BUA FOODS PLC
RC:621320

Annual report and financial statements
For the year ended 31 December 2024

BUA FOODS PLC

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For the year ended 31 December 2024
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BUA FOODS PLC

Annual report and financial statements
For the year ended 31 December 2024
Directors and professional advisers

BOARD OF DIRECTORS

Abdul Samad Rabiu CFR, CON: Chairman
Ayodele Musibau Abioye: Managing Director
Abdulrasheed Adebayo Olayiwola: Executive Director and Chief Financial Officer
Kabiru Isyaku Rabiu: Non-Executive Director
Chimaobi Kenneth Madukwe: Non-Executive Director
Rashid Ur Imran: Non-Executive Director
Finn Heyerdahl Arnoldsen: Non-Executive Director
Oluyemisi Lowo-Adesola: Independent Non-Executive Director

KEY MANAGEMENT TEAM

Ayodele Musibau Abioye - Managing Director
Abdulrasheed Adebayo Olayiwola - Executive Director and Chief Financial Officer
Isyaku Naziru Rabiu - Executive Director, BUA Foods HQ
Ashok Kumar – Division Director, Flour and Pasta Division
Godspower Sivwete – Division Director, Sugar Division
Adewunmi Desalu – Director, Marketing and Corporate Communications
Labaran Saidu Audu – Plant Director, LASUCO
Abdullahi Aminu – General Manager, Rice Division
Liman Alim- General Manager, Sales
Lawrence Alau – Director, Special Projects

COMPANY SECRETARY

Oluseye Olufunmilayo Alayande
32, Churchgate Street,
Victoria Island,
Lagos, Nigeria.

REGISTERED OFFICE

PC 32, Churchgate Street,
Victoria Island,
Lagos, Nigeria.
P.O.Box 70106 Victoria Island

PLANT LOCATIONS

Sugar Refinery Apapa
Terminal A,
Tin Can Island Port,
Tin Can Island Industrial Estate,
Apapa, Lagos

Oil Mills
No. 8 Akilo Street, off Oba Akran Avenue, Ikeja,
Lagos

Flour Mills Plants
BUA Foods Industrial Complex,
26 Nnamdi Azikiwe Road,
Port Harcourt,
Rivers State.

Pasta Factory Plant
BUA Foods Industrial Complex,
26 Nnamdi Azikiwe Road,
Port Harcourt,
Rivers State.

Rice Mill
Sharada Industrial Estate, Phase II,
Kano Kumbotso Local Government Area,
Kano State

BUA Sugar Refinery FZE
Bundu Free Trade Zone,
26 Nnamdi Azikiwe Road,
Port Harcourt,
Rivers State.

LASUCO Sugar Company Limited
1, Puta Road, Lafiagi,
Kwara State.

Flour Mills Plants II
Terminal B
Nigerian Ports Authority Complex Off Industry Road,
Port Harcourt, Rivers State.

INDEPENDENT AUDITOR
PricewaterhouseCoopers
Landmark Towers,
5B Water Corporation Road,
Victoria Island,
Lagos.

PRINCIPAL BANKERS

Access Bank Plc
Coronation Merchant Bank
Ecobank Nigeria Plc
FBNQuest Merchant Bank Limited
Fidelity Bank Plc
First Bank Nigeria Limited
First City Monument Bank Plc
Globus Bank Limited
Greenwich Merchant Bank
Guaranty Trust Bank Plc
Keystone Bank Limited
Nova Merchant Bank
Polaris Bank Plc
Providus Bank
Rand Merchant Bank
Stanbic IBTC Bank Limited
Standard Chartered Bank Nigeria Limited
Sterling Bank Plc
TAJ Bank Limited
Titan Trust Bank Limited
Union Bank of Nigeria Plc
United Bank For Africa Plc
Zenith Bank Plc

In compliance with the Companies and Allied Matters Act, 2020, the Directors of BUA Foods Plc ("the Group") are pleased to present to members of the Group, the audited financial statements for the year ended 31 December 2024.

Legal form

BUA Foods Plc ("BUA Foods" or the "Company") was formed in November 2021 following a scheme of restructuring under Section 711 of the Companies and Allied Matters Act involving BUA Sugar Refinery Limited, IRS Flour Mills Limited, IRS Pasta Limited, BUA Rice Limited, and BUA Oil Mills Limited, further to which BUA Sugar Refinery Limited (a private limited liability company, incorporated on 13 April 2005 and commenced business operations in September 2008) emerged as the surviving entity. As part of the restructuring, the name of the enlarged entity was changed to BUA Foods Plc with its operations reorganised into five business divisions: Sugar, Flour, Pasta, Rice and Edible Oils. In December 2021, the Company was converted into a public limited liability company. BUA Foods is affiliated with diverse group companies under the BUA brand that span the food and infrastructure sectors, and was listed in the Nigerian Exchange Group (NGX) on 5 January 2022.

Furthermore, by share transfer forms each dated 11 October 2021, the shareholders of BUA Sugar Refinery FZE and LASUCO Sugar Company Limited ("Subsidiaries") transferred all their shares to BUA Sugar Refinery Limited (now BUA Foods Plc) thereby making them wholly owned subsidiaries of the BUA Foods Plc.

Current operations and principal activities

The principal activities of the Group are processing, manufacturing, production and distribution of food materials such as sugar, flour, pasta, rice, and edible oils as well as packaged foods. These activities are conducted primarily in Nigeria.

RESULTS FOR THE YEAR ENDED

	Group		Company	
	31 December 2024 ₦'000	31 December 2023 ₦'000	31 December 2024 ₦'000	31 December 2023 ₦'000
Revenue from contracts with customer	1,527,919,069	729,443,355	1,199,156,623	490,118,670
Profit before income tax	284,322,997	108,123,930	281,517,622	108,084,596
Income and deferred tax (expense)/credit	(18,325,185)	3,973,565	(18,325,185)	3,973,565
Profit after tax	265,997,812	112,097,495	263,192,437	112,058,161

DIVIDEND DECLARATION

The Board of Directors ("the Board") recommends for the approval of shareholders a payment of N13 dividend per 1 ordinary share of 50 kobo each, out of the profits declared in the financial year ended 31 December 2024 (2023: N5.50k dividend per 1 ordinary share of 50 kobo each). If approved, dividends paid to shareholders will be subject to the deduction of withholding tax at the appropriate rate at the time of payment. The N5.50k dividend per 1 ordinary share of 50 kobo each, declared in 2023, was paid in 2024.

DIRECTORS

The names of the Directors at the date of this report and of those who held office during the year are as follows:

1. Abdul Samad Rabiu CFR, CON: Chairman
2. Ayodele Musibau Abioye: Managing Director
3. Abdulrasheed Adebayo Olayiwola: Executive Director and Chief Financial Officer
4. Kabiru Isyaku Rabiu: Non-Executive Director
5. Chimaobi Kenneth Madukwe: Non-Executive Director
6. Rashid Ur Imran: Non-Executive Director
7. Finn Heyerdahl Arnoldsen: Non-Executive Director
8. Oluyemisi Lowo-Adesola: Independent Non-Executive Director

DIRECTORS AND DIRECTORS' INTEREST

The direct and indirect interests of Directors in the issued share capital of the Company, as recorded in the Register of Directors' Shareholding and as notified by the Directors for complying with Section 301, of the Companies and Allied Matters Act, 2020.

Direct interest	**No of shares held (Units)**	**Shareholding (%)**
Alhaji Abdul Samad Rabiu CFR, CON	16,172,601,967	89.85
Kabiru Isyaku Rabiu	1,401,654	0.01
Chimaobi Kenneth	442,235	0.00
Ayodele Musibau Abioye	250,000	0.00
Abdulrasheed Adebayo Olayiwola	250,000	0.00
Finn Heyerdahl Arnoldsen	250,000	0.00
	16,175,195,856	89.86

Indirect interest	**Representing**	**No of shares held (Units)**	**Shareholding (%)**
Alhaji Abdul Samad Rabiu CFR, CON	BUA International Limited	683,372	0.00
	BUA Group Limited	971,475	0.01
	BUA Industries Limited	500,485,433	2.78
		502,140,280	2.79
		16,677,336,136	**92.65**

Shareholding structure showing range, total holders, percentage, and units as at 31 December 2024

Range of Shareholding	Number of Shares holders	Holder %	Holders Cumulative	Units	Units %	Units Cumulative
1-1,000	4,471	80.21%	4,471	548,152	0.00%	548,152
1,001-5,000	460	8.25%	4,931	1,113,894	0.01%	1,662,046
5,001-10,000	108	1.94%	5,039	822,265	0.00%	2,484,311
10,001-50,000	137	2.46%	5,176	3,127,648	0.02%	5,611,959
50,001-100,000	280	5.02%	5,456	21,704,737	0.12%	27,316,696
100,001-500,000	82	1.47%	5,538	16,396,147	0.09%	43,712,843
500,001-1,000,000	12	0.22%	5,550	8,870,904	0.05%	52,583,747
1,000,001-5,000,000	12	0.22%	5,562	26,263,658	0.15%	78,847,405
5,000,001-10,000,000	1	0.02%	5,563	7,828,401	0.04%	86,675,806
0,000,001-50,000,000	2	0.04%	5,565	27,388,595	0.15%	114,064,401
,000,001-100,000,000	4	0.07%	5,569	345,591,442	1.92%	459,655,843
,000,001-500,000,000	3	0.05%	5,572	867,256,757	4.82%	1,326,912,600
00,001-1,000,000,000	1	0.02%	5,573	500,485,433	2.78%	1,827,398,033
1,000,000,001-Above	1	0.02%	5,574	16,172,601,967	89.85%	18,000,000,000
Grand Total	5,574	100%		18,000,000,000	100%	

SHAREHOLDING STRUCTURE

At 31 December 2024, the analysis of shareholding in the Company

	No of shares held (Units)	**Shareholding (%)**
Alhaji Abdul Samad Rabiu CFR, CON	16,172,601,967	89.85
BUA Industries Limited	500,485,433	2.78
Abdulsamad Isiyaku Rabiu	473,628,201	2.63
FPCNL/NPF FUND II INVEST A/C - MAIN	291,343,928	1.62
Others	561,940,471	3.12
	18,000,000,000	100

Free Float Declaration

BUA Foods Plc with a free float value of N353,036,561,650.00 as at 31st, December 2024 is compliant with the Nigerian Exchange Group's "The NGX" free float requirements for companies on the Main Board.

Share Price at end of reporting period:		N415
Description	**Units**	**Percentage (In relation to Issued Share Capital)**
Issued Share Capital	18,000,000,000	100%
Details of Substantial Shareholdings (5% and above)		
Abdul Samad Rabiu CFR, CON; Direct Holdings	16,172,601,967	89.85%
Total Substantial Shareholdings	**16,172,601,967**	**89.85%**
Directors' Shareholdings (direct and indirect), excluding directors with substantial interest		
Abdul Samad Rabiu CFR, CON; (Indirect - Representing BUA Industries Limited)	500,485,433	2.78%
Ayodele Musibau Abioye	250,000	0.00%
Abdulrasheed Adebayo Olayiwola	250,000	0.00%
Kabiru Isyaku Rabiu	1,401,654	0.01%
Chimaobi Kenneth Madukwe	442,235	0.00%
Rashid Ur Imran	-	0.00%
Finn Heyerdahl Arnoldsen	250,000	0.00%
Oluyemisi Lowo-Adesola	-	0.00%
Total Directors Shareholdings	**503,079,322**	**2.79%**
Other Influential Shareholdings		
Abdulsamad Isyaku Rabiu	473,628,201	2.63%
Total Other Influential Shareholdings	**473,628,201**	**2.63%**
Free Float in Units and Percentage	**850,690,510**	4.73%
Free Float in Value (N)	**353,036,561,650**	

EMPLOYEE HEALTH, SAFETY AND WELFARE

The Group is fully committed to employees' well-being and would continue to seek better ways of guaranteeing their well-being. The Group provides subsidy to all employees for medical, transportation, housing etc.

The Group operates both Group Personal Accident and the Workmen's Compensation Insurance covers for the benefit of its employees. The Group subscribes to the contributory scheme established by the Pension Reform Act 2014, and makes contributions to employees' Retirement Savings Accounts held with their respective Pension Fund Administrators.

EMPLOYMENT OF DISABLED PERSONS

The Group has an employment policy which does not discriminate against the disabled. There were no disabled persons in the Group's employment during the year (2023: Nil).

PROPERTY, PLANT AND EQUIPMENT (PPE)

Information relating to changes in property, plant and equipment is disclosed in Note 13 to the financial statements. In the opinion of the Directors, the market value of the Group's property, plant and equipment is not less than the value shown in the financial statements.

CHARITABLE DONATIONS

The Group made several charitable donations amounting to N860.2 million during the year ended 31 December 2024 (31 December 2023: N89.9 million). The charitable donations made during the year is listed below:

	₦'000
Donation to Standard Organisation of Nigeria (S.O.N)	1,080
Environment Day trees Planting @ Yusuf Maitama sule University	21
Donation to Salanta Primary School Prize giving Day	30
CRS to Nigerian Army officers Mess	100
Support for an inter-house sports competition organized by Comprehensive Secondary school-Rivers State	50
Foods pallatives to H. Yayan Gano communities in Kano State during Ramadan	26,054
Foods and cash pallatives to Maiduguri Flood Victims	465,924
Foods and cash pallatives to host communities in Rivers State	68,465
Food items donated to Ummu Aminna Foundation in Kano State during Ramadan	181,263
Construction works for host communities in Edu LGA Kwara State	91,669
Foods and cash pallatives to host communities in Edu LGA Kwara State	23,875
Kabiti Media House sponsorship of walk for equity BUA Foods	500
Lagoon Bar Mess-PR to Nigerian Navy Ship Beecroft officers Mess	150
Sponsorship of the Society of Energy Administrators (SEA) Conference	500
Donation to The Nigerian Institution of Mechanical Engineers, Lagos Chapter	500
	860,181

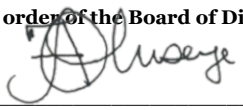
SUBSEQUENT EVENTS

There were no significant events after the reporting period which could have a material effect on the state of affairs of the Group as at 31 December 2024 and on the profit for the year ended on that date which have not been adequately provided for or disclosed in these financial statements.

INDEPENDENT AUDITOR

PricewaterhouseCoopers has indicated willingness to continue in office in accordance with Section 401 of the Companies and Allied Matters Act 2020.

By order of the Board of Directors



Oluseye Olufunmilayo Alayande
Company Secretary
FRC/2014/NBA/00000007513

27 March 2025

Report of the audit committee

The Audit Committee is pleased to present this report for the financial year ended 31 December 2024 in compliance with Section 404 (7) of the Companies and Allied Matters Act 2020. The Committee has the oversight responsibility for the Company's financial statements.

The Audit Committee is an independent statutory committee elected by the shareholders and the board. The committee performs its functions on behalf of BUA Foods Plc.

Audit Committee terms of reference

The Audit Committee has adopted a formal terms of reference as contained in its charter that has been approved by the board of Directors. The committee has conducted its affairs in compliance with its terms of reference and has discharged its responsibilities contained therein. It reports its findings to the Board and the Shareholders at the Annual General Meeting.

The Committee comprises of three shareholders, one of whom chairs it, and two Non-Executive Directors nominated by the Board and meet quarterly or whenever the need arises.

The Audit Committee meets at least four times per annum, with authority to convene additional meetings, as circumstances require.

Executive Directors, external auditors, internal auditors, financial management and other assurance providers attend meetings by invitation only.

Below is the list of members and the number of meetings held during the year.

