining capacity of 50,000 tonnes of sugar per annum from 8,305 hectares of sugar cane fields
  - Capacity upgraded from 3,000 TCD to 3,800 TCD. Further upgrade to 9,800 TCD is ongoing

Additionally, Dangote Sugar operates through its warehouses in Kano, Borno, Enugu, Lagos, and Oyo states.

6. DIRECTORS AND EXECUTIVE MANAGEMENT PROFILES

DIRECTOR PROFILES

Alhaji Aliko Dangote, GCON – Chairman

Aliko Dangote is the Chairman of the Board of Directors, Dangote Sugar Refinery Plc. He is the founder and President/Chief Executive of Dangote Industries Limited, the largest conglomerate in West Africa, with presence in 17 African countries and subsidiaries that cut across cement production, sugar refining etc.

A graduate of Business Studies from Al-Azhar University in Cairo, Egypt, he started business in 1978 trading in commodities, before he ventured into full-scale manufacturing. He has been conferred several Honorary Doctorate degrees from various prestigious Universities, including Coventry University in the United Kingdom (2016), University of Ibadan in Nigeria (2016), and Ahmadu Bello University (2019). He is well known for his philanthropic engagements in local and international initiatives via the Aliko Dangote Foundation; committed to improving healthcare, education, and social wellbeing.

In addition, he seats on the Board of notable international bodies involved in global economic growth, sustainable development, and healthcare initiatives. These include the JP Morgan International Council, the Clinton Health Access Initiative, the McKinsey Advisory Council, the International Business Council of the World Economic Forum, the Harvard Advisory Council, amongst others. The Nigerian Government conferred on him the Grand Commander of the Niger (GCON), the first person outside government functionaries to receive this honour.

Mr Ravindra Singh Singhvi – Group Managing Director / Chief Executive Officer

Ravindra Singh Singhvi is the Group Managing Director/CEO of Dangote Sugar Refinery Plc. He was the Ag. Managing Director until his appointment as the Group Managing Director/CEO on the 30th of October 2020. Mr. Singhvi has over 40 years of proven experience in leadership positions in manufacturing space of sugar, petrochemicals, cement & textiles in India.

Mr. Singhvi is a Chartered Accountant with background in Company Secretaryship and General Management. He possesses a Bachelor's degree in B. Com (Hons) and Law(I) from the University of Jodhpur, India. Prior to joining

Dangote Sugar Refinery Plc, Mr. Singhvi was the Managing Director & CEO of NSL Sugar Limited, Hyderabad, India & Managing Director, EID Parry (I) Limited, Chennai, India, one of top three sugar producing companies in India.

Mrs Mariya Aliko Dangote – Executive Director, Operations

Mariya Aliko Dangote is a Project Leader with extensive experience and proven expertise in business strategy, planning & implementation, digitization & mechanization of backward integration projects, and mergers & acquisitions amongst others. She currently oversees the Business and Strategic activities and the Backward Integration Projects of the Company and is responsible for the implementation of the digitization and mechanization of key operational activities in the Company and its Subsidiaries.

Mariya holds a bachelor's degree in law from the Bayero University, Kano, and a Master's Degree in Business Administration from the Coventry University, United Kingdom. She was a Group Strategy Lead, Dangote Industries Limited a position she held until her redeployment to Dangote Sugar Refinery Plc in 2019. Mariya also serves on the Board of Dangote – Peugeot Automobiles Nigeria Limited (DPAN), Dangote Cement Limited and Al–Ummah Development Foundation amongst others. She is a fellow of the National Institute of Credit Administration, has attended many local and international professional training programmes on Leadership, Business Development and Law.

Mr Uzoma Nwankwo – Non-Executive Director

Uzo Nwankwo holds a Bachelor of Engineering from University of Nigeria, Nsukka, a Master of Engineering from Michigan State University and MBA from University of Michigan, Ann Arbor. Mr. Nwankwo is an accomplished and outstanding financial executive, with over 40 years' experience across several sectors of the economy.

Mr. Nwankwo began his career with Citibank-Citicorp in New York in 1987 as a Management Trainee and rose to become a Vice President in the asset-based finance division of the bank. In 1994 he returned to Nigeria to join Citibank Nigeria as Executive Director, Corporate Banking and was later transferred to Citibank Africa Division in 1997 as Africa Head of Structured and Asset Based Finance in Johannesburg. In 2000 he joined First Bank of Nigeria Plc as Executive Director, Risk and Management Control, and in joined the Dangote Group in 2002 as the Group Executive Director, Corporate Finance and Strategy. In January 2020, he retired from Amni International Petroleum Development Company Limited as Executive Director/Chief Financial Officer.

Mr. Nwankwo oversaw the unbundling of the Dangote Group business into operating subsidiaries and managed the subsequent listing of the Sugar Refinery, Dangote Cement.

Mr Olakunle Alake – Non-Executive Director

Olakunle Alake is the Group Managing Director of the Dangote Group. He holds a BSc in Civil Engineering from Obafemi Awolowo University, Ile–Ife Nigeria and is also a Fellow of the Institute of Chartered Accountants of Nigeria. He started his working career with PriceWaterhouse, a firm of chartered accountants, in September 1984. He resigned in 1990 to join Liberty Merchant Bank Limited, a financial institution of the Dangote Group, as the Financial Controller.

In August 1993, he was appointed Managing Director/Chief Executive of Liberty Merchant Securities Limited. He was the Management Consultant and part of the team that provided turn around services for a smooth take-over of International Trust Bank Plc by the Dangote Group in August 1996. In July 1997, he moved to the Group Corporate office as the Financial Controller and Head of Strategic Services. He was appointed to the Board as Executive Director and given the responsibility for the Group strategy in 2001. In January 2007, he was appointed the Chief Operating Officer (COO) of the Group. He currently sits on the Board of the Group Holding Company as well as all the subsidiary companies.

Ms Bennedikter Molokwu DFIoD – Non-Executive Director

Ms Bennedikter Molokwu built her early career in Telecommunications and Financial Services. She holds a Master's degree in International and Comparative Law and has Management and Leadership certificates from a number of institutions, including Citibank, Columbia University, Harvard Business School, IMD, and Wharton. She consistently contributes to the development of Corporate Governance in Nigeria specifically participating in the drafting of three Codes including the SEC Code of Corporate Governance (2011) and the Nigerian Code of Corporate Governance (2018).

She had been a President of the Institute of Directors and is a Member of the Nigerian Bar Association, International Federation of Women Lawyers (FIDA). She had served in several capacities at the State and Federal government levels. Ms. Molokwu brings over forty years' experience to bear on a portfolio of multi-sectorial Boards and is active on the Board of Dangote Sugar Refinery Plc where she chairs the Governance Committee.

Ms Maryam Bashir – Non-Executive Director

Ms Maryam Bashir holds a Bachelor of Science (B.Sc.) Degree in Business Administration from the Ahmadu Bello University, Zaria, and an MBA from the University of Jos. She started her banking career in 1985 with the International Merchant Bank (IMB), working in various functions in Credit & Marketing and Operations divisions. In 1992, Ms Bashir was a member of the leadership team of the investment company that developed the strategy and consummated the acquisition of United Bank for Africa (UBA). She joined UBA and successively held positions in top management from Assistant General Manager to Executive Director over a period of 10 years. She was a Director at UBA Capital and Trust Limited, a fully owned subsidiary of UBA Plc.

