

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 516059

PAGE NO. : 1

MIRA INFORM REPORT

Report No. :	516059
Report Date :	23.06.2018

IDENTIFICATION DETAILS

Name :	DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES
Registered Office :	17, Mekunwen Street, Ikoyi, Lagos State
Country :	Nigeria
Date of Incorporation :	Not Available
Legal Form :	Private Limited
Line of Business :	Proposed Refinery Business
No. of Employees :	Above Twenty (20+)

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	C
------------------------	---

Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	Yet to commenced its business operation
Payment Behaviour :	Unknown
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 2

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Nigeria	B2	B2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

NIGERIA - ECONOMIC OVERVIEW

Nigeria is Sub Saharan Africa's largest economy and relies heavily on oil as its main source of foreign exchange earnings and government revenues. Following the 2008-09 global financial crises, the banking sector was effectively recapitalized and regulation enhanced. Since then, Nigeria's economic growth has been driven by growth in agriculture, telecommunications, and services. Economic diversification and strong growth have not translated into a significant decline in poverty levels; over 62% of Nigeria's over 180 million people still live in extreme poverty.

Despite its strong fundamentals, oil-rich Nigeria has been hobbled by inadequate power supply, lack of infrastructure, delays in the passage of legislative reforms, an inefficient property registration system, restrictive trade policies, an inconsistent regulatory environment, a slow and ineffective judicial system, unreliable dispute resolution mechanisms, insecurity, and pervasive corruption. Regulatory constraints and security risks have limited new investment in oil and natural gas, and Nigeria's oil production had been contracting every year since 2012 until a slight rebound in 2017.

President BUHARI, elected in March 2015, has established a cabinet of economic ministers that includes several technocrats, and he has announced plans to increase transparency, diversify the economy away from oil, and improve fiscal management, but has taken a primarily protectionist approach that favors domestic producers at the expense of consumers. President BUHARI ran on an anti-corruption platform, and has made some headway in alleviating corruption, such as implementation of a Treasury Single Account that allows the government to better manage its resources and a more transparent government payroll and personnel system that eliminated duplicate and "ghost workers." The government also is working to develop stronger public-private partnerships for roads, agriculture, and power.

Nigeria entered recession in 2016 as a result of lower oil prices and production, exacerbated by militant attacks on oil and gas infrastructure in the Niger Delta region, coupled with detrimental economic policies, including foreign exchange restrictions. GDP growth turned positive in 2017 as oil prices recovered and output stabilized.

Source : CIA

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 4

COMPANY NAME

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES {PRELIMINARY REPORT}

OPERATIONS

Proposed Refinery Business

COMPANY LOCATION

Subject is located at 17, Mekunwen Street, Ikoyi, Lagos State, Nigeria

IDENTIFICATION

COMPANY NAME:	DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES
FACTORY ADDRESS:	Lekki Free Trade Zone (LFTZ), Lekki Coastal Road, Ibeju-Lekki, Lagos State, Nigeria
HEAD OFFICE ADDRESS:	17, Mekunwen Street, Ikoyi, Lagos State, Nigeria
GROUP HEAD OFFICE:	Union Marble House, 1, Alfred Rewane Road, Ikoyi, Lagos
TELEPHONE:	+234 (1) 448-0815, 448-0816, +91-9967737197
FAX:	+234 (1) 463-0316, 271-2231
WEBSITE:	www.dangote-group.com (group)

SUMMARY

NATURE OF PREMISES:	Occupies space approximately 2000 square meters
STAFF STRENGTH:	Above Twenty (20+)
LEGAL FORM :	Private Limited

WE ARE YET TO OBTAIN THE COMPANY'S REGISTRATION DETAILS AS AT THE TIME OF COMPILING THIS REPORT. HOWEVER, WE HOPE TO UPDATE REPORT AS SOON AS WE RECEIVE DETAILS.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

BACKGROUND

Dangote Petroleum Refinery and Petrochemicals Free Zone Enterprises corporate head office is located at 17, Mekunwen Street, Ikoyi, Lagos State, Nigeria, while the factory is located at Lekki Free Trade Zone (LFTZ) by Idasho Bus Stop, Lekki Coastal Road, Ibeju-Lekki, Lagos State, Nigeria. The Group Head Office is located at Union Marble House, 1, Alfred Rewane Road, Ikoyi, Lagos. The company is yet to commence operations as construction works in preparation for commencement of operations are ongoing during our visit.