Names	Date of meeting and attendance				
	24/01/2024	26/03/2024	18/04/2024	17/07/2024	29/10/2024
Musa Bichi	P	P	P	P	P
Eric Akinduro	P	P	P	P	P
Peters Nwokocha	P	P	P	P	P
Chimaobi Madukwe	P	P	P	P	P
Rashid Imran	P	P	P	P	X
Oluyemisi Lowo-Adesola	X	X	X	X	P

Note: **P -** Present **X** - Absent

Oluyemisi Lowo-Adesola was appointed as a member of the Committee to replace Rashid Imran on 26 September 2024 at the 3rd Annual General Meeting of the Company.

Roles and responsibilities

The Audit Committee carried out its functions through the attendance of Audit Committee meetings and discussions with executive management, internal audit and external auditors.

Statutory duties

The Audit Committee's role and responsibilities include statutory duties as stipulated by the Companies and Allied Matters Act and further responsibilities assigned to it by the Board.

The Audit Committee is satisfied that it has complied with its legal, regulatory and other responsibilities.

External auditor appointment and independence

In terms of the provisions of the Companies and Allied Matters Act, the Audit Committee has satisfied itself that the external auditor, PricewaterhouseCoopers, is independent of the Company and has ensured that the appointment of the auditor complied with the Companies and Allied Matters Act and any other legislation relating to the appointment of auditors.

The Committee, in consultation with executive management, agreed to the engagement letter, terms, audit plan and budgeted fees for the year ended 31 December 2024.

Financial statements and accounting practices

The Audit Committee has reviewed the accounting policies and the financial statements of the Company and is satisfied that they are appropriate and comply with the International Financial Reporting Standards, the Companies and Allied Matters Act and the Securities and Exchange Commission listing requirements.

Internal financial controls

The Audit Committee has overseen a process by which internal audit performed an assessment of the effectiveness of the Company's system of internal control, including internal financial controls. The Audit Committee is satisfied with the effectiveness of the Company's internal financial controls.

Duties assigned by the Board

In addition to the statutory duties of the Audit Committee, as reported above, the Board of Directors has determined further functions for the audit committee to perform. These functions include the following:

(i) Going concern

The Audit Committee reviews the going concern status of the Company at each meeting and makes recommendations to the Board.

(ii) Governance of risk

The Audit Committee fulfills an oversight role regarding financial reporting risks, internal financial controls, fraud risk as it relates to financial reporting and information technology risks as it relates to financial reporting.

(iii) Internal audit

The Audit Committee is responsible for ensuring that the Company's internal audit function is independent and has the necessary resources, standing and authority within the Company to enable it to discharge its duties.

The Audit Committee considered and recommended the internal audit charter for approval by the Board. The internal audit function's annual audit plan was approved by the Audit Committee.

(iv) Evaluation of the expertise and experience of the Chief Financial Officer and finance function

The Audit Committee has satisfied itself that the Chief Financial Officer has appropriate expertise and experience.

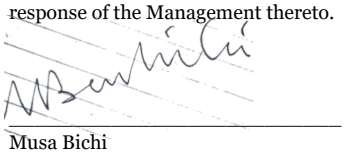
The Audit Committee has considered, and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the finance function and experience of the senior members of management responsible for the financial function.

In compliance with the Provisions of Section 404(7) of the Companies and Allied Matters Act 2020, we report as follows:

- We have ascertained and hereby confirm that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;

- The scope and planning of audit requirements for the year ended 31 December 2024 are adequate;

- We are satisfied with the External Auditors' Management Report for the year ended 31 December 2024, as well as the response of the Management thereto.



Musa Bichi
Chairman Audit Committee
FRC/2013/CICMA/000000017778

26 March 2025

AUDIT COMMITTEE MEMBERS:

Musa Bichi	-	Chairman - Independent shareholder
Eric Akinduro	-	Member - Independent shareholder
Peters Nwokocha	-	Member - Independent shareholder
Chimaobi Madukwe	-	Member - Director
Rashid Imran	-	Member - Director
Oluyemisi Lowo-Adesola	-	Member - Director

Statement of directors' responsibilities

The Companies and Allied Matters Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, and the Financial Reporting Council of Nigeria Act.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Abdul Samad Rabiu CFR, CON
Chairman
FRC/2014/IODN/00000010111

27 March 2025

Ayodele Musibau Abioye
Managing Director
FRC/2022/PRO/FORMC07/003/00000023864

27 March 2025

Abdulrasheed Adebayo Olayiwola
Executive Director and the Chief Financial Officer

FRC/2014/ICAN/00000010407

27 March 2025

Statement of corporate responsibilities

Pursuant to Section 405 of the Companies and Allied Matters Act, 2020, we confirm that we have reviewed the audited financial statements of BUA Foods Plc for the year ended 31 December 2024.

We acknowledge our responsibility for establishing and maintaining internal controls within BUA Foods Plc and have designed such internal controls to ensure that material information relating to the Group is made known to us by other officers of the Group, particularly during the period in which the audited financial statements were prepared.

We have evaluated the effectiveness of the Group's internal controls within 90 days prior to the date on our audited financial statements, and certify that the Group's internal controls are effective as of that date.

We also confirm that the Group's auditors and Board of Directors have been informed about the following:

(i) all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarise and report financial data, and has identified for the company's auditors any material weaknesses in internal controls, and

(ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the Group's internal control.

During the year, there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

We hereby certify that based on our knowledge, the Financial Statements do not contain any untrue statement of material fact or material omission that may make the financial statements misleading and the financial statements fairly presents in all material respects the financial condition and results of operations of the Group for the year ended 31 December 2024.

Ayodele Musibau Abioye
Managing Director

FRC/2022/PRO/FORMC07/003/00000023864
27 March 2025

Abdulrasheed Adebayo Olayiwola
Executive Director and the Chief Financial Officer

FRC/2014/ICAN/00000010407
27 March 2025

Management's annual assessment of, and report on, internal control over financial reporting

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of BUA Foods Plc for the year ended 31 December 2024:

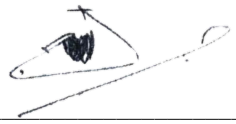
i BUA Foods Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii BUA Foods Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;

iii BUA Foods Plc's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.

iv BUA Foods Plc's external auditor Messrs PricewaterhouseCoopers that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs PricewaterhouseCoopers that audited its financial statements will be filed as part of BUA Foods Plc's annual report.



Abdul Samad Rabiu CFR, CON
Chairman
FRC/2014/IODN/00000010111

27 March 2025

Ayodele Musibau Abioye
Managing Director
FRC/2022/PRO/FORMC07/003/00000023864

27 March 2025

Certification of management's assessment on internal control over financial reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of BUA Foods Plc for the year ended 31 December 2024.

I, Ayodele Musibau Abioye, certify that:

a I have reviewed this management assessment on internal control over financial reporting of BUA Foods Plc;

b Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d The entity's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

_____

Ayodele Musibau Abioye

Managing Director

FRC/2022/PRO/FORMC07/003/00000023864

27 March 2025

Certification of management's assessment on internal control over financial reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of BUA Foods Plc for the year ended 31 December 2024.

I, Abdulrasheed Adebayo Olayiwola, certify that:

a I have reviewed this management assessment on internal control over financial reporting of BUA Foods Plc;

b Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d The entity's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Abdulrasheed Adebayo Olayiwola
Chief Finance Officer
FRC/2014/ICAN/00000010408

27 March 2025

Independent practitioner's report

To the Members of BUA Foods Plc

Report on an assurance engagement performed by an independent practitioner to report on management's assessment of controls over financial reporting

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of BUA Foods Plc ("the company") and its subsidiaries (together "the group") are not adequate as of 31 December 2024, based on the SEC Guidance on Implementation of Section 60 – 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission.

What we have performed

We have performed an assurance engagement on BUA Foods Plc's internal control over financial reporting as of December 31, 2024, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The group's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's annual assessment of, and report on, internal control over financial reporting. Our responsibility is to express an opinion on the group's internal control over financial reporting based on our assurance engagement.

Basis for opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the group's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting

A group's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A group's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorizations of management and directors of the group; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the group's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the consolidated and separate financial statements of BUA Foods Plc and our report dated 28 March 2025 expressed an unqualified opinion.

Oladele Oladipo

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria
FRC/2023/COY/176894

28 March 2025

Engagement Partner: Oladele Oladipo
FRC/2013/PRO/ICAN/004/00000002951

Independent auditor's report

To the Members of BUA Foods Plc

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of BUA Foods Plc ("the company") and its subsidiaries (together "the group") as at 31 December 2024, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with international financial reporting standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

BUA Foods Plc's consolidated and separate financial statements comprise:

- the consolidated and separate statements of profit or loss and other comprehensive income for the year ended 31 December 2024;
- the consolidated and separate statements of financial position as at 31 December 2024;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of material accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises Directors and Professional Advisers, Report of the Directors, Report of the Audit Committee, Statement of Directors' Responsibilities, Statement of Corporate Responsibilities, Management's Annual Assessment of, and Report on, Internal Control Over Financial Reporting, Certification of Management's Assessment on Internal Control Over Financial Reporting, Statement of Value Added and Five-Year Financial Summary (but does not include the consolidated and separate financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the BUA Foods Plc 2024 Annual Report, which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of the BUA Foods Plc 2024 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors and those charged with governance for the consolidated and separate financial statements

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from locations not visited by us;

iii) the company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement and reported on management's assessment of BUA Foods Plc's internal control over financial reporting as of 31 December 2024. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unqualified report in our report dated 28 March 2025.

Oladele Oladipo

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

28 March 2025

Engagement Partner: Oladele Oladipo
FRC/2013/PRO/ICAN/004/00000002951

	Note	Group 31 December 2024 ₦'000	Group 31 December 2023 ₦'000	Company 31 December 2024 ₦'000	Company 31 December 2023 ₦'000
Revenue from contracts with customers	5	1,527,919,069	729,443,355	1,199,156,623	490,118,670
Cost of sales	6	(987,104,025)	(468,983,756)	(796,651,936)	(328,700,971)
Gross profit		540,815,044	260,459,599	402,504,687	161,417,699
Administrative expenses	7	(28,555,840)	(17,223,305)	(24,266,560)	(14,477,495)
Selling and distribution expenses	8	(40,262,215)	(29,849,296)	(30,767,655)	(19,770,163)
Net impairment loss on financial assets	9	(1,006,140)	(7,890,845)	(994,106)	(8,395,891)
Other income	10	1,111,942	809,325	69,613,989	66,868,384
Operating profit		472,102,791	206,305,478	416,090,355	185,642,534
Finance income	11	15,421,000	2,497,371	15,421,000	2,497,371
Finance cost	11	(203,200,794)	(100,678,919)	(149,993,733)	(80,055,309)
Finance costs - net		(187,779,794)	(98,181,548)	(134,572,733)	(77,557,938)
Profit before income tax		284,322,997	108,123,930	281,517,622	108,084,596
Income and deferred tax (expense)/credit	12a	(18,325,185)	3,973,565	(18,325,185)	3,973,565
Profit after tax		265,997,812	112,097,495	263,192,437	112,058,161
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		265,997,812	112,097,495	263,192,437	112,058,161
Earnings per share					
Basic and diluted earnings per share (EPS) (Naira)	21.1	14.78	6.23	14.62	6.23

The accompanying notes on pages 27 to 67 are an integral part of the consolidated and separate financial statements.

		Group		Company	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Note	₦'000	₦'000	₦'000	₦'000
Assets					
Non-current assets					
Property, plant and equipment	13	379,947,094	357,991,862	280,042,896	263,431,836
Right-of-use assets	14	107,445	30,324	107,445	30,324
Investment in subsidiaries	25	-	-	407,670	407,670
Total non-current assets		380,054,539	358,022,186	280,558,011	263,869,830
Current assets					
Inventories	15	118,401,086	112,276,641	71,090,908	81,405,116
Trade receivables and other assets	16	18,351,319	151,156,115	36,442,704	159,882,147
Cash and balances with banks	17	31,310,225	100,124,789	31,275,048	100,086,530
Due from related parties	24b	547,387,072	348,860,131	1,010,045,977	582,047,214
Total current assets		715,449,702	712,417,676	1,148,854,637	923,421,007
Total assets		**1,095,504,241**	**1,070,439,862**	**1,429,412,648**	**1,187,290,837**
Equity					
Share capital	21	9,000,000	9,000,000	9,000,000	9,000,000
Reorganisation reserves		(943,228)	(943,228)	391,961	391,961
Retained earnings		420,999,873	254,002,061	414,019,714	249,827,277
Total equity		429,056,645	262,058,833	423,411,675	259,219,238
Liabilities					
Non-current liabilities					
Deferred tax liabilities	12c	32,133,426	22,306,746	32,133,425	22,306,746
Borrowings	18	796,498	1,377,286	787,440	1,377,286
Lease liabilities	14b	99,921	32,650	99,921	32,650
Government grants	20	24,445	70,211	24,445	70,211
Total non-current liabilities		33,054,290	23,786,893	33,045,231	23,786,893
Current liabilities					
Contract liabilites	5b	123,066,803	68,950,583	123,066,803	68,950,583
Current income tax payable	12b	24,318,395	15,819,889	24,318,395	15,819,889
Lease liabilities	14b	20,845	5,073	20,845	5,073
Bank overdraft	17	1,482	573,175	1,482	573,175
Borrowings	18	391,060,435	649,699,556	391,069,493	649,699,556
Due to related parties	24b	-	-	379,645,245	137,765,997
Trade and other payables	19	94,877,767	49,475,978	54,785,900	31,400,551
Government grants	20	47,579	69,882	47,579	69,882
Total current liabilities		633,393,306	784,594,136	972,955,742	904,284,706
Total liabilities		666,447,596	808,381,029	1,006,000,973	928,071,599
Total equity and liabilities		**1,095,504,241**	**1,070,439,862**	**1,429,412,648**	**1,187,290,837**

The accompanying notes on pages 27 to 67 are an integral part of the consolidated and separate financial statements.

The consolidated and separate financial statements on pages 22 to 70 were approved and authorised for issue by the Board of Directors on 27 March 2025 and were signed on its behalf by:

Abdul Samad Rabiu CFR, CON
Chairman
FRC/2014/IODN/00000010111

Ayodele Musibau Abioye
Managing Director
FRC/2022/PRO/FORMC07/003/0000
0023864

Abdulrasheed Adebayo Olayiwola
Executive Director and the Chief Financial Officer
FRC/2014/ICAN/00000010408

Group	Share capital	Reorganisation reserves	Retained earnings	Total
	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2024	9,000,000	(943,228)	254,002,061	262,058,833
Profit for the year	-	-	265,997,812	265,997,812
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	265,997,812	265,997,812
Transactions with owners:				
Dividend	-	-	(99,000,000)	(99,000,000)
	-	-	(99,000,000)	(99,000,000)
Balance at 31 December 2024	**9,000,000**	**(943,228)**	**420,999,873**	**429,056,645**

Group	Share capital	Reorganisation reserves	Retained earnings	Total
	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2023	9,000,000	(943,228)	222,904,566	230,961,338
Profit for the year	-	-	112,097,495	112,097,495
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	112,097,495	112,097,495
Transactions with owners:				
Dividend	-	-	(81,000,000)	(81,000,000)
	-	-	(81,000,000)	(81,000,000)
Balance at 31 December 2023	**9,000,000**	**(943,228)**	**254,002,061**	**262,058,833**

Reorganisation reserve consists of the Company's merger transaction with entries under common control.

The accompanying notes on pages 27 to 67 are an integral part of the consolidated and separate financial statements.