In 2004, Ms Bashir formed and presently manages (as the CEO) Creditcorp Limited, a consulting and advisory services firm. She has participated in National assignments including serving as a member of the Federal Government Steering Committee on Solid Minerals (2003–06) and member of the Federal Government Special Task Force on Corporate Governance and Controls in NNPC (2012). She also serves on the Board of companies in the Manufacturing, Technology and Financial Services sectors and is a founding member of WIMBIZ, a non-profit organization.

Prof Konyinsola Ajayi, SAN – Non-Executive Director

Prof. Konyinsola Ajayi is a Senior Advocate of Nigeria and the erstwhile Managing Partner of the law firm, Olaniwun Ajayi LP. Prof. Ajayi has advised in the fields of energy & natural resources, infrastructure & power, banking & capital markets, privatization, project finance, litigation, and arbitration. He is a member of the International Bar Association, the Nigerian Bar Association, and the Nigerian Economic Summit Group. He is Chairman, Nasarawa State Investment & Economic Council, and Chairman, Capital Markets Master Plan Implementation Committee.

Alhaji Abdu Dantata – Non-Executive Director

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

Mrs Yabawa Lawan Wabi (MNI) – Independent Non-Executive Director

Mrs. Wabi has served as Permanent Secretary in various Ministries, as Director of Finance and Accounts at the Ministry of Works & Housing, Borno State, and as Accountant General of Borno State. She also served with distinction as Minister of Finance of the Federation from 2010 – 2011.

She is a graduate of the Ahmadu Bello University, Zaria, and a Fellow of the Association of National Accountants of Nigeria. She is a Member of the Infrastructure Concession Regulatory Commission and Non-Executive Director of the Board of several companies including Unity Bank Plc., Veritas Kapital Assurance and Veritas Healthcare Ltd. She is also a member of several Professional Bodies and Associations.

EXECUTIVE MANAGEMENT PROFILES

Mr Ravindra Singh Singhvi – Group Managing Director / Chief Executive Officer

Please see profile above.

Mrs Mariya Aliko Dangote – Executive Director, Operations

Please see profile above.

Mr Oscar Mbeche – Group Chief Financial Officer

Oscar Mbeche is a Finance Executive, Accountant, Internal Auditor and Management Consultant, with over 30 years of work experience, spanning FMCG, Hi-Tech, Accounting and Auditing, Oil & Gas, Banking & Finance. He trained with PWC and Deloitte and went on to develop a successful career working in 7 industry sectors with private and publicly listed companies, including Unilever, UDV-Diageo, HSBC, Royal Bank of Scotland, Take Two Interactive, and Petroplus. His international experience includes having worked or managed projects in 25 EMEA countries including Nigeria, Switzerland, and the United Kingdom.

He was formerly the Group CFO for Philia Group (Geneva, Dubai, and Singapore) and was responsible for the Group's Finance Department with operations in eleven countries. He is a qualified chartered accountant, and holds an MBA from the Oxford University, United Kingdom.

Mr Chinnaya Sylvian – Chief Executive, DSR Numan

Chinnaya Sylvian holds a B.Tech degree in Sugar Engineering, Diploma in Chemical Engineering and Certificate in Sugar Analysis from the University of Mauritius. Chinnaya was a lecturer for engineers in cane sugar manufacture. With over 30 years work experience in the FMCG sector, and management of sugar projects in East and West Africa. He worked for 17 years in four different African countries, 10 years in Cameroun where he managed two sugar farms: Cameroun Societe Sucriere du Cameroun (SOSUCAM 1 & 2) Cameroun; where he was responsible for increasing profitability of the company, as well as raising and developing the local personnel to achieve sustainable manpower in the company.

Until his appointment as the Chief Executive of Dangote Sugar Refinery, Numan Operations, Chinnaya was the Factory Manager at Transmara Sugar Company Ltd, in Kenya, East Africa, for 5 years. He is a member of the International Society of Sugarcane Technologists.

Mr Hassan Salisu – General Manager, Human Resources and Administration

Hassan Salisu has over 35 years work experience in the financial services and manufacturing sectors. Mr. Salisu holds a BSc. in Business Administration from the Ahmadu Bello University, Zaria, and MSc in Technology Development from Olabisi Onabanjo University, Ago- Iwoye in Ogun State. He was the GM, Corporate Services at the Bank of Industry and GM, Organization Resourcing at Federal Mortgage Bank of Nigeria.

Mr. Salisu joined Dangote Industries Limited in 2012 as Head Management Development. He later became the GM, Group Learning & Development at the Dangote Academy, a position he held until his deployment in 2018 to Dangote Sugar Refinery Plc as the GM, Human Resources and Administration. He is a professional member of CIPMN, NIM, NITAD and Fellow of the Institute of Management Consultants of Nigeria.

Mrs Temitope Hassan – Company Secretary/Legal Adviser

Temitope Hassan holds a Bachelor's degree in Insurance from the University of Lagos, Bachelor's degree in Laws from the London South Bank University, U.K, and a Master degree in Business Administration from the Obafemi Awolowo University, Ile-Ife. She joined Dangote Sugar Refinery Plc in January 2020 as the Company Secretary/Legal Adviser from UBA Pensions Custodian Limited where she was the Company Secretary/Legal Adviser. She was previously the Head of the Company Secretariat of Skye Bank Plc (now Polaris Bank Limited).

With over 26 years work experience, she has experience in Company Secretariat Practice, Legal Drafting, Dispute Resolution, Corporate Governance Advisory, Investor Relations, Pension Administration, Regulatory Compliance and Corporate Services. She has attended several courses overseas and within Nigeria. She is a certified Trainer and an Accredited Mentor of the National Mentoring Pilot Project, UK, and a Fellow of the Institute of Chartered Secretaries & Administrators of Nigeria.

Dr Bello Saddiq – General Manager, Sales, and Marketing

Bello Alkali Saddiq holds a Master's degree in Marketing, a postgraduate diploma in management from the Bayero University, Kano, and a Higher National Diploma in Business Administration from the Kaduna State Polytechnic, both in Nigeria. Prior to joining DSR, Bello was the Head of Sales and Key Accounts at Lafarge Africa Plc.

With over 25 years post work experience, out of which 18 years was in the FMCG sector; sales and project management positions across Multinational companies, where he also facilitated various change programmes. Bello was the pioneer project manager of Unilever Trade Resource Administration. He is a fellow of the National Institute of Marketing of Nigeria and a Fellow of the Institute of Professional Managers and Administration of Nigeria.

Mr Itoro Unaam – Head, Health, Safety, Social & Environment/Sustainability

Itoro Unaam has over 25 years work experience in the oil and gas sector in Nigeria and sub–Saharan Africa where he worked in various capacities. Prior to joining Dangote Sugar Refinery on December 14, 2020; he was the Managing Director of Treadsafe Conzults, HSSEQ Manager, Seadrill Africa, HSSE Manager, Seadrill Africa North, Shore Base QHSE Advisor 111, Safety Performance Coach, Offshore HSE Advisor, Transocean – Gulf of Guinea amongst others.