During our visit to Lekki Free Trade Zone (LFTZ), Lekki Coastal Road, Ibeju-Lekki, Lagos State, Nigeria on 21st June, 2018 for business verification on Dangote Petroleum Refinery and Petrochemicals Free Zone Enterprise, we met the security personnel, Mr. Suleiman who led us the security office where we met the Chief Security Officer, Mr. Danjuma who refused us access into the premises where construction was ongoing, rather he referred us to the company's Corporate Head Office at 17, Mekunwen Street, Ikoyi, Lagos State, stating that's where all letters or documents are received. He also refused to disclose any information stating that information should be obtained at their Corporate Head Office as the address visited is only a site. Meanwhile, we witnessed ongoing construction work at various stages on the site.

The company occupies a large area of land, well fenced with its security gates painted blue and white in a commercial environment. The facility is located besides Indomie Noodles in Lekki Free Trade Zone.

We proceeded to the Corporate Head Office at 17, Mekunwen Street, Ikoyi, Lagos State, Nigeria where it occupies an entire storey building painted ash, fenced with ash skeletal gate. We met the receptionist who confirmed that the address is their head office but referred us to the Group head office at Union Marble House, 1, Alfred Rewane Road, Ikoyi, Lagos on the basis that the contact person, Sani Alhaji Dangote, the Managing Director's office is located there. We therefore proceeded to Union Marble House, 1, Alfred Rewane Road, Ikoyi, Lagos State, Nigeria, which is an eight (8) storey building with cream marble, well fenced with skeletal gate. As at the time of our visit, we met the Front Desk Officer who directed us to the reception on the first floor of the building where we met the receptionist who in turn referred us to the mail office where our document was received and acknowledged with a promise to forward it to the relevant office for review and they will get back to us in due time.

At the Corporate Head Office, we sighted over twenty (20) staff and ten (10) staff at the Group Head Office.

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 6

Conclusion: Based on our visit to the site, the Corporate Head Office and the Group Head Office, discussion held with Mr. Danjuma, the Chief Security Officer at the site, contractors sighted working on the site, as well as business activities witnessed at both the Corporate Head Office and Group Head Office, we are of the opinion that work is in progress for Dangote Petroleum Refinery and Petrochemicals Free Zone Enterprises to commence full operations at the site. **As such, any business relationship with the company may likely be mutually beneficial. Though, we are yet to receive its registration details.**

Based on Secondary Source Information, the Central Bank of Nigeria has pledged it would facilitate access to foreign exchange for the construction of the \$14 billion Dangote Group's petrochemicals refinery and fertilizer plant in Lagos. This support comes at a time of scarcity in the forex market in Nigeria, due to the country's dwindling foreign reserves as a result of the slump in oil prices.

Dangote Group is currently building what is considered to be the single largest refinery in the world, capable of processing 650,000 barrels of oil per day. When completed, the refinery would make Nigeria self-sufficient in petroleum products and a net exporter to other countries in West Africa.

The fertilizer plant would be able to produce 2.8 million metric tonnes per annum of urea and ammonia.

Speaking during a tour of the complex in Lekki on Sunday, CBN Governor, Godwin Emefiele, said the apex bank would ensure that enough forex is available for the importation of equipment until the project is completed in 2018. "That is the kind of project we think we should support and we think that we need to encourage more Nigerians to begin to think like Aliko Dangote," Emefiele said.

"He will be selling \$6 billion to Nigerians in a year. So, in two and a half years, he would sell dollar to us even more than we will probably give to him. If he wants naira, we will give him naira at concessionary prices. If he wants dollar to import the equipment, we will give him," the Governor of the CBN stated.

Dangote said he embarked on the project to conserve Nigeria's foreign exchange and diversify her oil-dependent economy.

"Almost 38 per cent of CBN's foreign exchange is spent on importation of petroleum products. But we can serve the whole West African market," Dangote said. "The CBN will assist in terms of long-term funding through the banks and even directly now because they have actually helped us quite lot."

Due to declining oil prices, which have fallen by nearly 70 percent in the past 18 months, Nigeria's oil revenues have reduced by nearly 50 percent. The CBN has embarked on a strict foreign exchange regime to defend the weakening domestic currency and prevent its value from dropping.