Company	Share capital	Reorganisation reserves	Retained earnings	Total
	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2024	9,000,000	391,961	249,827,277	259,219,238
Profit for the year	-	-	263,192,437	263,192,437
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	263,192,437	263,192,437
				-
Transactions with owners:				-
Dividend	-	-	(99,000,000)	(99,000,000)
	-	-	(99,000,000)	(99,000,000)
Balance at 31 December 2024	**9,000,000**	**391,961**	**414,019,714**	**423,411,675**

Company	Share capital	Reorganisation reserves	Retained earnings	Total
	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2023	9,000,000	391,961	218,769,116	228,161,077
Profit for the year	-	-	112,058,161	112,058,161
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	112,058,161	112,058,161
Transactions with owners:				
Dividend	-	-	(81,000,000)	(81,000,000)
	-	-	(81,000,000)	(81,000,000)
Balance at 31 December 2023	**9,000,000**	**391,961**	**249,827,277**	**259,219,238**

Reorganisation reserve consists of the Company's merger transaction with entries under common control.

The accompanying notes on pages 27 to 67 are an integral part of the consolidated and separate financial statements.

	Note	Group 31 December 2024 ₦'000	Group 31 December 2023 ₦'000	Company 31 December 2024 ₦'000	Company 31 December 2023 ₦'000
Cash flows from operating activities					
Cash generated from/(used in) operations	22	504,849,337	(150,139,893)	446,071,213	(172,774,731)
Minimum tax paid	19a	(10,640)	(1,387,872)	(10,640)	(1,387,872)
Current income tax paid	12b	-	-	-	-
Net cash generated from/(used in) operating activities		504,838,697	(151,527,765)	446,060,573	(174,162,603)
Cash flows from investing activities					
Purchase of property, plant and equipment	13c	(31,554,699)	(37,085,988)	(25,979,245)	(21,410,764)
Proceeds from disposal of property, plant and equipment		1,307	-	-	-
Interest received	11	15,421,000	2,497,371	15,421,000	2,497,371
Net cash used in investing activities		(16,132,392)	(34,588,617)	(10,558,245)	(18,913,393)
Cash flows from financing activities					
Proceeds from borrowings	18b	93,279,400	577,322,462	93,279,400	577,322,462
Repayment of borrowings	18b	(525,240,491)	(219,880,819)	(484,765,408)	(219,880,819)
Interest paid on borrowings	18b	(25,762,711)	(18,462,605)	(13,030,733)	(11,488,851)
Lease payments	14b	-	(5,073)	-	(5,073)
Dividend paid		(99,000,000)	(81,000,000)	(99,000,000)	(81,000,000)
Net cash (used in)/generated from financing activities		(556,723,802)	257,973,965	(503,516,741)	264,947,719
Net (decrease)/increase in cash and cash equivalents		(68,017,497)	71,857,582	(68,014,414)	71,871,723
Exchange difference on cash and cash equivalents		(225,375)	21,477	(225,375)	21,477
Cash and cash equivalents at the beginning of the year		99,551,614	27,672,555	99,513,355	27,620,155
Cash and cash equivalents at the end of the year	17	**31,308,743**	**99,551,614**	**31,273,566**	**99,513,355**

The accompanying notes on pages 27 to 67 are an integral part of the consolidated and separate financial statements.

1 General information

BUA Foods Plc is a company domiciled in Nigeria.

BUA Foods PLC ("BUA Foods" or the "Company") was formed in November 2021 following a restructuring by way of a scheme under Section 711 of the Companies and Allied Matters Act among BUA Sugar Refinery Limited, IRS Flour Mills Limited, IRS Pasta Limited, BUA Rice Limited, BUA Oil Mills Limited, and BUA Foods Limited, further to which BUA Sugar Refinery (a private limited liability company, incorporated in Nigeria on 13 April 2005 and commenced business operations in September 2008) emerged as the surviving entity. As part of the Restructuring, the name of the enlarged entity was changed to BUA Foods with its operations reorganised into five business divisions: Sugar, Flour, Pasta, Rice and Edible Oils. On 3 December 2021, the Company was converted into a public limited liability company, and was listed in the Nigerian Exchange Group (NGX) on 5 January 2022.

The address of its registered office is PC 32, Churchgate Street, Victoria Island, Lagos. The principal activities of the Group are processing, manufacturing, production and distribution of food materials such as sugar, flour, pasta, rice, and edible oils as well as packaged foods. These activities are conducted primarily in Nigeria.

The majority shareholder of the Company is Alhaji Abdulsamad Rabiu CFR, CON who is also the Chairman of the Board of Directors ("the Chairman").

The audited consolidated financial statements of the Group for the year ended 31 December 2024 comprise the Company and its subsidiaries - BUA Sugar Refinery FZE and LASUCO Sugar Company Limited ("Subsidiaries").

2 Summary of material accounting policies

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in compliance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), IFRS Interpretations Committee (IFRS IC), the Companies and Allied Matters Act (CAMA) and the Financial Reporting Council of Nigeria Amendment Act, 2023.

These consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires directors to exercise judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Group's financial statements, therefore, present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

The consolidated and separate financial statements comprise the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of financial position, the consolidated and separate statement of changes in equity, the consolidated and separate statement of cash flows and the notes to the consolidated and separate financial statements.

The consolidated and separate financial statements are presented in Nigerian Naira and all values are rounded to the nearest thousand (₦'000) except when otherwise indicated.

2.1.1 Going concern

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention. The Directors have no doubt that the Group will remain in existence twelve (12) months after the statements of financial position date.

2.1.2 Consolidation of subsidiaries

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, the Group takes into consideration all the following;

(a) power over the investee;
(b) exposure, or rights to variable returns from its involvement with the investee; and
(c) the ability to use its power over the investee to affect the amount of the investor's returns.

The Group at least at each period end, re-assess whether it controls the investee by checking if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

All subsidiaries have applied uniform accounting policies as the Company.

Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non- controlling interests. Total comprehensive income of subsidiaries attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The results of subsidiaries acquired or disposed of during the year are included in the Group statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal as appropriate.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment that has been recognised in profit or loss.

2.1.3 Changes in accounting policies and disclosures

(a) ***New standards and interpretations adopted by the Group***

The consolidated and separate financial statements of the Group and the company for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared under the going concern and historical cost convention. The financial statements are presented in Nigerian Naira, and all values are rounded to the nearest thousand (N'000) respectively, except when otherwise indicated.

Nothing has come to the attention of the directors to indicate that the Group will not remain a going concern for at least twelve months from the date of these financial statements.

These financial statements are not the statutory financial statements of the group that are required to be prepared in Nigerian Naira in accordance with Rule 8 of the Financial Reporting Council of Nigeria and the manner required by the Companies and Allied Matters Act Cap C20 Laws of the Federal Republic of Nigeria, 2020 and the Financial Reporting Council Act, 2011 (as amended). The financial statements have been prepared solely for the Directors to meet compliance, financial reporting and operational requirements of the Group and should not be used by or distributed to parties other than the directors of the BUA Foods Plc.

This note provides a list of material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

New standards and amendments to standards and interpretations are effective for the current reporting period. The impact of the adoption of these standards and the new accounting policies are disclosed below:

(i) Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1;

The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

(ii) Lease Liability in Sale and Leaseback – Amendments to IFRS 16

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

(iii) Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) ***New standards and interpretations not yet adopted***
Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These new standards and interpretations are set out below:

(i) Amendments to IAS 21 -- Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.

(ii) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:
• clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

• clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

• add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

• update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

(iii) IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.

(iv) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.
Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

• Although the adoption of IFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:

a. Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
The Group is still assessing the impact of this amendment, however, there is no expected material impact as the Group has transactions and foreign operations in foreign currencies that are readily exchangeable as at the current reporting date. The planned application date is 1 January 2025.

IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognises some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognised, and the group is currently evaluating the need for change.

• The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

a. management-defined performance measures;
b. a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
c. for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

• From a statement of cash flow perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

(v) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S1 is mandatory for public interest entities from period beginning 1 January 2028.

(vi) IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 is mandatory for public interest entities from period beginning 1 January 2028.

2.2 Segment information

An operating segment is a component of an entity with the following features:
- that engages in business activities from which it may earn revenue and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- where operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;
- for which discrete information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the BUA Foods leadership team which comprises of the members of the Board of Directors and other executive officers.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of entity in the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the subsidiaries is the Nigerian Naira. The consolidated financial statements are presented in Nigerian Naira, which is the functional and presentation currency of BUA Foods Plc (the parent).

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the functional currency are recognized in the income statement. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income and administrative expenses respectively.

2.4 Property, plant and equipment

All property, plant and equipment are stated initially at historical cost less accumulated depreciation and less any accumulated impairment losses. Historical cost includes expenditure that are directly attributable to the acquisition of the items. However, capital work-in-progress are not depreciated until they brought into use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no economic benefit is expected from its use. Any gains or losses arising on derecognition is included in the statement of profit or loss when the asset is derecognised.

Capital work in progress are not depreciated. Depreciation of assets commences when assets are available for use. Depreciation on other assets is calculated using the straight line method of calculation i.e. the cost of the assets less its residual value, if applicable, over the number of useful lives (in years), as follows:

	Useful life (Years)
Buildings	30-50
Plant and machinery	7-50
Furniture and fittings	5-8
Motor vehicles	8
Bearer plants	8
Trucks	5
Office equipment	5

Land is not depreciated.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting date. Residual values have been identified as 5% of the cost of plant and machinery and motor vehicles. However, the residual values for all other assets have been estimated to be zero.

In the case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as an expense in profit or loss.

Gains and losses on disposal of property, plant and equipment are determined by the difference between the sales proceeds and the carrying amount of the asset. These gains and losses are included in profit or loss.

Interest costs on borrowings specifically used to finance the acquisition of property, plant and equipment are capitalized during the period of time required to prepare and substantially complete the asset for its intended use. Other borrowing costs are recorded in the profit or loss as expenses.

2.4.1 Biological assets

The Group recognizes biological assets when, and only when, the Group controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Group and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell in terms of IAS 41. The gain or loss arising on initial recognition of such biological assets at fair value less costs to sell and from a change in fair value less costs to sell of biological assets are included in Statement of Profit or Loss for the period in which it arises. The Group has elected to measure biological assets at fair value less cost to sell.

2.4.2 Bearer Plants

A living plant that:
- is used in the production or supply of agricultural produce
- is expected to bear produce for more than one period, and
- has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Bearer plants are classified as immature until the produce can be commercially harvested. At that point they are reclassified and depreciation commences in line with IAS 16. Immature bearer plants are measured at accumulated cost.

2.5 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Financial instruments

a Classification and measurement

(i) *Financial assets*

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

The Group initially recognises a financial instrument when it becomes a party to the contractual provisions, when it has contractual rights or obligations.

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

The business models applied to assess the classification of the financial assets held by the Group are:

Hold to collect: Financial assets in this category are held by the Group solely to collect contractual cash flows and these cash flows represent solely payments of principal and interest. Assets held under this business model are measured at amortised cost.

Hold to collect and sell: Financial assets in this category are held to collect contractual cash flows and sell. The cash flows represent solely payment of principal and interest. These financial assets are measured at fair value through other comprehensive income.

Hold to sell/residual: This category is the residual category for financial assets that do not meet the criteria described above. Financial assets in this category are managed in order to realise the asset's fair value.

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

The Group's financial assets include: trade and other receivables, due from related parties and cash and balances with banks. They are included in current assets, except for maturities greater than 12 months after the reporting date. Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss.

(ii) *Financial liabilities*

Financial liabilities of the Group are classified and measured at fair value on initial recognition and subsequently at amortised cost net of directly attributable transaction costs. The Group's financial liabilities include trade payables, accrued audit fees, other payables and accrued expenses, due to related parties, lease liabilities, bank overdraft and borrowings.

b Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets (debt instruments) measured at amortised cost or at fair value through other comprehensive income (FVOCI). The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The simplified approach is applied for trade receivables while the general (three-stage) approach is applied to other receivables and amounts due from related parties.

The simplified approach requires lifetime expected credit losses to be recognised on initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Group's historical default rates observed over the expected life of the receivable and adjusted for forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

b Impairment of financial assets (continued)

The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion and other qualitative indicators such as increase in political concerns or other macroeconomic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance. Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD is determined based on management's estimate of expected cash recoveries after considering the cash recovery ratio of the counterparties. The EAD is the total amount outstanding at the reporting period. These three components are multiplied together and adjusted for forward-looking information, such as the gross domestic product (GDP) in Nigeria and inflation, to arrive at an ECL which is then discounted to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss.

c Significant increase in credit risk and default definition

The Group assesses the credit risk of its financial assets based on the information obtained during a periodic review of publicly available information, industry trends and payment records. Based on the analysis of the information provided, the Group identifies the assets that require close monitoring.

Furthermore, financial assets that have been identified to be more than 30 days past due on contractual payments are assessed to have experienced a significant increase in credit risk. These assets are grouped as part of Stage 2 financial assets where the three-stage approach is applied.

In line with the Group's credit risk management practices, a financial asset is defined to be in default when contractual payments have not been received at least 90 days after the contractual payment period. Subsequent to default, the Group carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Group determines that there are no realistic prospects of recovery, the financial asset, and any related loss allowance is written off either partially or in full.

d Derecognition

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

(ii) *Financial liabilities*
The Group derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

e Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to sell.

Cost of raw materials and other costs incurred in bringing each product to its present location and condition are accounted for, on a weighted average cost basis. The cost of finished goods includes all direct costs relating to the production of these items. Finished goods are valued at weighted average cost.

The cost of engineering spares and raw materials is determined using the weighted-average method.

Allowance is made for excessive, obsolete and slow-moving items. Write-downs to net realizable value and inventory losses are expensed in the period in which the write-downs or losses occur.

2.8 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment.

2.9 Cash, cash equivalents and bank overdrafts

Cash and cash equivalents include cash at hand and deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included in current liabilities on the statement of financial position.

2.10 Borrowings

Borrowings are recognized initially at fair value, as the proceeds received, net of any transaction cost incurred. Borrowings are subsequently measured at amortized cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted in profit or loss using the effective interest method and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they arise.

2.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is within one year or less. Otherwise, they are classified as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.12 Current and deferred income taxes

The income tax for the period comprises current, tertiary education and deferred taxes. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is recognized in other comprehensive income or directly in equity, respectively.

The tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Minimum tax is applicable when the Company has no taxable profit or the Company's calculated tax expense is less than the minimum tax.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax liabilities on a net basis. Deferred tax assets and liabilities are presented as non-current in the statement of financial position.

2.13 Employee benefits

(i) Pension scheme - Defined contribution scheme

The Group operates a defined contribution pension scheme for members of staff which is independent of its finances and is managed by Pension Fund Administrators. The scheme is funded by 8% contribution from employees and 10% contribution from the employer of the employee's basic, housing and transport allowances.

(ii) Short-term benefits

Short term employee benefit obligations which include wages, salaries, bonuses and other allowances for current employees are measured on an undiscounted basis and recognised and expensed in the Company's statement of profit or loss as the employees render such services.

A liability is recognised for the amount expected to be paid under short-term benefits if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii) Share-based payment transactions

BUA Foods Plc awards certain employees of the Company performance shares and stock options which constitute equity settled share-based payment transactions. In accordance with IFRS 2 - Share-based Payments, the fair value of the plans concerned, which corresponds to the fair value of the services rendered by the beneficiaries, is measured at the grant date. Share-based payment expenses should be recognised over the period during which the employees provide the relevant services.

2.14 Finance income

Finance income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.15 Finance cost

Finance cost comprises of interest expenses calculated using the effective interest rate method. This includes interest expenses on overdraft, borrowings, and lease liability. This also includes foreign exchange loss.