Mr. Unaam has BSc. Public Health from the University of Nigeria, MPhil in Environmental Management Rivers State University of Science and Technology, Port Harcourt, and Diploma in General Nursing from St. Margaret School of Nursing, Calabar, Cross River State. He is a professional Health and Safety expert with vast trainings globally and holds membership in the National Institute of Safety Professionals of Nigeria (NISPON) and Institute of Occupational Safety and Health (IOSH).

Mr Babafemi Gbadewole – Head, Internal Audit

Femi Gbadewole has over 25 years' experience in the Food & Beverage (FMCG) sector, where he worked in various Finance functions across Finance Operations, Planning and Corporate Finance. Mr. Gbadewole was the Head of Internal Audit and Control of Cadbury (West Africa), before he joined Dangote Sugar in October 2020.

Mr. Gbadewole holds an MBA from the University of Ado Ekiti, Ekiti State and a Higher National Diploma (HND) in Accounting from Yaba College of Technology Lagos, both in Nigeria. He is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA) and Associate of Chartered Institute of Taxation of Nigeria (ACIT).

Mr Ayokunle Ushie – Head, Risk Management

Mr Ayokunle was a Corporate Finance and Risk Management practitioner with several local and international banks. He joined the Dangote Group Risk Management Department in 2016 and subsequently Nascon Allied Industries in 2018 and most recently Dangote Sugar Refinery Plc in 2021.

He has a bachelor's degree in Geography from the University of Ilorin and a Master's in Business Administration from the University of Nicosia, Cyprus. He is a member of the Institute of Operational Risk (IOR) and an Alumni of the Risk Certification Program of the Global Association of Risk Professionals (GARP). Ayokunle's core experiences are within data mapping, risk modeling (Operational, Credit and Market), estimated loss projections and engineering risk surveys.

Mr Segun Idowu – Head, Fleet Operations

Mr Segun Idowu has over 21 years' work experience in Logistics and Fleet Management in the FMCG sector, Manufacturing and Oil and gas Industry in Nigeria. Prior to his appointment as Head DSR Fleet Operations in November 2022, he worked as Customer Services Manager, Transport Operations and later Technical Services Manager at MDS Logistics (UACN PLC), Head of Transport & Deport Operations in Lafarge Plc and Head of Operations Support in ARDOVA PLC.

He holds a Post graduate degree in Financial Management from University of Ado-Ekiti; a B.Engr. in Mechanical Engineering from the University of Ilorin and has attended various Local and international Training and Conferences on Logistics, Transport and Fleet Management. He is a Member Nigerian Society of Engineers (MNSE), Nigerian Institute of Mechanical Engineers (NIMECH) and Council for the Regulation of Engineering in Nigeria. He is also a Member Chartered Institute of Logistics and Transport, UK (CILT).

Ms Ngozi Ngene – Head, Corporate Affairs

Ms Ngozi Ngene has over 27 years multi- industry experience in the public and private sectors in Nigeria that spans across Corporate Communications/Image and Media Relations Management, Sales & Marketing, Journalism, Events Management; in addition to Company Secretariat, Stakeholder Engagement, and Sustainability/Social Performance Management functions.

Ngozi holds a Master’s degree in Public Administration from Nnamdi Azikiwe University, Awka, and a Higher National Diploma in Mass Communication from the Federal Polytechnic, Oko, both in Anambra State. She is a member of the Nigerian Institute of Public Relations and Chartered Institute of Public Relations, London.

Mr Aderemi Adepoju – Head, Quality Assurance

Mr Adepoju has over 24 years work experience in Quality Assurance and Control. He was the Special Analysis Chemist before his appointment as the Head Quality Control. Prior to joining Dangote Sugar Refinery Plc Aderemi was a Shift Laboratory Analyst, at Oregun Cocoa Mills Ltd, Oregun Ikeja Lagos.

He holds a Higher national Diploma (HND) in Biochemistry from Yaba College of Technology, Yaba Lagos; a BSc in Accounting from Olabisi Onabanjo University Ago-Iwoye; and a Certified Cane Sugar Refiner from Nicholls State University, Thibodaux Louisiana, USA. He is a member of Institute of Public Analyst of Nigeria, a Lead Auditor in ISO 9001:2015, ISO 17025:2017, FSSC 22000 and ISO 22301.

Mr Godfrey Ojo – Head, Internal Control

Godfrey Ojo has over 16 years’ work experience in the Banking, Consultancy, Utilities, and Power sector. Prior to his appointment as Head, Internal Control in September 2021, he was the Head Internal Audit and Control at Transcorp Power Limited, he was the Fraud Risk Manager at Port Harcourt Electricity Distribution Plc in Rivers State. Godfrey has also held various positions in Access Bank and First Bank of Nigeria Plc.

He holds a Master of Science Degree in Financial Engineering from WorldQuant University, New Orleans, Louisiana USA; a BSc in Accounting from Bayero University, Kano-Nigeria, and has attended various training programmes in Governance, Risk and Control (G R C) in Nigeria. He is an Associate of the Institute of Chartered Accountants of Nigerian (ICAN), the Chartered Institute of Bankers of Nigeria (CIBN) and the Chartered Institute of Taxation of Nigeria (CITN). Godfrey is also a registered member of the Global Association of Risk Professionals (GARP), New Jersey USA.

Mr Chris Okoh – Acting Head, Refinery Operations

Mr Okoh has over 30years work experience in the Fast-Moving Consumer Goods sector of the manufacturing industry in Nigeria. He joined Dangote Sugar Refinery Plc, as the pioneer Lab Chemist in 1999, and has held various positions in Dangote Sugar including Chief Chemist, Head, Quality Assurance & Process Control, and Process Manager, a position he held until his elevation as Ag. Head, Refinery Operations in July 2022. Prior to joining Dangote Sugar Refinery Plc, Chris has worked in Nigerian Breweries Plc as a Technological Analyst.

He holds a Master’s degree in Chemistry from the University of Ibadan, and a Bachelor of Science degree in Biochemistry of the University of Benin. He is a member of the Institute of Public Analysts of Nigeria and an Associate member, International Society of Sugar Cane Technologists and have attended several local and international courses in cane sugar manufacture and processing.

Mr. Ganiyu Bakare – Head, Supply Chain

Mr Bakare has over 25 years work experience in various sectors of the economy in Audit & Tax Consultancy, Food and Beverage, Secured Telecom Hardware and Plastic and Recycling Manufacturing industries. Prior to his appointment in November 2022, Ganiyu has held various positions in Papilon Plastics Company Limited PPCL Sango Ota, Ogun State, Altech West Africa Limited, Ilupeju Lagos, Namitech (Altech) West Africa Limited, Ilupeju Lagos, Consolidated Breweries Plc a member of Heineken Inc., and Audit Senior at Layo Sipe & Co.- An Audit and Tax Consultancy Firm.