In June last year, the apex bank banned the sale of foreign exchange for the importation of about 41 goods and services. This measure is to reduce high forex demand and manage the country's foreign reserves, which have also fallen. As of January 7, 2016, the reserves had fallen to \$28.93 billion.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 7

More recently, the CBN has imposed stringent measures on banks and bureau de changes which sell foreign exchange to businesses and individuals.

Africa's richest man Alhaji Aliko Dangote's quest to become a player in Nigeria's oil industry by developing an independent 400,000 barrels-per-day capacity refinery has gathered momentum, with Indian company Engineers India Limited (EIL) awarded a contract to provide consultancy, procurement and engineering services for the project.

The state-owned Indian firm will be required to provide project management consultancy (PMC) services, as well as engineering, procurement and construction management (EPCM) for the Nigerian refinery, Business Day reported.

"Under the agreement, EIL will provide project PMC and EPCM services for implementing a grassroots 400,000 barrels per day (20 million tons) refinery and 600,000 tons a year polypropylene plant," A K Purwaha, EIL's Chairman and Managing Director.

Last two years, the chairman and CEO of the Dangote Group, Aliko Dangote, made public his intention to delve into Nigeria's oil sector, stating plans to develop a multibillion oil refinery, a petrochemical plant and fertilizer plants in Nigeria, with the Ondo Free Trade Zone a primary target for locating the projects.

The refinery is expected to gulp over \$9 billion, and will double the country's total output of 445,000 barrels-per-day, currently produced by its four state-owned refineries. It is expected to become the largest indigenously owned refinery in Africa.

TYPES OF CUSTOMERS

- General Public

PERFORMANCE RANKING

- | | |
|--------------------------|--------------|
| * Quality of Management: | GOOD |
| * Ethics & Integrity: | GOOD |
| * Ownership Structure: | UNDETERMINED |

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

PHYSICAL VISIT

1. Company Premises

FINANCES

Subject Audited Accounts was not available as at the time of compiling this report. Therefore, company's financial status could not be ascertained.

INDUSTRIAL ENVIRONMENT OVERVIEW/ OPERATING

Subject is operating in an industry with very great potentials. This sector in Nigeria has a lot to explore when it comes to the need for expansion, improvement of product quality, work force development and general technical expertise. Mainly, private individuals dominate this sector. Despite the huge capital required for setting up this investment, it has grown in its leaps and bounds over the decades in the nation, although, the efforts of the Federal Government cannot be ruled out. The government has put in place different policies that support private individuals to secure loans/ mortgages from banks and other financial institutions. However, to record a groundbreaking in this sector, foreign investors are inevitable.

This sector of the economy has great potentials for intending investors.

CMT REPORT (CORRUPTION, MONEY LAUNDERING & TERRORISM)

Public Notice from various sources including but not limited to: The Courts, Nigerian Prison Service, Economic & Financial Crimes Commission (EFCC), National Drug Law Enforcement Agency (NDLEA), National Agency for Food & Drugs administration and Control (NAFDAC), Independent Corrupt Practices and Other Related Offences Commission (ICPC) Etc.

No negative information on subject from the above agencies as at the time of compiling this report.

REMARKS

Having carried out all necessary verification

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.



MIRA INFORM PRIVATE LIMITED
605, Palmspring, Near D'Mart, Link Road,
Malad (West), Mumbai - 400 064. INDIA
Tel : 91-22-40448000 (44 lines)
Fax : 91-22-40448045 / 40448046
E-mail : mira@mirainform.com
info@mirainform.com
Website : <http://www.mirainform.com>
<http://www.miraglobalcheck.com>
<http://www.miraglobalcollections.com>

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 9

s on the company, our investigations revealed that

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES

Corporate Head Office is located at 17, Mekunwen Street, Ikoyi, Lagos State,

Nigeria, while the factory is located at Lekki Free Trade Zone (LFTZ) by Idasho Bus Stop, Lekki

Coastal Road, Ibeju-Lekki, Lagos State, Nigeria and the Group Head Office is located at Union

Marble House, 1, Alfred Rewane Road, Ikoyi, Lagos State, Nigeria.

All information contained in the report is from secondary sources only.

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 10

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 67.77
UK Pound	1	INR 89.95
Euro	1	INR 78.85
NGN	1	INR 0.19

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	TRU

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

DANGOTE PETROLEUM REFINERY AND PETROCHEMICALS FREE ZONE ENTERPRISES - 51605

PAGE NO. : 11

RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)

DISCLAIMER : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.