2.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods or services, in the ordinary course of the Group's activities and it is stated net of value added tax (VAT), rebates and returns. A valid contract is recognised as revenue after:

- the contract is approved by the parties;
- rights and obligations are recognised;
- collectability is probable;
- the contract has commercial substance;
- the payment terms and consideration are identifiable.

The probability that a customer would make payment is ascertained based on the evaluation done on the customer at the inception of the contract. The Group is the principal in all of its revenue arrangements since it is the primary obligor in the revenue arrangements, has inventory risk and determines the pricing for the goods and services.

Identification of performance obligation

At inception, the Company assesses the goods or services promised in the contract with a customer to identify as a performance obligation, each promise to transfer to the customer either a distinct good or series of distinct goods.

The Company determines the stand-alone selling prices of all its performance obligations and recognises this when each performance obligation is satisfied. The Company has identified its performance obligations to be the sale of food materials such as sugar, flour, pasta, rice, and edible oils as well as packaged foods arising primarily from domestic sales. Additional performance obligations may arise from future contracts with the Company and its customers.

Sale of goods

Revenue is recognised when the control of the goods is transferred to the customer. This occurs when the goods are delivered to the customer or when goods are picked up by the customers. A contract liability is recognised for every advance payment made to the Group. Revenue is recognised when the goods are delivered to the customer.

Revenue is recognised based on the price specified in the contract, net of the estimated rebates and returns. Rebates are applied immediately on sale and are all utilized within a reporting period. Returns on goods are estimated at the inception of the contract except where a reasonable estimate cannot be made. In these instances, the returns are accounted for when they occur.

The delivery service provided by the Group is a sales fulfilment activity and the income earned is recognised at the point in time when the goods are delivered to the customer.

Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and when the customer has accepted the products in accordance with the sales contract, or the acceptance provisions have lapsed.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.17 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

– the contract involves the use of an identified asset – this may be specified explicitly or implicitly. If the supplier has a substantive substitution right, then the asset is not identified;

– the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

– the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

2.17 Leases (continued)

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group primarily leases buildings (used as office space, houses and warehouses). The lease terms are typically for fixed periods ranging from 1 years to 2 years but may have extension options as described below. On renewal of a lease, the terms may be renegotiated.

Contracts may contain both lease and non-lease components. The Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension and termination options. The lease agreements do not impose any covenants, however, leased assets may not be used as security for borrowing purposes.

Leases in which the Group is a lessee

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

Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the Group under residual value guarantees

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group where possible, uses recent third party financing received by the individual lessee as a starting point adjusted to reflect changes in financing conditions since third party financing was received. The Group may also use a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced by the lease payments made. The Group recognises both the principal and interest payment of lease as financing activities under the statement of cash flow. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset where applicable.

Right-of-use assets

Right-of-use assets are initially measured at cost, comprising of the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

2.17 Leases (continued)

The classes of the leased assets are as follows;

Classes of assets	Lease term (Years)	Useful life (Years)
Lease hold Premises	40	30-50
Lease hold land	10	N/A

Right-of-use (ROU) assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

ROU assets and lease liabilities are presented separately on the face of the statement of financial position.

Extension and termination options

Extension and termination options are included in the Group's lease arrangements. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Most of the extension options are subject to mutual agreement by the lessee and lessor and some of the termination options held are exercisable only by the Group.

Leases in which the Group is a lessor

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

2.18 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The Group received a government grant in form of a low interest loan to finance agricultural backward integration projects such as rice mills, and machinery acquisition. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The Group has elected to present the grant in the statement of financial position as a liability, which is recognised in profit or loss on a systematic and rational basis over the useful life of the asset.

2.19 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held, if any. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

2.20 Share capital, reserves and dividends

(i) Share capital

The Company has only one class of shares i.e. ordinary shares. Ordinary shares are classified as equity.

(ii) Reserves

Reserves include all current and prior period retained earnings, and reorganisation reserve.

Reorganisation reserve consists of the Company's merger transactions with entities under common control.

(iii) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the company. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position.

3 Financial risk management

3.1 Financial risk factors

The Group's business activities expose it to a variety of financial risks: market risk (including foreign exchange, interest rate, and price), credit risk and liquidity risk. The objective of the Group's risk management programme is to minimize potential adverse impacts on the Group's financial performance.

Risk management is carried out in line with policies approved by the Board of Directors ("the Board"). The Board provides written principles for overall risk management, as well as set the overall risk appetite for the Group. Specific risk management approaches are defined for respective risks such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. The Group's overall risk management program seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is the responsibility of the Treasury Manager, who aims to effectively manage the financial risk of the Group according to the policies approved by the Board. The Treasury Manager identifies and monitors financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange, interest rates and credit risks, use of financial instruments and investment of excess liquidity.

The Group's financial instruments consist of trade receivables, other debtors, due from related parties, cash and balances with banks, trade and other payables, due to related parties, bank overdraft, borrowings, and lease liabilities.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risks arising mainly from its cash and bank balances, bank overdraft and borrowings. Borrowings relate to short term Import Finance Facilities (IFF) from several Nigerian banks. The Company's foreign currency liabilities are analysed below:

	Group		Company	
Foreign currency denominated balances	**31 December 2024 N'000**	**31 December 2023 N'000**	**31 December 2024 N'000**	**31 December 2023 N'000**
Financial Assets				
Cash and balances with banks	8,785,938	-	8,785,938	-
Financial liabilities				
Borrowings	390,470,509	(429,536,663)	390,470,509	(429,536,663)
Overdraft	(23,632,053)	-	(23,632,053)	-
	366,838,456	(429,536,663)	366,838,456	(429,536,663)
Net balance	375,624,394	(429,536,663)	375,624,394	(429,536,663)

The table below shows the impact on the Group's profit and equity if the exchange rate between the US Dollar (USD) on the Nigerian Naira had increased or decreased by 15% and 50% (2023: 15% and 50%), with all other variables held constant.

	Group		Company	
	31 December 2024 N'000	**31 December 2023 N'000**	**31 December 2024 N'000**	**31 December 2023 N'000**
Effect of 15% (2023: 15%) increase in USD exchange rate	(56,343,659)	63,522,849	(56,343,659)	63,522,849
Effect of 15% (2023: 15%) decrease in USD exchange rate	56,343,659	(63,522,849)	56,343,659	(63,522,849)
Effect of 50% (2023: 50%) increase in USD exchange rate	(187,812,197)	211,742,831	(187,812,197)	211,742,831
Effect of 50% (2023: 50%) decrease in USD exchange rate	187,812,197	(211,742,831)	187,812,197	(211,742,831)

At 31 December 2024, if the currency had weakened or strengthened by 15% (2023: 15%) against the USD with all the variables held constant, pre-tax profit for the year would have been N2.2 billion (2023: N63.52 billion) lower or higher. If it had weakened or strengthened by 50% (2023: 50%), against the USD with all the variables held constant, pre-tax profit for the year would have been N7.4 billion (2023: N211.74 billion) lower or higher mainly as a result of foreign exchange gains or losses on translation of USD denominated borrowings.

3.1 Financial risk factors (continued)

(ii) Price risk

The Group is not exposed to price risk as it does not hold any equity instrument.

(iii) Interest rate risk

The Group is not exposed to interest rate risk as the Group's does not hold financial assets and liabilities that are issued at a floating interest rate.

(b) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from cash and balances with banks as well as credit exposures to customers, including receivables from related parties.

The Group uses policies to ensure that sales of products are to customers with appropriate credit history. The granting of credit is controlled by credit limits and the application of certain terms of sale. The Group carries out its business mostly on a cash and carry basis. Individual customers make cash deposits before delivery of goods and corporate customers make payment within 3 months after goods are delivered. At the year end, the Group considered that there were minimal credit risks. All trade receivables are current.

No credit limits were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties. None of the counterparties renegotiated their terms in the reporting period.

The maximum exposure to credit risk for trade receivables, amounts due from related parties, other debtors and cash and bank balances approximate the amounts recognized on the statement of financial position. The Group does not hold any collateral as security. See note 4.1.4 for the credit risk disclosures for financial assets measured using simplified approach (trade receivables) and those measured using the general (3 stage) approach (amounts due from related parties).

The table below analyses the Group's financial assets into relevant maturity groupings as at the reporting date.

Group
At 31 December 2024

Financial assets:	**1-90 days N'000**	**91 - 365 days N'000**	**Over 365 days N'000**	**Total N'000**
Cash and balances with banks (Note 17)	31,310,225	-	-	31,310,225
Trade receivables (Note 16)	1,404,000	933,515	158,781	2,496,296
Other debtors (Note 16)	-	8,065,123	-	8,065,123
Due from related parties (Note 24b)*	-	562,511,175	-	562,511,175
	32,714,225	**571,509,813**	**158,781**	**604,382,819**

Group
At 31 December 2023

Financial assets:	**1-90 days N'000**	**91 - 365 days N'000**	**Over 365 days N'000**	**Total N'000**
Cash and balances with banks (Note 17)	100,124,789	-	-	100,124,789
Trade receivables (Note 16)	1,671,987	174,150	1,709	1,847,846
Other debtors (Note 16)	-	144,344,098	-	144,344,098
Due from related parties (Note 24b)*	-	362,891,289	-	362,891,289
	101,796,776	**507,409,537**	**1,709**	**609,208,021**

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Company

At 31 December 2024

Financial assets:	**1-90 days N'000**	**91 - 365 days N'000**	**Over 365 days N'000**	**Total N'000**
Cash and balances with banks (Note 17)	31,275,048	-	-	31,275,048
Trade receivables (Note 16b)	1,404,000	933,515	158,781	2,496,296
Other debtors (Note 16)	-	8,063,679	-	8,063,679
Due from related parties (Note 24b)*	-	1,025,663,092	-	1,025,663,092
	32,679,048	1,034,660,286	158,781	1,067,498,115

Company

At 31 December 2023

Financial assets:	**1-90 days N'000**	**91 - 365 days N'000**	**Over 365 days N'000**	**Total N'000**
Cash and balances with banks (Note 17)	100,086,530	-	-	100,086,530
Trade receivables (Note 16b)	1,671,987	174,150	1,709	1,847,846
Other debtors (Note 16)	-	144,344,099	-	144,344,099
Due from related parties (Note 24b)*	-	596,583,420	-	596,583,420
	101,758,517	**741,101,669**	**1,709**	**842,861,894**

*Due from related parties are not rated. For impairment purposes a credit rating of B- has been applied. This is derived from a 1 notch downgrade of the Country's rating.

Credit quality of cash and balances with banks

An analysis of the international long term credit ratings of counterparties where cash and short-term deposits are held is as follows:

	Group		**Company**	
	31 December	**31 December**	**31 December**	**31 December**
Credit rating	**2024 N'000**	**2023 N'000**	**2024 N'000**	**2023 N'000**
A	33,476	107,049	33,451	107,049
A-	63,761	203,896	63,713	203,896
AA	1,296	4,144	1,295	4,144
B-	19,559,614	62,548,330	19,533,152	62,510,071
BBB	414,789	1,326,426	414,482	1,326,426
BBB+	3,298,654	10,548,535	3,296,207	10,548,535
BBB-	295,539	945,086	295,321	945,086
CC	102,485	327,729	102,409	327,729
CCC+	729,103	2,331,547	728,562	2,331,547
Not Rated (NR)	6,811,508	21,782,048	6,806,456	21,782,048
	31,310,225	**100,124,790**	**31,275,048**	**100,086,531**

Credit rating

AAA: A financial institution of good condition and strong capacity to meet its obligations with expectations of very low default risk. It indicates very strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA - Very high credit quality relative to other issuers or obligations in the same country. Protection factors are very strong. Adverse changes in business, economic or financial conditions would increase investment risk although not significantly.

A - High credit quality relative to other issuers or obligations in the same country. Protection factors are good. However, risk factors are more variable and greater in periods of economic stress.

BBB - Adequate protection factors relative to other issuers or obligations in the same country. However, there is considerable variability in risk during economic cycles.

3.1 Financial risk factors (continued)

B - Material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

CCC - Very low margin for safety. Default is a real possibility.

CC - Default of some kind appears probable.

NR- No rating available.

A + (plus) or – (minus) may be added to a rating. A plus added to a rating indicates that the rating may be raised. A minus means that the rating may be lowered. When no plus or minus is added to the rating, this means that the rating is unlikely to change. A positive or negative added to a rating is therefore a reflection of the rating outlook.

The credit ratings were sourced from Fitch Ratings Inc. and Global Credit Rating Company Limited.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by maintaining sufficient cash reserves to operational needs at all times so that the Group does not breach borrowing limits on any of its borrowing facilities. The Group manages liquidity risk by effective working capital and cash flow management.

Maturity analysis

The table below analyses the Group's financial liabilities into relevant maturity based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

At 31 December 2024	**Less than 1 year N'000**	**Between 1 and 2 years N'000**	**Above 2 years N'000**	**Total Undiscounted N'000**
Financial liabilities:				
Bank overdraft (Note 17)	1,482	-	-	1,482
Trade and other payables (Note 19)	13,309,224	-	-	13,309,224
Borrowings (Note 18)	391,060,435	796,498	25,210,564	417,067,497
Lease liabilities (Note 14)	20,845	18,115	99,921	138,881
	404,391,986	**814,613**	**25,310,485**	**430,517,084**

Group

At 31 December 2023	**Less than 1 year N'000**	**Between 1 and 2 years N'000**	**Above 2 years N'000**	**Total Undiscounted N'000**
Financial liabilities:				
Bank overdraft (Note 17)	573,175	-	-	573,175
Trade and other payables (Note 19)	9,541,353	-	-	9,541,353
Borrowings (Note 18)	649,699,556	563,078	739,907	651,002,541
Lease liabilities (Note 14)	5,073	10,146	27,031	42,250
	659,819,157	**573,224**	**766,938**	**661,159,319**

Company At 31 December 2024	**Less than 1 year N'000**	**Between 1 and 2 years N'000**	**Above 2 years N'000**	**Total Undiscounted N'000**
Financial liabilities:				
Bank overdraft (Note 17)	1,482	-	-	1,482
Trade and other payables (Note 19)	13,452,258	-	-	13,452,258
Borrowings (Note 18)	391,060,435	796,498	25,210,564	417,067,497
Lease liabilities (Note 14)	20,845	18,115	99,921	138,881
	404,535,020	**814,613**	**25,310,485**	**430,660,118**

Company At 31 December 2023	**Less than 1 year N'000**	**Between 1 and 2 years N'000**	**Above 2 years N'000**	**Total Undiscounted N'000**
Financial liabilities:				
Bank overdraft (Note 17)	573,175	-	-	573,175
Trade and other payables (Note 19)	9,327,525	-	-	9,327,525
Borrowings (Note 18)	649,699,556	563,078	739,907	651,002,541
Lease liabilities (Note 14)	5,073	10,146	27,031	42,250
	659,605,329	**573,224**	**766,938**	**660,945,491**

**Value added tax (VAT), Withholding tax (WHT), and other statutory related items are not included as part of financial instruments.

3.2 Fair value estimation

All the Group's financial assets and liabilities are measured at amortised cost. The carrying amounts of all financial assets and liabilities at the reporting date and the comparative period approximate their fair values.