Mr. Bakare holds an MBA from the University of Calabar and a Higher National Diploma in Accountancy, from The Federal Polytechnic, Idah, Kogi State. A graduate of Lagos Business School-Specializing in Logistics and Supply Chain Management and London Corporate Training School UK specializing in Procurement, Contract and Negotiations. He is a Chartered member of the CILT, Certified Practitioner in Procurement and Logistics of The Institute of Professional Financial Managers - London, Member Chartered Institute of Supply Chain Management MCISM, and The Certified Institute of Warehousing and Materials Management MCIWM.

pwc

Report of the independent auditor on the summary consolidated financial statements

To the Members of Dangote Sugar Refinery Plc

Report on the summary consolidated financial statements

Opinion

The summary consolidated financial statements (the "summary financial statements"), which comprise the summary consolidated statement of financial position as at 31 December 2022, 31 December 2021 and 31 December 2020, the summary consolidated statement of profit or loss and other comprehensive income for the years then ended and the summary consolidated statement of cash flows for the years then ended are derived from the audited consolidated and separate financial statements (the "audited financial statements") of Dangote Sugar Refinery Plc ("the Company") and its subsidiary companies (together the "Group") for the years ended 31 December 2022, 31 December 2021 and 31 December 2020.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements and in accordance with the FMDQ commercial paper quotation rules.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act, applied in the preparation of the audited financial statements of the Group and Company. Therefore, reading the summary financial statements and the auditor's report thereon, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our reports dated 2 March 2023, 1 March 2022 and 1 March 2021. Those reports also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with the FMDQ commercial paper quotation rules.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Yinka Yusuf

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0465881

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

19 December 2023

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

The financial information set out on pages 35 to 37 of this Programme Memorandum has been extracted from the audited annual financial statements of the issuer and is available at the specified office(s) of the issuer. This section should be read and construed in conjunction with the audited financial statements for the years ended 31 December 2022, 2021, and 2020 and with any audited interim financial statements published subsequently, for the financial year prior to each issue of Notes under this Programme.

Statement of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2022, 2021, and 2020

	2022	2021	2020
	₦'million	**₦'million**	**₦'million**
Revenue	403,246	276,055	214,298
Cost of sales	(311,283)	(225,846)	(157,077)
Gross profit	**91,963**	**50,209**	**57,221**
Other income	1,435	333	907
Selling and distribution expenses	(741)	(906)	(677)
Administrative expenses	(10,310)	(10,631)	(9,011)
Impairment of investment in Niger Sugar	-	-	(99)
Impairment gains/(losses) on financial assets	63	15	(431)
Operating Profit	**82,410**	**39,020**	**47,911**
Finance income	6,379	1,419	685
Finance cost	(9,802)	(6,630)	(5,390)
Change in fair value of biological assets	3,315	212	2,417
Profit Before Tax	**82,302**	**34,021**	**45,622**
Income tax (expense) / credit	(27,560)	(11,969)	(15,847)
Profit for the Year	**54,742**	**22,052**	**29,775**
Earnings Per Share			
Basic and diluted earnings per share (NGN)	4.51	1.82	2.45

Statement of Financial Position for the years ended 31 December 2022, 2021, and 2020

	2022	2021	2020
	₦'million	**₦'million**	**₦'million**
Non-Current Assets			
Property, plant, and equipment	157,762	144,678	101,734
Total Non-Current Assets	**157,762**	**144,678**	**101,734**
Current Assets			
Inventories	44,264	56,000	63,000
Biological assets	6,943	4,656	4,462
Trade and other receivables	107,435	50,155	63,060
Other assets	304	139	47
Asset held for sale	868	868	869
Cash and cash equivalents	174,858	103,010	44,860
Total Current Assets	**334,672**	**214,828**	**176,298**
Total Assets	**492,434**	**359,506**	**278,032**
Equity			
Share capital	6,073	6,073	6,073
Share premium	6,321	6,321	6,321
Retained earnings	158,845	116,254	112,328
Non-controlling interest	(13)	(17)	(10)
Total Equity	**171,226**	**128,631**	**124,712**
Non-Current Liabilities			
Deferred tax liabilities	13,238	10,432	8,904
Lease liability	-	1,135	1,383
Borrowings	532	764	984
Total Non-Current Liabilities	**13,770**	**12,331**	**11,271**
Current Liabilities			
Current tax liabilities	25,543	10,449	1,555
Lease liability	981	1,220	1,050
Borrowings	244	220	195
Trade and other payables	273,747	201,382	135,518
Employee benefits	762	767	970
Other liabilities	6,161	4,506	2,761
Total Current Liabilities	**307,438**	**218,544**	**142,049**
Total Liabilities	**321,208**	**230,875**	**153,320**
Total Equity and Liabilities	**492,434**	**359,506**	**278,032**

Statement of Cash Flows for the years ended 31 December 2022, 2021, and 2020

	2022	2021	2020
	₦'million	**₦'million**	**₦'million**
Cash flows for operating activities			
Profit before taxation	82,303	34,021	45,622
Adjustments for non-cash income and expenses:			
Depreciation of property, plant and equipment	9,732	9,272	7,699
Impairment of financial assets	(64)	(15)	431
Government grant	(65)	(75)	(81)
(Release)/provision of gratuity	-	(3)	121
(Profit)/loss on sale of assets	(175)	16	(7)
PPE Cost written off less depreciation written off	-	7	457
PPE Cost impaired less depreciation impaired	-	7	-
Interest income	(6,379)	(1,419)	(685)
Interest expense (lease payments and bank loan)	242	321	340
Exchange loss	-	212	422
Fair value gain on biological assets	(3,315)	(212)	(2,417)
Changes in working capital			
(Increase)/decrease in Inventory	11,736	7,001	(24,137)
Net usage of biological assets	1,028	19	24
(Increase)/decrease in trade and other receivables	(57,216)	12,920	(29,712)
(Increase)/decrease in other assets	(166)	(92)	29
Increase in other liabilities	1,656	1,744	935
Increase in trade payables	75,735	65,851	72,376
Cash generated from operations	**115,052**	**129,575**	**71,417**
Tax paid	(9,661)	(1,547)	(11,085)
Gratuity paid	(4)	(202)	(132)
Net cash generated from operating activities	**105,387**	**127,826**	**60,200**
Cash flows from investing activities			
Purchase of property, plant and equipment	(26,151)	(51,347)	(26,860)
Proceeds on disposal of property, plant and equipment	203	56	7
Interest received	6,379	1,419	685
Net cash used in investing activities	**(19,569)**	**(49,872)**	**(26,168)**
Cash flows from financing activities			
Dividends paid	(12,147)	(18,220)	(13,200)
Refund of gratuity	-	1	-
Unclaimed dividend received	39	88	265
Interest paid	(64)	(64)	(95)
Lease Liabilities paid - Interest	(114)	(183)	(164)
Lease Liabilities paid - Principal	(1,410)	(1,158)	(342)
Repayment of borrowings	(274)	(268)	(247)
Net cash used in financing activities	**(13,970)**	**(19,804)**	**(13,783)**
Net increase in cash and cash equivalents	**71,848**	**58,150**	**20,249**
Cash and cash equivalents at beginning of year	103,010	44,860	24,611
Cash and cash equivalents at end of the year	**174,858**	**103,010**	**44,860**

CORPORATES

MOODY'S INVESTORS SERVICE

CREDIT OPINION
20 December 2023

Update

Send Your Feedback

RATINGS

Dangote Sugar Refinery Plc

Domicile	Lagos, Nigeria
Long Term Rating	Caa1
Type	LT Corporate Family Ratings
Outlook	Positive

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Iker Ballestero Barrutia, CFA +971.4.237.9521
Analyst
iker.barrutia@moodys.com

Rehan Akbar, CFA +971.4.237.9565
Senior Vice President
rehan.akbar@moodys.com

Mikhail Shain, CFA +971.4.237.9576
Associate Analyst
mikhail.shain@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Dangote Sugar Refinery Plc

Update of Key Credit Factors Following Sovereign Rating Action

Summary

On 15 December 2023, we changed the outlook of Dangote Sugar Refinery Plc's (DSR or the company) to positive from stable and affirmed the corporate family rating (CFR) at Caa1. The rating action directly followed the rating affirmation of the Government of Nigeria Caa1 long term issuer rating and change of outlook to positive from stable. The company's national scale rating (NSR) has also been affirmed at Baa3.ng. DSR's Caa1 CFR remains constrained by DSR's operational exposure to Nigeria's macroeconomic, political, legal, fiscal and regulatory environment with all its operations, cash flows and assets located in Nigeria.

