



Earnings Update: DANGOTE SUGAR REFINERY. (Ticker: DANGSUG)

Increase in Finance Cost Impacts Bottomline Negatively....

THINGS WE LIKE ABOUT THE RESULT

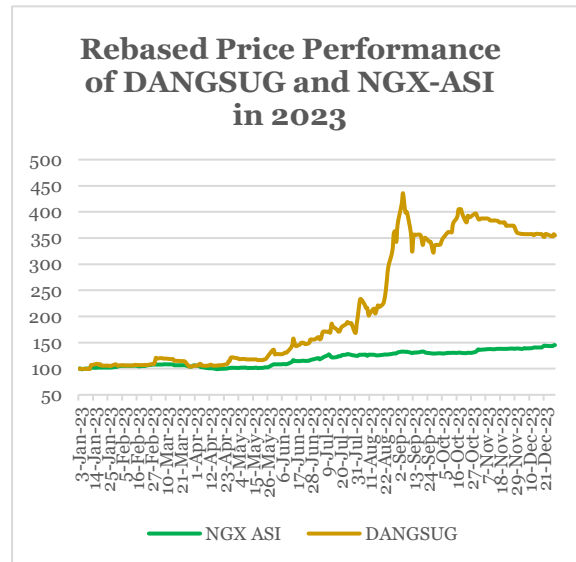
1. Revenue grew by 9.47% YoY to ₦441.5 billion from the ₦403.2 billion recorded in FY-2022.
2. Increase in property, plant and equipment by 5.91% YoY to ₦167.1 billion from ₦157.8 billion in FY-2022.

THINGS WE DON'T LIKE ABOUT THE RESULT

1. Gross profit fell by 6.15%.
2. Huge fall in Profit for the year by 234.74% to a loss of ₦73.8 billion in 2023.
3. Profit before tax fell by over 200%.
4. Finance cost surged to ₦201.7 billion in FY-2023 from ₦9.8 billion recorded in year 2022.
5. Increase in administrative expenses by 28.81%.

Kindly click [here](#) for the full financial statement.

TICKER	DANGSUG
Price (₦) at 4 TH March 2024	59.00
Shares Outstanding	12,146,878,240.00
52 Weeks High (₦)	89.50
52 Weeks Low (₦)	16.50
Market Cap	716,665.82m
Price-to-Book	4.73
EPS	-0.31
RSA 14	37.58
MACD	-2.34

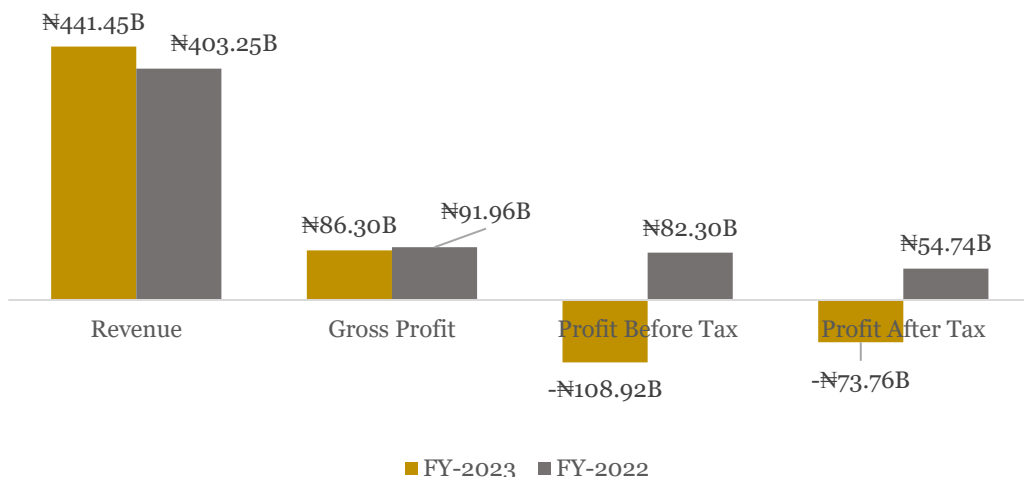


Source: investing.com, Parthian Securities Research



INCOME STATEMENT	FY-2023 (₦'000)	FY-2022 (₦'000)	Change (%)
Revenue	441,452,953	403,245,988	9.47%
Cost of sales	(355,149,111)	(311,282,950)	14.09%
Gross profit	86,303,842	91,963,038	-6.15%
Other income	1,233,279	1,435,482	-14.09%
Administrative expenses	(13,280,725)	(10,310,342)	28.81%
Operating profit	72,685,612	82,410,307	-11.80%
Finance income	10,559,617	6,379,475	65.52%
Finance cost	(201,663,325)	(9,802,295)	1957.31%
Finance costs - net	(191,103,708)	(3,422,820)	5483.22%
Change in fair value of biological assets	9,495,990	3,315,333	186.43%
(Loss)/profit before tax	(108,922,106)	82,302,820	-232.34%
Taxation	35,161,798	(27,560,685)	-227.58%
(Loss)/profit for the year	(73,760,308)	54,742,135	-234.74%
STATEMENT OF FINANCIAL POSITION	FY 2023 (₦'000)	FY 2022 (₦'000)	Change (%)
Property, plant and equipment	167,082,811	157,761,632	5.91%
Total non-current assets	200,228,105	157,761,632	26.92%
Inventories	47,916,853	44,264,068	8.25%
Biological assets	14,464,427	6,942,660	108.34%
Trade and other receivables	131,804,186	107,434,891	22.68%
Cash and cash equivalents	204,762,703	174,858,294	17.10%
Total current assets	400,561,819	334,672,734	19.69%
Total assets	600,789,924	492,434,366	22.00%
Retained earnings	66,882,222	158,845,239	-57.89%
Total Equity	79,245,787	171,226,412	-53.72%
Total Non-Current Liabilities	330,057	13,769,637	-97.60%
Other liabilities	17,792,296	6,161,493	188.77%
Total current liabilities	521,214,080	307,438,317	69.53%
Total liabilities	521,544,137	321,207,954	62.37%
Total equity and liabilities	600,789,924	492,434,366	22.00%
STATEMENT OF CASHFLOW	FY-2023 (₦'000)	FY-2022 (₦'000)	Change (%)
Net cash used in operating activities	60,930,993	105,419,732	-42.20%
Net cash used in investing activities	(8,955,277)	(19,569,259)	-54.24%
Net cash used in financing activities	(18,457,815)	(13,969,253)	32.13%

Key Financial Data





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