3.3 Financial instruments by category

Group	At 31 December 2024		At 31 December 2023	
	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial liabilities at amortised cost
	N'000	N'000	N'000	N'000
Financial assets				
Trade receivables and other debtors (Note 16)	10,456,473	-	146,000,193	-
Due from related parties (Note 24b)	547,387,072	-	348,860,131	-
Cash and balances with banks (Note 17)	31,310,225	-	100,124,789	-
Financial liabilities				
Bank overdraft (Note 17)	-	1,482	-	573,175
Trade and other payables (Note 19)	-	13,309,224	-	9,541,353
Lease liabilities (Note 14)	-	120,766	-	37,722
Borrowings (Note 18)	-	391,856,933	-	651,076,842
	589,153,770	405,288,405	594,985,113	661,229,092

Company	At 31 December 2024		At 31 December 2023	
	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial liabilities at amortised cost
	N'000	N'000	N'000	N'000
Financial assets				
Trade receivables and other debtors (Note 16)	10,455,029	-	146,000,195	-
Due from related parties (Note 24b)	1,010,045,977	-	582,047,214	-
Cash and balances with banks (Note 17)	31,275,048	-	100,086,530	-
Financial liabilities				
Bank overdraft (Note 17)	-	1,482	-	573,175
Trade and other payables (Note 19)	-	13,452,258	-	9,327,525
Lease liabilities (Note 14)	-	120,766	-	37,722
Borrowings (Note 18)	-	391,856,933	-	651,076,842
	1,051,776,054	405,431,439	828,133,938	661,015,264

3.4 Capital risk management

The objective of managing capital is to safeguard the Group's ability to continue as a going concern in order to maximize returns for shareholders and benefits for other stakeholders as well as maintaining the optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, capital returned to shareholders, new shares issued, or debt raised.

Consistent with others in the industry, the Group monitors capital on a monthly basis using the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (comprising bank overdraft, current and non-current borrowings as shown in the statement of financial position) less cash and balances with banks. Total capital is calculated as the sum of all equity components on the statement of financial position.

The gearing ratios at 31 December 2024 and 2023 are as follows:

	Group 31 December 2024 N'000	Group 31 December 2023 N'000	Company 31 December 2024 N'000	Company 31 December 2023 N'000
Net debt (Note 18c)	360,548,190	551,525,227	360,583,367	551,563,487
Total equity	429,056,645	262,058,833	423,411,675	259,219,238
Gearing ratio	**84%**	**210%**	**85%**	**213%**

4 Critical accounting estimates, judgments

4.1 Critical accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires Directors to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on Directors experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Significant accounting judgment and estimates made in the preparation of the consolidated and separate financial statements are shown below:

4.1.1 *Plant and machinery - Estimation of useful life*

Plant and machinery is depreciated over its useful life. The Group estimates the useful lives of plant and machinery based on the period over which the assets are expected to be available for use. The estimation of the useful lives of plant and machinery are based on technical evaluations carried out by those staff with knowledge of the machines and experience with similar assets. Estimates could change if expectations differ due to physical wear and tear and technical or commercial obsolescence. It is possible however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of expenses for any period would be affected by changes in these factors and circumstances.

The Group considers this to be a critical accounting estimate because any material change in the useful lives of the Group's plant and machinery would significantly impact the Group's ability to generate future cashflows, and depending on the asset, would have a material impact on the carrying value and may decrease/increase the Company's net profit/loss.

4.1.2 *Leases - Determining the lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:
- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors, including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the lessee. The financial effect of revising lease terms to reflect the effect of exercising extension and termination options causes change in the recognised lease liabilities and right-of-use assets. During the financial year, there were no revised lease terms.

4 Critical accounting estimates, judgments (continued)

4.1.3 ***Impairment of financial assets***

The loss allowances for financial assets are based on assumptions about risk of default, expected loss rates and maximum contractual period. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 2.6.

The Company's financial assets that are subject to expected credit loss model are as follows:

- Trade receivables
- Amount due from related parties and;
- Other debtors
- Cash and balances with banks.

Financial assets are considered credit impaired when there is a default. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write-off when a debtor fails to make contractual payments more than 360 days past due. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

While other debtors, and cash and balances with banks are also subject to the impairment requirements, the identified impairment loss was immaterial.

i. *Trade receivables*

The Company applies the simplified approach in measuring the expected credit losses (ECL) which calculates a lifetime expected loss allowance (ECL) for all trade receivables. Trade receivables represent the amount receivable from customers for the sale of goods in the ordinary course of business. The expected credit loss for trade receivables is determined using a provision matrix approach.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The provision matrix approach is based on the historical credit loss experience observed based on the settlement pattern of customers over the expected life of the receivable and adjusted for forward-looking estimates of relevant macroeconomic variables. The macroeconomic variables considered include Inflation rate and Brent oil price.

The expected loss rates as at 31 December 2024 are as follows:

Group and Company **Age of trade receivables**	**0 - 30 days** **N'000**	**31 - 90 days** **N'000**	**91 - 180 days** **N'000**	**181 - 365 days** **N'000**	**Over 365 days** **N'000**	**Total** **N'000**
Gross carrying amount	1,404,000	933,515	-	158,781	-	2,496,296
Default rate	3.04%	3.35%	3.39%	19.49%	100.00%	
Lifetime ECL	42,728	31,273	-	30,945	-	104,946
Net trade receivables	1,361,272	902,242	-	127,836	-	2,391,350

The expected loss rates as at 31 December 2023 are as follows:

Group and Company **Age of trade receivables**	**0 - 30 days** **N'000**	**31 - 90 days** **N'000**	**91 - 180 days** **N'000**	**181 - 365 days** **N'000**	**Over 365 days** **N'000**	**Total** **N'000**
Gross carrying amount	1,612,019	28,918	174,270	-	32,639	1,847,846
Default rate	7.75%	10.11%	17.91%	24.00%	100%	
Lifetime ECL	124,970	2,923	31,219	-	32,639	191,751
Net trade	1,487,049	25,995	143,051	-	-	1,656,095

ii. *Amounts due from related parties*

Amounts due from related parties arises from expenses incurred on behalf of related parties. The general (3 stage) approach has been adopted for recognising expected credit loss on amounts due from related parties as they do not meet the criteria for applying the simplified approach.

A day one provision is now required on these instruments. The three-stage model will require monitoring of credit risk to determine when there has been a significant increase. The ECL has been calculated using the Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The three (3) stage model also incorporates forward-looking estimates.

Group	**Stage 1**	**Stage 2**	**Stage 3**	
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	**Total**
At 31 December 2024	**N'000**	**N'000**	**N'000**	**N'000**
Gross EAD*	562,511,175	-	-	562,511,175
Loss allowance as at 31 December 2024	(15,124,103)	-	-	(15,124,103)
Net EAD	547,387,072	-	-	547,387,072

Group	**Stage 1**	**Stage 2**	**Stage 3**	
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	**Total**
At 31 December 2023	**N'000**	**N'000**	**N'000**	**N'000**
Gross EAD*	362,891,289	-	-	362,891,289
Loss allowance as at 31 December 2023	(14,031,158)	-	-	(14,031,158)
Net EAD	348,860,131	-	-	348,860,131

Company	**Stage 1**	**Stage 2**	**Stage 3**	
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	**Total**
At 31 December 2024	**N'000**	**N'000**	**N'000**	**N'000**
		-	-	
Gross EAD*	1,025,663,092	-	-	1,025,663,092
Loss allowance as at 31 December 2024	(15,617,115)	-	-	(15,617,115)
Net EAD	1,010,045,977	-	-	1,010,045,977

Company	**Stage 1**	**Stage 2**	**Stage 3**	
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	**Total**
At 31 December 2023	**N'000**	**N'000**	**N'000**	**N'000**
Gross EAD*	596,583,420			596,583,420
Loss allowance as at 31 December 2023	(14,536,206)			(14,536,206)
Net EAD	582,047,214	-	-	582,047,214

The Company considers both quantitative and qualitative indicators (staging criteria) in classifying its related party receivables into the relevant stages for impairment calculation.

Impairment of amount due from related parties are recognised in three stages based on certain quantitative and qualitative criteria such as:

- Days past due
- Credit rating at origination
- Current credit rating
- Significant adverse changes in business, financial and/or economic conditions in which the related party operates

Stage 1: This stage includes receivables at origination and receivables that do not have indications of a significant increase in credit risk.

Stage 2: This stage includes receivables that have been assessed to have a significant increase in credit risk using the above mentioned criteria, more than 30 days past due and other qualitative indicators such as the increase in political risk concerns or other macroeconomic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance.

Stage 3: This stage includes financial assets that have been assessed as being in default (e.g. receivables that are more than 90 days past due) and have a clear indication that the imposition of financial or legal penalties and/or sanctions will make the full recovery of indebtedness highly improbable.

iii. *Other debtors*

The Company also assessed other debtors to determine their expected credit losses. Based on this assessment, they identified the expected losses on other debtors as at 31 December 2024 and 31 December 2023 to be insignificant, as the loss rate is deemed immaterial. Other debtors are assessed to be in stage 1.

iv. *Cash and balances with banks*

The Company also assessed the cash and balances with banks to determine their expected credit losses. Based on this assessment, they identified the expected losses on cash as at 31 December 2024 and 31 December 2023 to be insignificant, as the loss rate is deemed immaterial. Cash and balances with banks are assessed to be in stage 1.

Sensitivity of estimates used in ECL

Estimation uncertainity in measuring impairment loss

In establishing sensitivity to ECL estimates for trade receivables and related parties receivables, three variables (GDP growth rate, Brent Oil Price, and Inflation rate) were considered. Of these variables, the Group's receivables portfolio reflects greater responsiveness to GDP growth rate and Inflation rate.

i **Trade receivables**

The table below shows information on the sensitivity of the carrying amounts of the Group's financial assets to the methods, assumptions and estimates used in calculating impairment losses on those financial assets at the end of the reporting period. Changes to these methods, assumptions and estimates may result in material adjustments to the carrying amounts of the Group's financial assets.

Expected cash flow recoverable:

The table below demonstrates the sensitivity to a 10% change in the expected cash flows from trade receivables, with all other variables held constant:

	Effect on profit before tax			
	Group		Company	
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Increase/decrease in estimated cash flows				
+10%	10,495	19,175	10,495	19,175
-10%	(10,495)	(19,175)	(10,495)	(19,175)

Forward looking macro-economic variables:

This table shows the sensitivity of the expected credit loss to an inverse and positive change to each forward-looking macro variables, with all other variables held constant:

	2024 Effect on expected credit loss		
	Brent Oil Price		
	-10%	Held constant	+10%
GDP growth rate	N'000	N'000	N'000
+10%	(1,676)	(3,976)	(6,277)
Held constant	2,300	-	(2,300)
-10%	6,277	3,976	1,676

	2023 Effect on expected credit loss		
	Brent Oil Price		
	-10%	Held constant	+10%
Inflation rate	N'000	N'000	N'000
+10%	3,603	10,229	16,856
Held constant	(6,627)	-	6,627
-10%	(16,856)	(10,229)	(3,603)

ii **Related party receivables**

The table below demonstrates the sensitivity to movements in the following inputs for related parties receivables with all other variables held constant:

Probability of default (PD)

	Effect on profit before tax			
	Group		Company	
	2024	2023	2024	2023
Increase/decrease in PD	N'000	N'000	N'000	N'000
+10%	482,962	573,642	500,347	594,290
-10%	(482,962)	(573,642)	(500,347)	(594,290)

Loss given default (LGD)

	Effect on profit before tax			
	Group		Company	
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Increase/decrease in loss given default				
+10%	1,503,222	1,403,116	1,557,330	1,453,621
-10%	(1,503,222)	(1,403,116)	(1,557,330)	(1,453,621)

Forward looking macroeconomic indicators

	2024 Effect on expected credit loss		
	Brent Oil Price		
	-10%	Held constant	+10%
GDP growth rate	N'000	N'000	N'000
+10%	(926,733)	(602,804)	(278,875)
Held constant	(323,929)	-	323,929
-10%	278,875	602,804	926,733

	2023 Effect on expected credit loss		
	Brent Oil Price		
	-10%	Held constant	+10%
GDP growth rate	N'000	N'000	N'000
+10%	(924,269)	(601,201)	(278,134)
Held constant	(323,068)	-	323,068
-10%	278,134	601,201	924,269

5 Revenue from contracts with customers

a Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following major product categories:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Sales - Sugar (Non-fortified)	165,703,409	82,238,811	102,167,051	56,414,020
Sales - Sugar (Fortified)	568,808,622	339,672,022	303,953,136	126,626,081
Sales - Molasses	955,534	907,163	584,931	453,209
Sales - Pasta	197,246,102	87,757,455	197,246,102	87,757,455
Sales - Bakery Flour	541,571,440	200,176,863	541,571,440	200,176,863
Sales - Bran	34,821,016	16,583,803	34,821,017	16,583,803
Sales - Semolina	1,895,213	-	1,895,213	-
Sales - Maize	11,358,320	-	11,358,320	-
Sales - Rice	5,559,413	2,107,239	5,559,413	2,107,239
	1,527,919,069	**729,443,355**	**1,199,156,623**	**490,118,670**

Nigeria is the Group's major geographical segment as 95.5% of the Group's revenue is earned from sales in Nigeria (2023: 95.5%). See note 26 for detailed information on Segment reporting.

All of the Group's revenue is derived from sale of similar products with similar performance obligation. Additionally, no customer contributed up to 10% of revenue (2023: no customer contributed up to 10% of revenue).

b Liabilities related to contracts with customers

The Group has recognised the following liabilities related to contracts with customers:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Contract liabilities – advance payment from customers*	123,066,803	68,950,583	123,066,803	68,950,583

	Group		Company	
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Balance as at 1 January	68,950,583	47,139,328	68,950,583	47,139,328
Payments received in advance	1,238,607,324	68,950,583	1,238,607,324	68,950,583
Revenue recognised for goods previously paid for	(1,184,491,104)	(47,139,328)	(1,184,491,104)	(47,139,328)
Balance as at 31 December	123,066,803	68,950,583	123,066,803	68,950,583

*Advance payment from customers are deposits made in advance by customers for goods which are yet to be supplied as of the year end date. The increase in contract liabilities was largely due to commissioning of two additional production lines during the year.