DSR's ratings factor in the company's robust financial profile, which factors (1) the company's strong credit profile with Moody's adjusted leverage measured by Moody's adjusted debt/EBITDA below 2.0x in 2024 and 2025 and operating margins around 20% on average for the last five years; (2) projected adequate Moody's adjusted interest coverage measured as Moody's adjusted EBITA/Interest expense maintained above 5x; (3) the positive industry fundamentals supported by government regulation and Nigeria's demographic and societal trends; and (4) DSR's market positioning as Nigeria's largest manufacturer and seller of refined sugar.

Conversely, the rating reflects DSR's (1) comparable scale of sugar refining production with the largest sugar refineries in the USA and Europe; (2) exposure to commodity price risk volatility through raw material imports of sugar due to foreign currency exchange risks already captured in Nigeria's foreign currency ceiling; (3) high reliance on letters of credit of NGN407 billion as of 30 September 2023, which are interest bearing and used for hard currency working capital financing; and (4) a degree of execution risks as the company embarks in its BIP projects, with a particular focus in the Nasarawa State greenfield project, although the Dangote Group has experience and expertise in BIP project execution.

This report was republished on 8 January 2024 with the outlook corrected to positive in the ratings section of the front page.

BANWO & IGHODALO

February 6, 2024

Stanbic IBTC Capital Limited
I.B.T.C Place, Walter Carrington Crescent
Victoria Island
Lagos, Nigeria

Absa Capital Markets Nigeria Limited
Absa, 1 Murtala Muhammed Drive
Ikoyi
Lagos

Greenwich Merchant Bank Limited
1698A Oyin Jolayemi Street
Victoria Island
Lagos

Dear *Sirs*,

RE: ESTABLISHMENT OF A NGN 150,000,000,000 (ONE HUNDRED AND FIFTY BILLION NAIRA) COMMERCIAL PAPER PROGRAMME BY DANGOTE SUGAR REFINERY PLC

1. INTRODUCTION

1.1. Basis of Instructions

We have acted as Transaction Counsel in connection with: (a) the establishment of a ₦150,000,000,000 (One Hundred and Fifty Billion Naira) domestic commercial paper issuance programme (the "**Programme**") by Dangote Sugar Refinery Plc (the "**Issuer**") (the "**Transaction**"); and (b) the preparation, review, negotiation, execution and delivery of the documents listed in paragraphs 1.2.2 below (collectively, the "**Transaction Documents**").

This opinion is rendered pursuant to Clause 8.1 of the Issuing and Placing Agency Agreement dated February 6, 2024 entered into by and between the Issuer and Stanbic IBTC Capital Limited, Absa Capital Markets Nigeria Limited, and Greenwich Merchant Bank Limited (the "**Issuing and Placing Agents**") (the "**IPA Agreement**").

Words and expressions used in this opinion and not otherwise defined herein shall have the meanings attributed to same in the programme memorandum for the Transaction dated February 6,

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2024 (the "**Programme Memorandum**").

1.2. <u>Documents</u>

1.2.1 In rendering this legal opinion, we have reviewed the Programme Memorandum which incorporates the pro forma Pricing Supplement (that sets out the terms and conditions applicable to any series or tranche of Notes that will be issued under the Transaction);

1.2.2 We have prepared the following documents in connection with the Transaction and confirm that same will be valid upon their due execution in their forms as of the date of this opinion:

(a) The Collecting and Paying Agency Agreement dated February 6, 2024 and entered into between the Issuer and Stanbic IBTC Bank Limited and Greenwich Merchant Bank Limited acting as Collecting, and Paying Agents (the "**Agents**")(the "**CPA Agreement**");

(b) The IPA Agreement; and

(c) The Deed of Covenant dated February 6, 2024 and entered into as a deed poll by the Issuer in favour of the Noteholders (the "**Deed of Covenant**").

1.2.3 We have examined the following corporate documents of the Issuer:

(a) a certified true copy of the Certificate of Incorporation of the Issuer dated November 8, 2019 confirming that the Issuer was incorporated on January 4, 2005 as a public liability company with the name "Dangote Sugar Refinery Plc" and company registration number 613748.

(b) a copy of the Memorandum and Articles of Association of the Issuer certified as a true copy of the original by the Corporate Affairs Commission ("**CAC**") on February 10, 2023 ("**MemArts**");

(c) a copy of the status report of the Issuer certified as an extract by the CAC on August 15, 2023;

(d) a copy of the resolution of board of directors of the Issuer dated December 14, 2023 authorising the establishment of the Programme and the issuance of Notes in series and execution of the Transaction Documents; and

(e) such other documents and records as we have deemed necessary in order for us

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to render this opinion.

1.2.4 We have further reviewed the Issuer's material contracts as set out in Schedule 1 of this Opinion.

1.3. Assumptions

For the purpose of this opinion, we have assumed, without our own independent verification, each of the following:

(a) the authenticity or genuineness of all seals and signatures on all documents and the completeness and conformity to original documents of all copies of the documents made available to us in physical or electronic form and that any document submitted to us continues in full force and effect;

(b) save for contracts provided to us for review as set out in Schedule 1 and in respect of which we have satisfied ourselves that there are no contractual restrictions, there are no contractual or similar restrictions binding on the Issuer which has not being complied with by the Issuer and which would affect the conclusions arrived at in this opinion or the affect the Issuer's ability to establish the Programme and to issue the Notes and there are no contractual or similar restrictions contained in any agreement or arrangement (other than those in the Transaction Documents) that are binding on any party to such Transaction Document which would affect the opinions expressed herein;

(c) each of the material contracts we reviewed, set out in the schedule to this Opinion:

i. where same is supplied as a copy, conforms in all respects with its original version;

ii. is complete and authentic;

iii. is in full force and effect, incorporates all amendments that have been made to it, and has not been terminated; and

iv. has been validly executed and is valid and binding on each of the parties to it and each of the parties has complied and continues to comply (to the extent that same is still in force), with the relevant provisions of such document.