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
6 Cost of sales	N'000	N'000	N'000	N'000
Cost of raw materials consumed	907,969,403	447,587,715	737,032,154	316,167,704
Factory production overhead	60,473,757	14,439,964	43,284,910	5,577,190
Depreciation of property, plant and equipment (Note 13a)	6,168,039	6,164,631	6,168,040	6,164,631
Depreciation of right-of-use assets (Note 14c)	9,505	842	9,505	842
Management fee (Note 24a)	10,809,680	-	8,483,686	-
Direct labour	1,673,641	790,604	1,673,641	790,604
	987,104,025	**468,983,756**	**796,651,936**	**328,700,971**

		Group		Company	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
7	**Administrative expenses**	**N'000**	**N'000**	**N'000**	**N'000**
	Audit fees	177,600	138,000	157,600	120,000
	Staff cost (Note 7a)	8,718,844	5,556,271	6,179,281	4,003,550
	Director emoluments	757,192	391,544	757,193	391,544
	Donations	860,181	89,904	736,938	20,998
	Depreciation of property, plant and equipment (Note 13a)	3,430,120	3,236,022	3,200,144	2,888,227
	Rent and rates	248,655	137,048	106,124	41,140
	General expenses*	2,384,197	2,192,338	1,982,957	1,892,348
	Security	286,936	100,537	108,955	54,546
	Travel and transportation	738,595	494,350	737,402	492,177
	Subscriptions	263,376	110,292	257,065	106,099
	Legal and Professional expenses	799,948	233,071	794,948	233,071
	Hotel and accommodation	224,314	161,431	179,102	154,882
	Insurance	431,702	151,394	317,585	151,394
	Advertisement	11,383	76,011	6,954	64,309
	Electricity	486,986	65,695	481,445	59,565
	Other expenses**	1,563,733	1,071,794	1,122,244	806,082
	Consumables	1,312,275	471,258	1,312,275	471,258
	Repairs and Maintenance	2,675,494	1,668,966	2,675,495	1,668,966
	Entertainment	24,702	20,573	10,281	12,866
	Training	19,858	5,131	19,858	5,131
	Bank charges	3,016,815	782,484	3,016,514	782,266
	Printing and Stationery	122,934	58,551	106,200	46,436
	Minimum tax charge (0.05% of gross turnover less franked investment income)	-	10,640	-	10,640
		28,555,840	**17,223,305**	**24,266,560**	**14,477,495**

*General expenses comprises of expenses relating to fuel & lubricant, freight, expatriate local allowances, clearing, consumables and other supplies

**Other expenses comprises of NGX/SEC/CSCS related expenses, cleaning, licenses and fees

Details of professionals that provided services to the Company during the year are below:

Name of the professional firm	Summary of services rendered	Name/FRC Number
KPMG FRC/2023/COY/267452	Implementation Support for Internal Control over Financial Reporting and Development of ICFR Framework	Bimpe Afolabi FRC/2012/ICAN/00000000437

The external auditors did not provide any other services to the Group

		Group		Company	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
a	***Staff cost***	**N'000**	**N'000**	**N'000**	**N'000**
	Staff salaries	8,131,465	5,240,560	5,631,874	3,718,581
	Terminal benefit	96,952	90,013	86,031	75,719
	Pension (employer contribution)	238,918	15,088	238,917	15,088
	Staff welfare and training	72,634	89,189	56,587	77,811
	Medical	44,662	34,800	31,658	29,730
	Other staff costs	134,213	86,621	134,214	86,621
		8,718,844	**5,556,271**	**6,179,281**	**4,003,550**

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
8 Selling and distribution cost	**N'000**	**N'000**	**N'000**	**N'000**
Haulage expense	39,152,118	28,790,648	29,854,300	19,088,292
Other selling and marketing expenses	1,110,097	1,058,648	913,355	681,871
	40,262,215	**29,849,296**	**30,767,655**	**19,770,163**

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Expenses summarised as follows:	**N'000**	**N'000**	**N'000**	**N'000**
Cost of sales	987,104,025	468,983,756	796,651,936	328,700,971
Administrative expenses	28,555,840	17,223,305	24,266,560	14,477,495
Selling and distribution expenses	40,262,215	29,849,296	30,767,655	19,770,163
	1,055,922,080	**516,056,357**	**851,686,151**	**362,948,629**

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
9 *Net impairment loss on financial assets*	**N'000**	**N'000**	**N'000**	**N'000**
(Decrease)/increase in loss allowance on trade receivables (Note 16a)	(86,805)	178,844	(86,803)	178,842
Increase in loss allowance on due from related parties (Note 24c)	1,092,945	7,712,001	1,080,909	8,217,049
	1,006,140	7,890,845	994,106	8,395,891

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
10 Other income	**N'000**	**N'000**	**N'000**	**N'000**
Rental income	-	-	1,748,280	1,520,000
Sundry income	-	650,260	-	611,502
Foreign exchange gain	989,731	-	989,731	-
Dividend income*	-	-	66,753,766	64,577,818
Release of government grant (Note 20)	68,068	115,208	68,068	115,208
Sales - Scrap	54,143	43,855	54,144	43,855
	1,111,942	**809,325**	**69,613,989**	**66,868,384**

*Dividend income relates to interim dividend from BUA Sugar Refinery FZE.

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
11 Finance income/(cost)	**N'000**	**N'000**	**N'000**	**N'000**
Finance income				
Interest income*	15,421,000	2,497,371	15,421,000	2,497,371
	15,421,000	2,497,371	15,421,000	2,497,371
Finance cost				
Interest expense on overdraft	(4,678,743)	(247,082)	(4,678,743)	(247,082)
Interest expense on borrowings (Note 18b)	(25,210,564)	(18,562,117)	(12,478,586)	(11,588,362)
Interest on lease liabilities (Note 14c)	(18,158)	(5,044)	(18,158)	(5,044)
Foreign exchange loss	(173,293,329)	(81,864,676)	(132,818,246)	(68,214,821)
	(203,200,794)	(100,678,919)	(149,993,733)	(80,055,309)
Net finance cost	**(187,779,794)**	**(98,181,548)**	**(134,572,733)**	**(77,557,938)**

*Interest income relates to interest earned on cash collaterals with the banks.

12 Taxation

a Income tax expense

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Company Income tax	7,364,201	6,621,582	7,364,201	6,621,582
Tertiary education tax - 3% of assessable profit	885,635	695,164	885,635	695,164
Nigeria Police Fund levy - 0.005% of profit before tax	4,876	3,527	4,876	3,527
NASENI levy - 0.25% of profit before tax	243,794	176,359	243,794	176,359
	8,498,506	7,496,632	8,498,506	7,496,632
Deferred tax charge/(credit)	9,826,679	(11,470,197)	9,826,679	(11,470,197)
Tax charge/(credit)	**18,325,185**	**(3,973,565)**	**18,325,185**	**(3,973,565)**

Pioneer status covering a three-year period was approved on 5 May 2023 for IRS Pasta production line 1 from 1 December 2022 and from 1 January 2023 for IRS Flour Mills production line 1. As a result, no current income tax has been accrued on the pioneer profits in the year.

b Current income tax payable

The movement in tax payable is as follows:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Balance at the beginning of the year	15,819,889	8,323,257	15,819,889	8,323,257
Provision for the year (Note 12a)	8,498,506	7,496,632	8,498,506	7,496,632
Payment during the period	-	-	-	-
Closing balance	**24,318,395**	**15,819,889**	**24,318,395**	**15,819,889**

A reconciliation of the Group's tax expense and the product of accounting profit multiplied by domestic tax rate for the year ended 31 December 2024 and 31 December 2023 is as follows:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Profit before tax	284,322,997	108,123,930	281,517,622	108,084,596
Tax at 30% statutory tax rate	85,296,899	32,437,179	84,455,287	32,425,379
Adjustments:				
Tertiary education tax	(885,635)	(695,164)	885,635	695,164
Effect of permanent difference	(65,837,409)	(35,535,694)	(66,767,067)	(36,914,222)
NASENI levy	(243,794)	(176,359)	(243,794)	(176,359)
Nigeria Police Fund levy	(4,876)	(3,527)	(4,876)	(3,527)
Tax charge/(credit) for the year	18,325,185	(3,973,565)	18,325,185	(3,973,565)

c Deferred tax liabilities

	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Opening balance	22,306,746	33,776,943	22,306,746	33,776,943
Deferred tax charge/(credit)	9,826,680	(11,470,197)	9,826,679	(11,470,197)
Closing balance	32,133,426	22,306,746	32,133,425	22,306,746

12 Taxation (continued)

The analysis of deferred tax liabilities is as follows:

Group	**Unused tax losses**	**Property, plant and equipment**	**Unrealised exchange difference**	**Provisions**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
At 1 January 2024	-	27,223,034	(2,323,965)	(2,548,993)	22,306,746
Charged/(credited) to profit or loss	43,330	2,045,010	7,959,991	(221,652)	9,826,679
At 31 December 2024	43,330	29,268,044	5,636,026	(2,770,645)	32,133,425

Group	**Unused tax losses**	**Property, plant and equipment**	**Unrealised exchange difference**	**Provisions**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
At 1 January 2023	-	36,575,554	-	(2,798,611)	33,776,943
(Credited)/charged to profit or loss	(43,330)	(9,352,520)	(2,323,965)	249,618	(11,470,197)
At 31 December 2023	(43,330)	27,223,034	(2,323,965)	(2,548,993)	22,306,746

Company	**Unused tax losses**	**Property, plant and equipment**	**Unrealised exchange difference**	**Provisions**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
At 1 January 2024	-	27,223,034	(2,323,965)	(2,548,993)	22,306,746
Charged/(credited) to profit or loss	43,330	2,045,010	7,959,991	(221,652)	9,826,679
At 31 December 2024	43,330	29,268,044	5,636,026	(2,770,645)	32,133,425

Company	**Unused tax losses**	**Property, plant and equipment**	**Unrealised exchange difference**	**Provisions**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
At 1 January 2023	-	36,575,554	-	(2,798,611)	33,776,943
(Credited)/charged to profit or loss	(43,330)	(9,352,520)	(2,323,965)	249,618	(11,470,197)
At 31 December 2023	(43,330)	27,223,034	(2,323,965)	(2,548,993)	22,306,746

13 Property, plant and equipment

Group	Land and Buildings	Plant and machinery	Furniture and fittings	Motor vehicles	Trucks	Office equipment	Bearer Plant*	Capital work-in-progress	Total
Cost	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
At 1 January 2024	13,337,048	234,657,805	440,897	1,106,211	2,097,662	687,071	917,299	160,397,407	413,641,400
Additions during the year	226,082	974,623	197,053	35,433	-	230,880	361,775	29,528,853	31,554,699
Transfer	-	3,480,385	-	8,089	-	(8,089)	-	(3,480,385)	-
Disposals	-	-	(184)	-	-	(1,345)	-	-	(1,529)
At 31 December 2024	13,563,130	239,112,812	637,766	1,149,733	2,097,662	908,518	1,279,074	186,445,876	445,194,570
At 1 January 2023	13,299,046	185,230,257	351,430	839,489	2,097,662	631,350	704,712	173,401,812	376,555,757
Additions during the year	38,002	-	89,467	266,722	-	56,066	212,587	36,423,143	37,085,988
Transfer	-	49,427,548	-	-	-	-	-	(49,427,548)	-
Disposals	-	-	-	-	-	(345)	-	-	(345)
At 31 December 2023	13,337,048	234,657,805	440,897	1,106,211	2,097,662	687,071	917,299	160,397,407	413,641,400
Accumulated depreciation									
At 1 January 2024	2,407,564	49,599,663	301,937	720,726	2,097,662	521,986	-	-	55,649,538
Depreciation charge for the year	265,153	9,055,840	77,839	82,078	-	117,251	-	-	9,598,159
Disposals	-	-	(110)	-	-	(112)	-	-	(222)
Reclassification	-	-	-	(4,720)	-	4,720	-	-	-
At 31 December 2024	2,672,717	58,655,503	379,666	798,084	2,097,662	643,845	-	-	65,247,476
At 1 January 2023	2,137,789	40,710,120	247,588	651,205	2,097,662	404,727	-	-	46,249,091
Depreciation charge for the year	269,775	8,889,543	54,349	69,521	-	117,466	-	-	9,400,654
Disposals	-	-	-	-	-	(207)	-	-	(207)
At 31 December 2023	2,407,564	49,599,663	301,937	720,726	2,097,662	521,986	-	-	55,649,538
Net book value									
At 31 December 2024	**11,155,566**	**189,513,149**	**335,829**	**429,007**	**-**	**386,532**	**1,279,074**	**186,445,876**	**379,947,094**
At 31 December 2023	**10,929,484**	**185,058,142**	**138,960**	**385,485**	**-**	**165,085**	**917,299**	**160,397,407**	**357,991,862**

*Bearer plants relates to accumulated cost on plantation development expenditure and unharvested canes which are still classified as immature as at the end of the reporting period and consequently not depreciated based on the provision of IAS 16.

At year end, land accounted for N1.58 billion of the total land and buildings balance (2023: N1.58 billion) which is not depreciated.

13 Property, plant and equipment (continued)

Company	Land and Buildings	Plant and machinery	Furniture and fittings	Motor vehicles	Trucks	Office equipment	Capital work-in-progress	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cost								
At 1 January 2024	12,372,745	233,736,862	260,771	786,547	2,097,662	248,998	68,058,435	317,562,019
Additions during the year	144,047	3,898,040	145,996	2,693	-	70,017	21,718,453	25,979,245
At 31 December 2024	12,516,792	237,634,902	406,767	789,240	2,097,662	319,015	89,776,888	343,541,264
Cost								
At 1 January 2023	12,335,743	184,386,042	184,257	686,567	2,097,662	198,920	96,262,065	296,151,256
Additions during the year	37,002	284,116	76,514	99,980	-	50,078	20,863,074	21,410,764
Transfer	-	49,066,704	-	-	-	-	(49,066,704)	-
At 31 December 2023	12,372,745	233,736,862	260,771	786,547	2,097,662	248,998	68,058,435	317,562,020
Accumulated depreciation								
At 1 January 2024	2,374,739	48,712,838	162,526	605,369	2,097,662	177,049	-	54,130,184
Depreciation charge for the year	263,575	8,970,154	48,564	44,727	-	41,164	-	9,368,184
At 31 December 2024	2,638,314	57,682,992	211,090	650,096	2,097,662	218,213	-	63,498,368
At 1 January 2023	2,113,246	40,003,265	142,545	575,894	2,097,662	144,713	-	45,077,327
Depreciation charge for the year	261,493	8,709,573	19,981	29,476	-	32,336	-	9,052,857
At 31 December 2023	2,374,739	48,712,838	162,526	605,369	2,097,662	177,049	-	54,130,184
Net book value								
At 31 December 2024	9,878,478	179,951,909	195,677	139,143	-	100,801	89,776,888	280,042,896
At 31 December 2023	9,998,006	185,024,024	98,245	181,177	-	71,949	68,058,435	263,431,836

As at year end, land accounted for N1.48 billion of the total land and buildings balance (2023: N1.48 billion) which is not depreciated

13 Property, plant and equipment (continued)

a ***Analysis of depreciation charge on property, plant and equipment***

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Recognised in cost of sales	6,168,039	6,164,631	6,168,040	6,164,631
Recognised in administrative expenses	3,430,120	3,236,022	3,200,144	2,888,227
	9,598,159	9,400,653	9,368,184	9,052,858

b Capital work in progress (CWIP) represents value of plant and machinery under construction at the Flour and Pasta plants. There were no capitalised borrowing costs in the year.

c Acquisition of property, plant and equipment (PPE) comprise:

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Additions to PPE during the year (Note 13)	31,192,924	36,873,401	25,979,245	21,410,764
Additions to Bearer plant	361,775	212,587	-	-
Acquisition of property, plant and equipment in the statement of cash flows	31,554,699	37,085,988	25,979,245	21,410,764
Bearer plant reclassified to PPE	-	-	-	-
	31,554,699	**37,085,988**	**25,979,245**	**21,410,764**

d No Property, plant and equipment was used as collateral in 2024 (2023: nil).

14 Leases

This note provides information for leases where the Group is a lessee.

a ***Right-of-use assets***

	Group		Company	
Buildings	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**
Cost	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Opening balance as at 1 January	123,036	123,026	123,036	123,036
Addition	86,626	-	86,626	-
Closing balance as at 31 December	209,662	123,036	209,662	123,036
Depreciation				
Opening balance as at 1 January	92,712	91,870	92,712	91,870
Charge for the year	9,505	842	9,505	842
Closing balance as at 31 December	102,217	92,712	102,217	92,712
Net book value	107,445	30,324	107,445	30,324

b ***Lease liabilities***

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Opening balance as at 1 January	37,722	37,751	37,722	37,751
Lease modification	(16,738)	-	(16,738)	-
Additions	81,623	-	81,623	-
Interest expense	18,158	5,044	18,158	5,044
Payments made during the year	-	(5,073)	-	(5,073)
Closing balance as at 31 December	120,766	37,722	120,766	37,722

The total cash flow for all leases in the year ended 31 December 2024 was N1.7 million (2023: N5 million).

14 Leases (continued)

Lease liabilities as at 31 December 2024 and 31 December 2023 are classified as follows:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Current lease liabilities	20,845	5,073	20,845	5,073
Non-current lease liabilities	99,921	32,650	99,921	32,650
	120,766	37,723	120,766	37,723

c ***Amounts recognised in the statement of profit or loss***

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Depreciation charge on right-of-use assets				
Recognised in cost of sales (Note 6)	9,505	842	9,505	842
	9,505	842	9,505	842
Interest expense on leases				
Recognised in finance costs (Note 11)	18,158	5,044	18,158	5,044

d The weighted average incremental borrowing rate of the lease liabilities as at 31 December 2024 is 12% and 31 December 2023 is 15%.