(d) that the Board of Directors' resolution referred to in paragraph 1.2.3 (d) was duly passed by the Directors concerned in good faith and in the interests of the Issuer and remains in full force and effect without modification;

BANWO & IGHODALO

(e) that the Board of Directors' resolution referred to in paragraph 1.2.3 (d) is for all intents and purposes, and in respect of the Issuer, an authorisation of the Transaction;

(f) other than the Issuer, each person which is expressed to be party to the Transaction Documents:

   (i) is duly incorporated and is validly existing;

   (ii) is not the subject of any insolvency proceedings (which includes without limitation, those relating to bankruptcy, liquidation, administration, administrative receivership and reorganisation) in any jurisdiction;

   (iii) has the capacity to execute each Transaction Document to which it is expressed to be a party and to perform the obligations it is expressed to assume under it;

   (iv) has taken all necessary corporate action to authorise it to execute each Transaction Document to which it is expressed to be a party and to perform the obligations it is expressed to assume under it; and

   (v) has duly executed each Transaction Document to which it is expressed to be a party.

(g) the accuracy of all the representations and warranties as to factual matters contained in, and made by the Issuer under, the Transaction Documents;

(h) there are no other facts relevant to this opinion that are not contained in the documents referred to in paragraph 1.2 (*Documents*);

(i) the lack of bad faith and absence of fraud, coercion, duress or undue influence on the part of any of the parties to the Transaction Documents, their respective directors, officers, employees, agents and advisers and none of the Parties to the Transaction Documents has executed same on the basis of mistake of fact or law or believing it to be fundamentally different in substance or in kind;

(j) no Notes will be issued with a tenor of more than Two Hundred and Seventy (270) days (inclusive of any rollover); and

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(k) that there is no other information known to the Issuer which has not been disclosed to us which would affect the opinions expressed below.

1.4. Scope and Purpose of the Opinion

(a) This opinion is given on the basis of the assumptions set out in paragraph 1.3 (*Assumptions*) above and is subject to the qualifications set out in paragraph 3 (*Qualifications*) below.

(b) This opinion is confined to matters of Nigerian law and the affairs of the Issuer as at the date hereof and we have no duty to keep you informed of subsequent developments which might affect this opinion.

(c) We express no opinion and have taken no account of the laws of any jurisdiction other than Nigeria.

(d) We express no opinion on matters of fact.

(e) Our opinion is limited to the matters expressly stated in paragraph 2 (*Opinion*) below and it is not extended by implication. In particular, we express no opinion on the accuracy of the assumptions contained in paragraph 1.3 (*Assumptions*). A statement in the said paragraph which has the effect of limiting our opinion is independent of any other statement and is not to be impliedly restricted by it. As far as we are aware, none of our assumptions are incorrect.

2. OPINION

Based on the foregoing, and having regard to such legal considerations as we deem relevant, we opine as follows:

2.1 Status, Power and Authority, Legal Validity

2.1.1 The Issuer: (a) is a public limited liability company, duly incorporated under the laws of the Federal Republic of Nigeria (“**Nigeria**”); (b) is validly existing and duly authorised to carry on its business as currently conducted, under the laws of Nigeria; (c) has the capacity and power to issue the Notes, enter into the Transaction Documents to which it is a party and to exercise its rights and perform its obligations thereunder; and (d) has perpetual corporate existence and the capacity to sue and be sued in its own name.

2.1.2 All corporate actions required to authorise the establishment of the Programme, the issuance of the Notes, the execution by the Issuer of the Transaction Documents to which it

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is a party, the exercise by the Issuer of its rights and the performance by it of its obligations under the Notes and the Transaction Documents have been duly taken.

2.1.3 The Transaction Documents and the Notes (when issued) constitute valid, legal, binding and enforceable obligations of the Issuer and are enforceable against it in accordance with their terms.

2.1.4 The issuance of the Notes in dematerialised form is valid and legal under the laws of Nigeria.

2.1.5 The obligations expressed to be assumed by the Issuer under the Notes and the Transaction Documents to which it is a party constitute its legal, valid, binding and enforceable obligations and are enforceable against the Issuer in accordance with their terms.

2.1.6 The holders of the Notes shall be entitled, severally to enforce the Deed of Covenant.

2.2 <u>Insolvency</u>

To the best of our knowledge, the Issuer is not in liquidation, administration, receivership or administrative receivership; and no winding-up petition, dissolution or similar procedure has been presented against the Issuer. Subject to insolvency laws generally applicable to Nigerian companies, if insolvency proceedings involving the Issuer were to be instituted, the obligations of the Issuer under the Transaction Documents will remain valid, binding and enforceable.

2.3 <u>Immunity</u>

Neither the Issuer, nor any of its assets, is entitled to any right of immunity on the grounds of sovereignty or otherwise from any legal action or proceeding that may be brought in Nigerian courts arising out of or relating to the Transaction Documents (which shall include, without limitation, suit, attachment, judgment, execution or other legal process).

2.4 <u>Due Execution</u>

The Transaction Documents to which the Issuer is a party will be duly executed by the Issuer.

2.5 <u>No Conflict and Compliance with Laws</u>

2.5.1 The issuance of the Notes, the execution and the delivery of the Transaction Documents and/or performance of the obligations of the Issuer under the Transaction Documents do not conflict with or will not conflict with:

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(a) any term of the MemArts;

(b) to the best of our knowledge any instrument binding on it or its assets or constitute a default or termination event (however described) under any such instrument, or

(c) any present law or regulation in Nigeria and applying generally to companies or the issuance of commercial papers.

2.5.2 Specifically, the Notes will be issued and the Transaction Documents have been executed and delivered in compliance with the Guidelines on the Issuance and Treatment of Bankers Acceptances and Commercial Papers issued by the Central Bank of Nigeria (the "**CBN**") on September 11, 2019, the CBN Circular of July 12, 2016 on Mandatory Registration and Listing of Commercial Papers, and the FMDQ Rules.

2.6 Registration of the Notes

Save for the registration of the Notes with a registered Central Securities Depository (the "**CSD**"), which shall serve as the custodian of the Notes and the registration of the Notes on the FMDQ Securities Exchange Limited for quotation, the Notes are not required to be registered under the Investments and Securities Act No. 29 of 2007 ("**ISA**") (as amended). Section 313(1)(h) of the ISA provides that the Securities and Exchange Commission ("**SEC**") may, from time to time, make rules and regulations for the purpose of giving effect to the ISA and may, in particular, make rules and regulations, among other things, prescribing that the provisions of the ISA shall not apply or shall apply with such modifications, if any, as may be specified in the regulations to any person or any securities or to any transaction. Rule 8 of the Rules and Regulation of the SEC, 2013 (as amended) (the "**SEC Rules**") provides that the provisions of the ISA and the SEC Rules requiring registration shall not apply to, among other things, any note, bill of exchange or banker's acceptance which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions and which has a maturity, at the time of issuance, not exceeding nine (9) months exclusive of days of grace, or the maturity of which is likewise limited. This means that commercial papers (such as the Notes) which have a maturity of two hundred and seventy (270) days or less are not required to be registered with the SEC.

2.7 Regulatory Approvals

Save as provided in paragraph 2.8 (*Stamp Taxes*) of this opinion, under Nigerian law it is not necessary that the Notes or the Transaction Documents be filed, recorded, registered or enrolled with any court or other governmental or regulatory authority or other public body, or that any consent, approval or authorisation be obtained from any such governmental or regulatory authority (including the SEC), by the Issuer to ensure their legality, enforceability, validity or admissibility in evidence or

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to enable the Issuer lawfully enter into, exercise its rights or perform its obligations under the Notes and the Transaction Documents to which it is a party.