15 Inventories

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Raw materials	67,061,999	78,069,685	44,153,010	69,213,978
Work-in-Progress	8,790,131	4,146,764	8,542,708	4,121,811
Finished products	18,750,844	6,923,838	13,638,566	6,139,379
Packing materials	4,188,332	1,499,700	3,833,688	1,009,197
Consumables and spare parts	1,703,340	1,339,059	922,936	920,751
	100,494,646	91,979,046	71,090,908	81,405,116
Goods in transit	17,906,440	20,297,595	-	-
	118,401,086	**112,276,641**	**71,090,908**	**81,405,116**

There was no provision for inventory during the year as no inventory item was impaired (2023: Nil). The value of inventory transferred to cost of sales for the year was N910.73 billion (2023: N447.58 billion).

No inventory has been pledged as security for any borrowings (2023: Nil).

16 Trade receivables and other assets

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial assets:	₦'000	₦'000	₦'000	₦'000
Trade receivables	2,391,350	1,656,095	2,391,350	1,656,096
Other debtors*	8,065,123	144,344,098	8,063,679	144,344,099
	10,456,473	146,000,193	10,455,029	146,000,195
Non-financial assets				
Advance payment to vendor	7,894,846	5,155,922	5,728,031	592,509
Withholding tax receivable	-	-	20,259,644	13,289,443
	7,894,846	5,155,922	25,987,675	13,881,952
	18,351,319	**151,156,115**	**36,442,704**	**159,882,147**

*Other debtors mainly includes cash deposits with banks for foreign currency bids.

16 Trade receivables and other assets (continued)

a Impairment of trade receivables

The reconciliation of loss allowance for trade receivables as at 31 December to the opening loss allowance on 1 January is as follows:

	Group		Company	
	31 December 2024 ₦'000	31 December 2023 ₦'000	31 December 2024 ₦'000	31 December 2023 ₦'000
Opening loss allowance as at 1 January	191,751	12,907	191,750	12,907
(Decrease)/increase in loss allowance recognised in profit or loss during the year (Note 9)	(86,805)	178,844	(86,804)	178,842
At 31 December	104,946	191,751	104,946	191,750

b The gross carrying amount of trade receivables is shown below:

Net carrying amount – trade receivables	2,391,350	1,656,095	2,391,350	1,656,096
Add: loss allowance (Note 16a)	104,946	191,751	104,946	191,750
Gross carrying amount – trade receivables	2,496,296	1,847,846	2,496,296	1,847,846

17 Cash and balances with banks

	Group		Company	
	31 December 2024 ₦'000	31 December 2023 ₦'000	31 December 2024 ₦'000	31 December 2023 ₦'000
Cash in hand	4,245	4,245	4,245	4,245
Cash in bank	31,305,980	100,120,544	31,270,803	100,082,285
	31,310,225	**100,124,789**	**31,275,048**	**100,086,530**

For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash in hand, cash at bank, and bank overdraft as analysed below:

	Group		Company	
	31 December 2024 ₦'000	31 December 2023 ₦'000	31 December 2024 ₦'000	31 December 2023 ₦'000
Cash and balances with banks	31,310,225	100,124,789	31,275,048	100,086,530
Bank overdrafts (Note 18c)	(1,482)	(573,175)	(1,482)	(573,175)
	31,308,743	**99,551,614**	**31,273,566**	**99,513,355**

18 Borrowings

a Borrowings comprises:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Current	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Short term import finance facilities	377,002,188	648,482,430	377,002,188	648,482,430
Bank borrowings - current	14,058,247	1,217,126	14,067,305	1,217,126
	391,060,435	649,699,556	391,069,493	649,699,556
Non-current				
Bank borrowings - non current	796,498	1,377,286	787,440	1,377,286
Total borrowings	**391,856,933**	**651,076,842**	**391,856,933**	**651,076,842**

Current bank borrowings relate to short term Import Finance Facilities (IFF) from several Nigerian banks with average maturity of 5 months. They also include bank borrowings repayable in the next 24 months after year end.

18 Borrowings (continued)

Term loans as at year end include:

i) N10 billion obtained from Union Bank of Nigeria Plc for a period of 72 months with effect from 18 September 2018 (inclusive of 24 months moratorium). This was fully repaid during the year ended 31 December, 2024.

ii) N6.26 billion obtained from Sterling Bank Nigeria Limited for a period of 98 months with effect from February 2019.

b Movement in borrowings is as follows:

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	₦'000	**₦'000**	**₦'000**	**₦'000**
At 1 January	651,076,843	211,671,012	651,076,842	211,671,012
Proceeds from loan drawdown	93,279,400	577,322,462	93,279,400	577,322,462
Interest charge expensed	25,210,564	18,562,117	12,478,586	11,588,362
Foreign exchange loss on translation of borrowings	193,076,315	81,864,676	193,076,315	2,888,227
Foreign exchange loss absorbed by related parties	19,772,982	-	19,772,982	78,976,449
Repayment of principal	(564,796,459)	(219,880,819)	(564,796,459)	(219,880,819)
Interest paid	(25,762,711)	(18,462,605)	(13,030,733)	(11,488,851)
At 31 December	**391,856,934**	**651,076,843**	**391,856,933**	**651,076,842**

c Net debt comprises:

Cash and balances with banks	(31,310,225)	(100,124,789)	(31,275,048)	(100,086,530)
Borrowings - current	391,060,435	649,699,556	391,069,493	649,699,556
Borrowings - non-current	796,498	1,377,286	787,440	1,377,286
Borrowings - overdraft	1,482	573,175	1,482	573,175
Net debt	**360,548,190**	**551,525,227**	**360,583,367**	**551,563,487**

19 Trade and other payables

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
Financial liabilities:	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Trade payables	11,832,331	7,980,912	10,959,171	7,773,252
Accrued audit fees	177,850	148,350	157,850	148,350
Other payables and accrued expenses	1,299,043	1,412,091	2,335,237	1,405,923
Total financial liabilities	13,309,224	9,541,353	13,452,258	9,327,525
Non-financial liabilities:				
Value added tax payable	80,856,766	38,346,046	40,622,916	20,779,271
Withholding tax payable	311,351	1,177,512	310,299	882,688
Minimum tax payable	192,659	203,299	192,659	203,299
Other statutory obligations	207,767	207,768	207,768	207,768
Total non-financial liabilities	81,568,543	39,934,625	41,333,642	22,073,026
	94,877,767	**49,475,978**	**54,785,900**	**31,400,551**

All trade and other payables are due within 12 months after the statement of financial position date.

a The reconciliation of minimum tax payable is provided below:

Opening balance as at 1 January	203,299	1,580,531	203,299	1,580,531
Charge for the year to profit or loss (Note 7)	-	10,640	-	10,640
Payment during the year	(10,640)	(1,387,872)	(10,640)	(1,387,872)
Closing balance as at 31 December	**192,659**	**203,299**	**192,659**	**203,299**

20 Government grants

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Opening balance as at 1 January	140,092	255,300	140,092	255,300
Released to the statement of profit or loss (Note 10)	(68,068)	(115,208)	(68,068)	(115,208)
Closing balance as at 31 December	**72,024**	**140,092**	**72,024**	**140,092**
The balance of the Government grant is analysed as follows:				
Current	47,579	69,882	47,579	69,882
Non-current	24,445	70,211	24,445	70,211
	72,024	**140,092**	**72,024**	**140,092**

The Group received a N6.26 billion loan at 9% from Central Bank of Nigeria through Sterling Bank (note 18). The loan was disbursed to finance agricultural backward integration projects such as rice mills, machinery acqusition and the purchase and storage of grains. The Government grant has been calculated as the difference between the market interest rate and the contractual interest rate of the loan received. There are no unfulfilled conditions or contingencies attached to the grant.

21 Share capital

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Minimum Share Capital :				
Balance as at 1 January and 31 December 18,000,000,000 ordinary shares @ 50 kobo per share	9,000,000	9,000,000	9,000,000	9,000,000
Issued and fully paid:				
Balance as at 1 January and 31 December 18,000,000,000 ordinary shares @ 50 kobo per sh	9,000,000	9,000,000	9,000,000	9,000,000
	9,000,000	**9,000,000**	**9,000,000**	**9,000,000**

There were no changes to minimum and issued share capital during the year ended 31 Decmber 2024 (2023: Nil).

21.1 Basic and diluted earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting year.

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Profit attributable to ordinary equity holders of the parent ₦'000	265,997,812	112,097,495	263,192,437	112,058,161
Weighted average number of ordinary shares in issue at year end	18,000,000	18,000,000	18,000,000	18,000,000
Basic earnings per share (Naira)				
At the end of the year	**14.78**	**6.23**	**14.62**	**6.23**

There were no potential dilutive shares to either year-ends. Hence basic and diluted earnings per share have the same value.

22 Cash (used in)/ generated from operating activities

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Profit before tax	284,322,997	108,123,930	281,517,622	108,084,596
Adjustment for:				
Depreciation of property, plant and equipment (Note 13)	9,598,159	9,400,654	9,368,184	9,052,857
Depreciation of right-of-use assets (Note 14a)	9,505	842	9,505	842
Unrealised exchange losses	173,293,329	82,060,422	132,818,246	68,214,821
Lease modification	(16,738)	-	(16,738)	-
Revenue recognised for goods previously paid for	(1,184,491,104)	(47,139,328)	(1,184,491,104)	(47,139,328)
Finance income (Note 11)	(15,195,625)	(2,497,371)	(15,195,625)	(2,518,849)
Interest expense on borrowings (Note 18b)	25,210,564	18,562,117	12,478,586	11,588,362
Interest on lease liabilities (Note 14b)	18,158	5,044	18,158	5,044
Movements in government grants (Note 20)	(68,068)	(115,208)	(68,068)	(115,208)
Interest expense on bank overdraft	-	247,082	4,678,743	247,082
Impairment charge on Financial assets (Note 9)	1,006,140	7,890,845	994,106	8,395,891
Minimum tax (Note 12a)	-	-	-	-
	(706,312,682)	176,539,028	(757,888,384)	155,816,110
Changes in working capital:				
(Increase)/decrease in inventories	(6,124,445)	(82,516,047)	10,314,208	(62,220,648)
Decrease/(increase) in trade receivables and other assets	132,891,601	(32,009,443)	123,526,245	(45,072,113)
Increase in due from related parties (Note 24b)	(199,619,886)	(261,151,962)	(429,079,672)	(332,124,042)
Increase in trade and other payables	45,407,426	12,291,670	18,712,245	9,447,452
Increase in contract liabilities	1,238,607,324	68,950,583	1,238,607,324	68,950,583
(Decrease)/increase in due to related parties	-	(32,243,723)	241,879,248	32,427,926
Cash generated from/(used in) operations	**504,849,337**	**(150,139,893)**	**446,071,213**	**(172,774,731)**

23 Particulars of Directors and staff

a Particulars of staff

The average number of persons, excluding Directors, employed by the Company during the year is as follows:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Number	Number	Number	Number
Production	390	320	248	238
Administration	360	398	264	251
	750	**718**	**512**	**489**

23 Particulars of Directors and staff (continued)

b The table below shows the number of employees of the Company in receipt of emoluments, including allowances and pension costs within the following bands during the year.

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	Number	**Number**	**Number**	**Number**
N100,000 - N500,000	-	-	-	-
N500,000 - N1,000,000	-	32	-	2
N1,000,001 - N2,000,000	80	136	8	46
N2,000,001 - N3,000,000	97	113	47	80
N3,000,001 - N4,000,000	116	141	77	111
N4,000,001 - N5,000,000	73	70	48	61
N5,000,001 - N10,000,000	268	187	236	156
N10,000,001 - N15,000,000	79	19	65	16
N15,000,001 - N20,000,000	14	6	13	5
N20,000,001 - N30,000,000	9	7	6	7
N30,000,001 - N40,000,000	3	2	3	1
N40,000,001 - N50,000,001	3	1	3	-
Above 50,000,000.00	8	4	6	4
	750	**718**	**512**	**489**

c Particulars of Directors

i Directors' emoluments

The remuneration paid to the Directors of the Group is as follows:

	Group		Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Emoluments paid to the Directors	757,192	391,544	757,193	391,544
	-		-	
	-		-	
The Chairman	51,188	46,563	51,188	46,563
	-		-	
Amount paid to the highest paid Director	119,000	79,360	119,000	79,360

23 Particulars of Directors and staff (continued)

c Particulars of Directors

The number of Directors of the Group (including the highest paid Director) whose remuneration, excluding pension contributions in respect of services to the Group fell within the following range:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Number	Number	Number	Number
20,000,001 - 40,000,000	-	1	-	1
40,000,001 - 60,000,000	7	6	7	6
60,000,001 - 80,000,000	-	1	-	1
80,000,001-120,000,000	1		1	
	8	**8**	**8**	**8**

24 Related party transactions and balances

The majority shareholder of the Company, Alhaji Abdulsamad Rabiu CFR, CON, who is also the Chairman of the Board of Directors ('the Chairman'), is the ultimate owner of the Group.

The Group is owned by the Chairman. The Chairman has controlling interests in other companies which are considered to be related parties to the Group.

The Company's transactions and balances arising from dealings with related parties during the year are shown below:

a Transactions with related parties

(i) **Management agreement**

As consideration for the services provided by BUA International Limited, a sum equivalent to 2.83% of the net revenue from BUA Foods Plc and its subsidiaries for the year will be paid to BUA International Limited in line with the Management Service Agreement between both entities. During the year ended 31 December 2024, BUA International Limited waived 75% of the right to claim the management fee due to her from the Group while 100% of the rights was waived in the year ended 31 December 2023. The management fee included in the cost of sales for the year ended 31 December 2024 is N10.81 billion (2023: Nil).

(ii) **Key management personnel compensation**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of the entity. The Group has identified its management team and the Directors as its key management personnel. The compensation paid or payable to key management for employee services is shown below:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	₦'000	₦'000	₦'000
Salaries and other short-term employee benefits	864,755	489,493	749,439	412,616
Pension costs	53,615	30,349	46,465	25,582
	918,370	519,842	795,904	438,198

b Outstanding balances with related parties

Below are the outstanding receivables from, and payables to related parties. These balances are not as a result of trade transactions but relate to settlement of liabilities on behalf of the Company or by the Company on behalf of other entities. There are no existing terms and conditions on these balances.

			Group		Company	
			31 December 2024	31 December 2023	31 December 2024	31 December 2023
(i)	**Due from related parties**	**Relationship**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	BUA International Limited	Shareholder/ Sister company	562,511,175	362,503,619	931,798,269	575,855,649
	BUA Sugar FZE Limited	Subsidiary	-	-	63,490,272	-
	LASUCO Sugar Company Limited	Subsidiary	-	-	30,374,551	20,727,771
	Director's current account	Director	-	387,670	-	-
	Total gross due from related parties		562,511,175	362,891,289	1,025,663,092	596,583,420
	Impairment of receivables from related parties		(15,124,103)	(14,031,158)	(15,617,115)	(14,536,206)
	Net due from related parties		547,387,072	348,860,131	1,010,045,977	582,047,214

* Directors current account relates to drawings by the Chairman. There are no interests on amounts drawn.