2.8 Stamp Taxes

2.8.1 Section 22(4) of the Stamp Duties Act, Cap S8 Laws of the Federation of Nigeria ("**LFN**") 2004 ("**Stamp Duties Act**") as amended[1] requires instruments executed in Nigeria, or relating, wheresoever executed, to any property situate or to any matter or thing done or to be done in Nigeria to be stamped and appropriate stamp duty paid in respect of the said instrument, in order for same to be admissible in evidence before Nigerian courts and to be enforceable by the said courts. Stamp duty is payable in Nigeria either at a flat rate or an *ad valorem* rate. Thus, the Transaction Documents will be liable to stamp duty; and are required to be stamped within forty (40) days from the date they are first executed or if such Transaction Document is subject to ad valorem rate within thirty (30) days after they are first executed or have been received in Nigeria (including electronic documents), if executed outside Nigeria.

2.8.2 Historically, each of the Transaction Documents attracted a nominal stamp duty of ₦500.00 (Five Hundred Naira) for the original and ₦50.00 (Fifty Naira) for each counterpart. The Transaction Documents will be assessed and stamped at the prevailing stamp duties rate as of the time of stamping.

2.8.3 The Notes will be issued in a dematerialised form and as book entries in the register of the CSD. Historically, the Notes did not attract stamp duty, as it was not in certificated form and therefore did not qualify as "instruments" as previously defined under the Stamp Duties Act. However, the Finance Act, 2019 has amended the definition of "instruments" in the stamp duties Act to include "electronic instruments", as such it is not clear whether the electronic form of the dematerialised Notes will qualify as "electronic instruments" within the context of the Finance Act thereby attracting stamp duties. Where the Federal Inland Revenue Service is of the opinion that the Notes qualify as "electronic instruments", The Notes may attract stamp duty at a rate of 0.1% flat.

2.8.4 Save for the payment of the aforementioned stamp duty which is assessed and payable in respect of the Transaction Documents (other than the Programme Memorandum and/or Pricing Supplement) and the Notes (where so assessed as noted in paragraph 2.8.3 above), to the Commissioner for Stamp Duties, no other stamp duty is payable, and no filing or registration is required in Nigeria in connection with the execution, delivery, performance, enforcement of any of the Notes or the Transaction Documents.

[1] The Finance Acts 2019, 2020, 2021 and 2023 amended the Stamp Duties Act, amongst other tax legislations.

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2.9 Withholding Tax

Under Nigerian law, interest payments on debt obligations are subject to withholding tax. Section 78 of the Companies Income Tax Act Cap C21, LFN 2004 (as amended) and section 70 of the Personal Income Tax Act, Cap P8, LFN 2004 (as amended), require companies to withhold tax on interest payments.

Given that the Notes will not bear interest[2], the Issuer is not required by any law or regulation or any relevant taxing authority in Nigeria to make any withholding or deduction from any payment due to the Noteholders under the Notes or any Transaction Document to which the Issuer is a party. However, the discount on the Notes may be construed as income and taxed in accordance with applicable Nigerian tax laws. In addition, the Finance Act 2019 provides that any expense incurred in deriving tax-exempt income would not be deductible for the purpose of arriving at taxable profit. Thus, where payments to Noteholders under the Notes are treated as tax-exempt, any expense incurred by the Noteholder in receiving such payments shall not be tax deductible.

The section entitled "Tax Considerations" in the Programme Memorandum is a fair summary of Nigerian law applicable to such Notes and Transaction Documents.

2.10 Capital Gains Tax

There is currently capital gains tax on the disposal of debt instruments that are not issued by the Government of Nigeria. The Capital Gains Tax Act, Chapter C1 LFN 2004 (as amended by the Finance Acts of 2019, 2020, 2021 and 2023) ("CGT Act") provides that any gain paid, used or enjoyed in or in any manner or form transmitted or brought to Nigeria shall be treated as being derived from Nigeria for the purposes of the CGT Act. Gains realised by Noteholders that are not resident in Nigeria from the disposal, sale, exchange or transfer of the Notes will not be subject to capital gains tax. In the case of an individual who is in Nigeria for a temporary purpose only and does not have any view or intent to establish his residence in Nigeria, such gain will be subject to capital gains tax at the rate of 10 per cent if the period or sum of the periods for which he is present in Nigeria in that year of assessment exceeds 182 (one hundred and eighty-two) days.

2.11 Foreign Exchange Control

2.11.1 Pursuant to Section 15 of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act Cap F34 LFN 2004, any person may invest in a Nigerian enterprise with foreign currency imported into Nigeria through an authorised dealer (usually a Nigerian bank licensed to deal

[2] Save for default interest payable on late payments.

in foreign exchange). The relevant authorised dealer is then required to issue an electronic Certificate of Capital Importation ("e-CCI"), evincing receipt of such investment capital within twenty-four (24) hours of receipt of imported funds. Foreign currency imported into Nigeria and evidenced by a CCI is guaranteed unconditional transferability or remittance of both capital and profit through an authorised dealer in freely convertible currency.

2.11.2 Non-residents who bring funds into Nigeria through an authorised dealer for the purpose of purchasing the Notes and obtain e-CCIs can, upon maturity or liquidation of their investments, fully repatriate the proceeds of said investments, upon presentation of their e-CCIs to the relevant authorised dealer. The Issuer shall not be responsible for the repatriation of the funds brought into Nigeria by Noteholders for the purpose of purchasing the Notes.

2.11.3 Save for the foregoing, there are no foreign exchange control consents, licenses or approvals that are required for the entry into and performance by the Issuer of its obligations under the Transaction Documents or the Notes.

2.12 <u>Pari passu ranking</u>

The Notes are unsecured and no security interests have been created in favour of the Noteholders by any Transaction Documents. The obligations of the Issuer under the Transaction Documents to which it is a party and the Notes (when issued) will rank at least pari passu with all present and future unsecured and unsubordinated obligations of the Issuer, other than those claims which are preferred by any bankruptcy, insolvency, liquidation or other similar laws of general application.

2.13 <u>Domicile/license to carry on business</u>

It is not necessary under the laws of Nigeria (i) in order to enable Noteholders to enforce their respective rights under the Notes, or (ii) by reason only of the holding of the Notes, that any of the Noteholders should be licensed, qualified or entitled to carry on business in Nigeria or prior to enforcement, be required to comply with any requirement as to foreign registration or qualification in Nigeria or be required to make any filing with any court or other agency in the Federal Republic of Nigeria, prior to the commencement of any enforcement action under the Transaction Documents (including the Notes). Noteholders that are not resident or domiciled in Nigeria will not be deemed to be resident, domiciled or carrying on business by reason only of their holding of the Notes.

The due performance by any party of any of its rights, duties, obligations or representations under the Transaction Documents (including the Notes), subject to complying with applicable Nigerian securities law, the CBN Guidelines, the CBN Circulars and the FMDQ Commercial Paper Registration and Quotation Rules dated October 2023 ("**FMDQ Rules**"), will not violate any existing

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applicable law or regulation in the Federal Republic of Nigeria (subject to the requirements of such party's constitutional documents (other than the Issuer)).