24 Related party transactions and balances (continued)

			Group		Company	
			31 December 2024	31 December 2023	31 December 2024	31 December 2023
(ii)	**Due to related parties**	**Relationship**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	BUA Sugar Refinery FZE	Subsidiary	-	-	379,645,245	137,765,997
			-	-	379,645,245	137,765,997

The related party amounts for each entity have been offset and the net amount has been reported in the statement of financial position as the Group has a legally enforceable right to offset the recognised amounts, and the amounts will be settled on a net basis or simultaneously. The below table presents the recognised due from related parties and due to related parties that are offset in the statement of financial position as at 31 December 2024 and 31 December 2023:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Gross amounts before impairment	**₦'000**	**₦'000**	**₦'000**	**₦'000**
BUA International Limited				
Due from	563,500,027	398,468,719	932,787,121	611,820,749
Due to	(988,852)	(35,965,100)	(988,852)	(35,965,100)
Net amount due from BUA International Limited	562,511,175	362,503,619	931,798,269	575,855,649
BUA Sugar FZE				
Due from	-	-	-	40,604,908
Due to	-	-	(379,645,245)	(178,370,905)
Net amount due to BUA Sugar FZE	-	-	(379,645,245)	(137,765,997)

c Impairment of amounts due from related parties

The loss allowance on amounts due from related parties as at 1 January and to the closing loss allowance as at 31 December for each year is as follows:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	₦'000	**₦'000**	**₦'000**	**₦'000**
As at 1 January	14,031,158	6,319,157	14,536,206	6,319,157
Increase in impairment loss during the year (Note 9)	1,092,945	7,712,001	1,080,909	8,217,049
At 31 December	15,124,103	14,031,158	15,617,115	14,536,206
The net carrying amount of due from related parties is shown below:				
Gross carrying amount - due from related parties (Note 24b)(i)	562,511,175	362,891,289	1,025,663,092	596,583,420
Less: loss allowance	(15,124,103)	(14,031,158)	(15,617,115)	(14,536,206)
Due from related parties net of loss allowance	547,387,072	348,860,131	1,010,045,977	582,047,214

25 Investment in subsidiaries

The following table lists the entities which are controlled by the Group:

				Carrying value	
				31 December 2024	31 December 2023
Subsidiary	**Incorporation/ Registration details**	**Principal place of business**	**% interest**	**₦'000**	**₦'000**
BUA Sugar Refinery FZE	02-Jun-20	26, Azikiwe Road, Bundu Free Zone, Port Harcourt, Rivers State.	100%	387,670	387,670
LASUCO Sugar Company Limited	07-Sep-16	Lafiagi, Edu Local Government Area, Kwara State.	100%	20,000	20,000
				407,670	407,670

26 Segment reporting

The Group examines performance from a product perspective and has identified four operating segment in its business:

i. **Flour segment:** This part of the business is involved in the sale of flour products and semolina.

ii. **Sugar segment:** This part of the business is involved in refining of imported and locally sourced raw sugar as well as sale of refined sugar

iii. **Pasta segment:** This segment is involved in the sale of pasta products.

iv. **Others:** This segment is involved in the production and sale of rice, and edible oils amongst others. The results of these operations are included in the 'others' column.

	Group	
	31 December 2024	**31 December 2023**
Segment profit/(loss) disclosures	**₦'000**	**₦'000**
Flour	121,367,458	41,960,761
Sugar	87,883,519	34,210,005
Pasta	15,272,307	30,545,502
Others	41,474,528	5,381,228
Total profit after tax	265,997,812	112,097,496

31 December 2024	**Flour**	**Sugar**	**Pasta**	**Others**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Revenue	589,448,950	406,705,117	197,246,101	334,518,901	1,527,919,069
Cost of sales less depreciation	(363,605,610)	(280,714,091)	(125,318,353)	(211,288,427)	(980,926,481)
General and adminstrative expense less depreciation	(20,620,785)	(20,064,829)	(8,857,327)	(15,844,994)	(65,387,935)
Operating profit before depreciation and impairment	205,222,555	105,926,197	63,070,421	107,385,480	481,604,653

31 December 2024	**Flour**	**Sugar**	**Pasta**	**Others**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Depreciation	(4,676,650)	(2,494,002)	(1,661,562)	(775,450)	(9,607,664)
Impairment	-	(1,006,140)	-	-	(1,006,140)
Other (losses)/gains	(78,036,669)	12,851,109	1,228,056	65,069,446	1,111,942
Operating profit	122,509,236	115,277,164	62,636,915	171,679,476	472,102,791
Finance income	-	-	-	15,421,000	15,421,000
Finance cost	(834,338)	(17,647,372)	(50,024,349)	(134,694,735)	(203,200,794)
Minimum tax	-	-	-	-	-
Income tax (charge)/credit	(307,440)	(9,746,273)	2,659,741	(10,931,213)	(18,325,185)
Segment's profit	121,367,458	87,883,519	15,272,307	41,474,528	265,997,812
Total comprehensive income	121,367,458	87,883,519	15,272,307	41,474,528	265,997,812

31 December 2023	**Flour**	**Sugar**	**Pasta**	**Others**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Revenue	200,176,863	421,910,833	87,757,455	19,598,205	729,443,355
Cost of sales less depreciation	(146,831,633)	(264,617,625)	(49,659,178)	(1,709,847)	(462,818,283)
General and adminstrative expense less depreciation	(6,708,918)	(12,883,682)	(5,760,206)	(18,483,773)	(43,836,579)
Operating profit/(loss) before depreciation and impairment	46,636,312	144,409,526	32,338,071	(595,415)	222,788,493

31 December 2023	Flour	Sugar	Pasta	Others	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Depreciation	(4,667,467)	(2,566,617)	(1,662,626)	(504,784)	(9,401,494)
Impairment	-	(7,890,845)	-	-	(7,890,845)
Other gains	96	624,743	50,401	134,085	809,325
Operating profit/(loss)	41,968,941	134,576,806	30,725,846	(966,114)	206,305,478
Finance income	-	31,783	-	2,465,588	2,497,371
Finance cost	(8,160)	(100,485,603)	(180,344)	(4,812)	(100,678,919)
Minimum tax	-	-	-	-	-
Income tax (charge)/credit	(20)	87,019	-	3,886,566	3,973,565
Segment's profit	41,960,761	34,210,005	30,545,502	5,381,228	112,097,495
Total comprehensive income	41,960,761	34,210,005	30,545,502	5,381,228	112,097,495

Segment total assets disclosures

Segment assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the reporting segment and the physical location of the asset. The Group had no non-current assets domiciled outside Nigeria.

	Location	Group 31 December 2024 ₦'000	31 December 2023 ₦'000
Flour	Nigeria	680,690,236	260,243,675
Sugar	Nigeria	1,065,311,124	1,415,534,761
Pasta	Nigeria	341,503,624	155,764,952
Others	Nigeria	22,715,791	17,565,937
Total segment's assets		2,110,220,775	1,849,109,325
Intersegment elimination			
Intercompany balances		(1,014,716,534)	(778,669,463)
Total assets		1,095,504,241	1,070,439,862

Segment total liabilities disclosures

Segment liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

	Location	Group 31 December 2024 ₦'000	31 December 2023 ₦'000
Flour	Nigeria	532,038,946	231,987,456
Sugar	Nigeria	832,150,653	1,237,639,950
Pasta	Nigeria	244,743,932	94,898,838
Others	Nigeria	46,839,752	23,567,984
Total segment's liabilities		1,655,773,283	1,588,094,228
Intersegment elimination			
Intercompany balances		(989,325,687)	(779,713,199)
Total liabilities		666,447,596	808,381,029

Impairment losses by reportable segments

Impairment losses are measured in a manner consistent with that of the financial statements. These impairments are allocated based on the operations of the segment.

26 Segment reporting (continued)
Impairment losses by reportable segments (continued)

31 December 2024	Flour ₦'000	Sugar ₦'000	Pasta ₦'000	Others ₦'000	Total ₦'000
At start of the year	-	14,222,909	-	-	14,222,909
Impairment charge for the year	366,041	393,388	246,711	-	1,006,140
At the end of the year	366,041	14,616,297	246,711	-	15,229,049

31 December 2023	Flour ₦'000	Sugar ₦'000	Pasta ₦'000	Others ₦'000	Total ₦'000
At start of the year	-	6,332,064	-	-	6,332,064
Impairment charge for the year	-	7,890,845	-	-	7,890,845
At the end of the year	-	14,222,909	-	-	14,222,909

Disaggregation of revenue from customers
The Group derives revenue from the transfer of goods or services at a point in time.

31 December 2024	Flour ₦'000	Sugar ₦'000	Pasta ₦'000	Others ₦'000	Total ₦'000
Point in time	589,448,950	406,705,117	197,246,101	334,518,901	1,527,919,069
Over time	-	-	-	-	-
Total revenue	589,448,950	406,705,117	197,246,101	334,518,901	1,527,919,069

31 December 2023	Flour ₦'000	Sugar ₦'000	Pasta ₦'000	Others ₦'000	Total ₦'000
Point in time	200,176,863	421,910,833	87,757,455	19,598,205	729,443,355
Over time	-	-	-	-	-
Total revenue	200,176,863	421,910,833	87,757,455	19,598,205	729,443,355

27 Contingent liabilities

There are 5 law suits pending against the Group in the court of law (2023: 5 law suits), which are being handled by legal counsel. There were legal claims of N 424.1 million (2023: N294.8 million) against BUA Foods Plc for which the law suits have not been concluded as at year end.

In the opinion of the Directors and based on independent legal advise, no material losses are expected to arise from these claims, hence no provision has been made in these financial statements (31 December 2023: Nil).

28 Subsequent events

There were no significant events after the reporting period which could have a material effect on the state of affairs of the Group as at 31 December 2024 and on the profit for the year ended on that date which have not been adequately provided for or disclosed in these financial statements.

29 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

BUA FOODS PLC

RC:621320

Other National Disclosures

BUA FOODS PLC

Annual report and financial statements
Statement of value added
For the year ended 31 December 2024

Group	**2024 N'000**	**%**	**2023 N'000**	**%**
Revenue	1,527,919,069		729,443,355	
Finance income	15,421,000		2,497,371	
Other income	1,111,942		809,325	
	1,544,452,011		732,750,051	
Less: Bought in materials and services:				
Local	(290,514,980)		(215,754,719)	
Imported	(748,086,953)		(293,234,923)	
VALUE ADDED	**505,850,078**	**100**	**223,760,409**	**100**
APPLIED AS FOLLOWS:				
TO PAY EMPLOYEES:				
Salaries, wages and other benefits	8,718,844	2	5,556,271	3
TO PAY PROVIDERS OF FUNDS:				
Finance cost	203,200,794	40	100,678,919	45
TO PAY GOVERNMENT:				
Income taxes	18,325,185	3	(3,973,565)	(2)
TO PROVIDE FOR REPLACEMENT OF ASSETS AND FUTURE GROWTH:				
Depreciation of property, plant and equipment	9,597,938	2	9,400,447	4
Depreciation of right-of-use assets	9,505	0	842	0
Retained profit	265,997,812	53	112,097,495	50
VALUE ADDED	**505,850,078**	**100**	**223,760,409**	**100**

Company	**2024 N'000**	**%**	**2023 N'000**	**%**
Revenue	1,199,156,623		490,118,670	
Finance income	15,421,000		2,497,371	
Other income	69,613,989		66,868,384	
	1,284,191,612		559,484,425	
Less: Bought in materials and services:				
Local	(249,829,360)		(358,287,270)	
Imported	(587,293,926)			
VALUE ADDED	**447,068,326**	**100**	**201,197,155**	**100**
APPLIED AS FOLLOWS:				
TO PAY EMPLOYEES:				
Salaries, wages and other benefits	6,179,281	1	4,003,550	2
TO PAY PROVIDERS OF FUNDS:				
Finance cost	149,993,733	34	80,055,309	40
TO PAY GOVERNMENT:				
Income taxes	18,325,185	4	(3,973,565)	(2)
TO PROVIDE FOR REPLACEMENT OF ASSETS AND FUTURE GROWTH:				
Depreciation of property, plant and equipment	9,368,184	2	9,052,857	4
Depreciation of right-of-use assets	9,505	-	842	-
Retained profit	263,192,437	59	112,058,161	56
VALUE ADDED	**447,068,326**	**100**	**201,197,155**	**100**

Value added represents the additional wealth created through the effort of the Group and its employees. The Statement shows the allocation of that wealth to employees, providers of fund, shareholders, government and the amount retained for the future creation of wealth.

Statement of financial position

	Group					Company				
	31 December 2024 N'000	31 December 2023 N'000	31 December 2022 N'000	31 December 2021 N'000	31 December 2020 N'000	31 December 2024 N'000	31 December 2023 N'000	31 December 2022 N'000	31 December 2021 N'000	31 December 2020 N'000
Assets employed										
Non-current assets	380,054,539	358,022,186	330,554,917	323,256,014	224,378,972	280,558,011	263,869,830	251,512,765	249,070,108	152,941,822
Current assets	715,449,702	712,417,676	276,669,708	270,213,501	149,940,711	1,148,854,637	923,421,007	410,774,737	333,603,790	216,291,320
Non-current liabilities	(33,054,290)	(23,786,893)	(69,735,266)	(52,392,390)	(52,717,936)	(33,045,231)	(23,786,893)	(69,735,267)	(52,392,390)	(49,949,661)
Current liabilities	(633,393,306)	(784,594,136)	(306,528,023)	(340,358,452)	(190,651,159)	(972,955,742)	(904,284,706)	(364,391,157)	(329,688,704)	(189,337,560)
Net assets	429,056,645	262,058,833	230,961,336	200,718,673	130,950,588	423,411,675	259,219,238	228,161,078	200,592,804	129,945,921
Capital employed										
Ordinary share capital	9,000,000	9,000,000	9,000,000	9,000,000	29,538	9,000,000	9,000,000	9,000,000	9,000,000	29,538
Reorganisation reserves	(943,228)	(943,228)	(943,228)	(943,228)	(943,228)	391,961	391,961	391,961	391,961	391,961
Retained earnings	420,999,873	254,002,061	222,904,564	192,661,901	131,864,278	414,019,714	249,827,277	218,769,117	191,200,843	129,524,422
Total equity	429,056,645	262,058,833	230,961,336	200,718,673	130,950,588	423,411,675	259,219,238	228,161,078	200,592,804	129,945,921

Statement of profit or loss and other comprehensive income

	Group					Company				
	31 December 2024 N'000	31 December 2023 N'000	31 December 2022 N'000	31 December 2021 N'000	31 December 2020 N'000	31 December 2024 N'000	31 December 2023 N'000	31 December 2022 N'000	31 December 2021 N'000	31 December 2020 N'000
Revenue	1,527,919,069	729,443,355	418,347,770	333,272,234	192,860,037	1,199,156,623	490,118,670	300,877,115	230,517,695	177,683,946
Profit before tax	284,322,997	108,123,930	107,229,703	77,468,721	47,249,188	281,517,622	108,084,596	104,555,313	78,347,519	53,696,160
Income tax expense	(18,325,185)	3,973,565	(15,885,684)	(7,700,636)	(11,842,270)	(18,325,185)	3,973,565	(15,885,684)	(7,700,636)	(11,842,270)
Profit after tax	265,997,812	112,097,495	91,344,019	69,768,085	35,406,918	263,192,437	112,058,161	88,669,629	70,646,883	41,853,890
Total comprehensive income	265,997,812	112,097,495	91,344,019	69,768,085	35,406,918	263,192,437	112,058,161	88,669,629	70,646,883	41,853,890
Per share data										
Earnings per share (Naira)	14.78	6.23	10.15	4.24	1.97	14.62	6.23	9.85	4.29	2.33
Net assets per share (Naira)	23.84	14.56	25.66	12.18	7.29	23.52	14.40	25.35	12.18	7.23

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Net assets per share is calculated by dividing net assets of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.