2.14 **Choice of Law and Jurisdiction**

The choice of Nigerian Law as the governing law of the Transaction Documents is a valid choice of law and a Nigerian court or arbitral tribunal will apply same to give effect to the provisions of the Transaction Documents.

2.15 **Dispute Resolution**

The submission to arbitration by the parties under the IPA Agreement and the CPA Agreement is permitted under the laws of Nigeria and an arbitral award rendered by a recognised arbitral tribunal would be enforced by the courts of Nigeria as a legal, valid and binding submission to arbitration subject to the provisions of the Arbitration and Mediation Act, 2023.

3. **QUALIFICATIONS**

This opinion is subject to the following qualifications and limitations:

(a) The validity and enforceability of rights and remedies under the Transaction Documents may be subject to limitations imposed by applicable Nigerian bankruptcy, insolvency, reorganisation, administration, moratorium, limitation, prescription and time-bar or other laws affecting the rights of creditors in general and to any provision generally applicable under Nigerian law regarding the invalidation or revision of unfair contract terms. In particular, equitable remedies such as injunctions and specific performance are discretionary and are not generally available in circumstances where damages are considered by the courts in Nigeria to be an adequate remedy.

(b) This opinion relates only to the laws of Nigeria as of the date first written above and as will likely be applied by Nigerian courts; and is given on the basis that it will be governed by and construed according to the said laws of Nigeria.

(c) Save to the extent outlined in paragraphs 2.8 and 2.9 above, we express no opinion as to the tax treatment or consequences of the Transaction Documents or the transactions contemplated therein.

(d) This opinion is expressly limited to the matters set forth above and we render no opinion whether by implication or otherwise as to any other matters.

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(e) We assume no obligation to update or supplement any opinion contained herein to reflect any fact or circumstance that may hereafter come to our attention or any changes in law that may hereafter occur or become effective.

4. BENEFIT

This opinion is provided in connection with the satisfaction of the conditions precedent under the IPA Agreement and is given solely for the benefit of the Issuing and Placing Agents in connection with the Transaction and cannot be relied upon or disclosed by any Issuing and Placing Agent for any other purpose or relied upon by any other person without our prior written consent, save that our opinion may be disclosed without such consent (provided that in doing so it is acknowledged in writing that we do not owe any duty, nor assume any liability to any such person in relation to it and that in preparing this opinion we only had regard to the interests of the Issuing and Placing Agents):

(a) to any persons seeking to invest in the Notes;

(b) to professional advisers in connection with the Transaction;

(c) to any additional issuing and placing agent appointed under the Transaction;

(d) to any person to whom disclosure is required to be made by applicable law or court order or arbitral award or pursuant to the rules or regulations of any supervisory or regulatory body, or the rules of any applicable securities exchange or any rating agency or in connection with any judicial or arbitral proceedings;

(e) to the affiliates, officers, employees, auditors, regulators and professional advisers of the Issuing and Placing Agents;

(f) in connection with any actual or potential dispute or claim to which the Issuing and Placing Agents are a party in relation to the Transaction;

on the basis that such disclosure is made solely to enable any such person to be informed that an opinion has been given and to be made aware of its terms but not for the purposes of reliance.

Yours faithfully,

AZEEZAH MUSE-SADIQ
PARTNER
BANWO & IGHODALO

Authorisation

The establishment of this CP Programme and the issuance of Notes thereunder was approved by the resolution of the Board of Directors Dangote Sugar Refinery PLC dated 14 December 2023.

Going Concern

The Directors have made an assessment of the Issuer's ability to continue as a going concern and have no reason to believe the Issuer will not remain a going concern in the year ahead. If any event occurs as a result of which the above statement is no longer true and accurate, the Issuer will give notice thereof to the Noteholders in accordance with Condition 9.

Auditors

PricewaterhouseCoopers acted as auditors of the annual financial statements of the Issuer for the financial years ended 31 December 2022, 2021, and 2020. The Auditors have in respect of those years for which they were responsible for the audit, issued unqualified reports.

Litigation

There is no litigation, arbitration, administration or other proceedings or other investigations pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer, which in any case could reasonably be expected to be a Material Adverse change on the ability of the Issuer to perform its obligations under this Agreement, the other Transaction Documents and the transactions contemplated thereunder.

Material Contracts

The following agreements have been entered into and are considered material to this Programme:

i. The Collecting and Paying Agency Agreement dated 06 February 2024 executed by the Issuer and the Collecting and Paying Agent.; and

ii. The Issuing and Placing Agency Agreement dated 06 February 2024 executed by the Issuer and the Arranger/Issuing & Placing Agents

iii. the Deed of Covenant dated 06 February 2024 executed by the Issuer as a deed poll in favour of the Noteholders; and

Other material contracts in respect of any issuance of Notes under the Programme will be disclosed in the Applicable Pricing Supplement issued in respect of that Series or Tranche.

Ultimate Borrower

The Issuer is the borrower in respect of the Notes.

ISSUER

Dangote Sugar Refinery Plc
Registered Office:
Greenview Development Nig. Ltd. Building
Apapa Port Complex
Apapa
Lagos Nigeria
Tel No: +234 (0) 815 098 3259
Contact: Oscar Mbeche

Ravindra Singhvi

LEAD ARRANGER

Stanbic IBTC Capital Limited
Registered Office
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island
Lagos Nigeria
Tel No: +234 (0) 1 422 8163
Contact: Tokunbo Aturamu

Oladele Sotubo (Feb 8, 2024 14:07 GMT+1)

Oladele Sotubo

JOINT ARRANGERS

Absa Capital Markets Nigeria Limited
Registered Office:
1, Murtala Muhammed Drive
Ikoyi
Lagos Nigeria
Tel No: +234 (0) 1 700 0275
Contact: Bayo Adeyemi

Bayo Adeyemi

Greenwich Merchant Bank Limited
Registered Office:
Plot 1698A Oyin Jolayemi Street
Victoria Island
Lagos Nigeria
Tel No: +234 (0) 1 637 0000
Contact: Kenneth Ero

Benson Ogundeji

AUDITORS TO THE ISSUER

PricewaterhouseCoopers Chartered Accountants
Registered Office:
Landmark Towers
Plot 5B, Water Corporation Road
Victoria Island
Lagos Nigeria
Tel No: +234 (0) 1 271 1700
Contact: Yinka Yusuf

LEGAL COUNSEL

Banwo & Ighodalo
Registered Office:
48 Awolowo Road
South-West Ikoyi
Lagos Nigeria
Tel No: +234 (0) 906 000 3561-2
Contact: Azeezah Muse-Sadiq

Azeezah Muse-Sadiq

COLLECTING AND PAYING AGENTS

Wole Adeniyi
Wole Adeniyi (Feb 9, 2024 01:45 GMT+1)

Stanbic IBTC Bank Limited
Registered Office:
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island
Lagos
Nigeria
Tel No: +234 (0) 1 422 7338
Contact: Folake Ademiluyi

Greenwich Merchant Bank Limited
Registered Office:
Plot 1698A Oyin Jolayemi Street
Victoria Island
Lagos
Nigeria
Tel No: +234 (0) 1 637 0000
Contact: Kenneth Ero

Benson Ogundeji