



**BUA Foods Plc FY 2024 Unaudited Report: Net Earnings Grew by Triple Digit Despite Soaring Energy Costs.**



Image Credit: Proshare Graphics

Proshare.

Issue Date:

**Saturday February 01, 2025**

A Market Intelligence and Strategic Advisory Group Report

Production:

**Proshare** Graphics.

Unlock **exclusive access** to reliable **market information, comprehensive reports, and expert analysis.**



Visit [www.proshare.co](http://www.proshare.co)

Proshare.

The inelastic demand for consumables and upward price adjustment improved **BUA Food's** financial performance in its FY 2024 unaudited financial statement. The group's revenue/ turnover rose **+109.29%** to N1.53trn, spurred by the strong performance of the product lines. A breakdown showed bakery flour had the highest growth at **+172.20%** followed by Pasta (**+125.23%**), non-fortified sugar (**+101.28%**) and fortified **+67.04%**, with a contribution to revenue at 36%, 13%, 11.0% and 37%, respectively. Along with the revenue growth, the cost of sales grew by triple digits to N984.98bn, driven by raw materials and energy costs. The group incurred an FX loss of N188.68bn, net finance cost of N11.45bn, and Admin & selling expenses of N60.11bn but still achieved a strong profitability. The pre-tax profit (PBT) and PAT rose **+167.35%** and **+145.27%** to N289.07bn and N274.95bn respectively. However, the large cash outflow on borrowings repayment dampened the group's liquidity position, where the cash and cash equivalent declined to N38.60bn in FY 2024 (see table 1).

**BEYOND PROFIT**

How a Nigerian Company Built a Culture of Credibility

Available at the following Outlets:



Proshare.

**Nigeria Capital Markets: The Age of AI, Beyond Distributed Ledger Technology.**



Proshare.

Table 1:

Key Highlight	FY 2023 (N'bn)	FY 2024 (N'bn)	Growth Rate (%)
Turnover	729.44	1,526.68	109.29%
Cost of sales	468.98	984.98	110.02%
Gross Profit	260.46	541.71	107.98%
Finance Income	2.50	10.20	308.00%
Finance Costs	18.81	21.65	15.10%
Selling and Admin expenses	47.06	60.11	27.73%
Profit Before Tax	108.12	289.07	167.35%
Profit After Tax	112.10	274.95	145.27%
Earnings per share	6.23	15.27	145.10%
Total Assets	1,070.44	1,056.87	-1.27%
Shareholder's Equity	262.06	438.00	67.14%
Borrowings	651.08	316.98	-51.31%
Cash and Cash equivalent	100.12	51.53	-48.53%
Trade and other receivables	151.16	51.53	-65.91%
Inventories	112.28	105.39	-6.13%

### Performance Ratios.

BUA Foods' financial ratios improved, as net profit margin, return on equity (ROE) and return on assets (ROA) rose to 18.01%, 62.77% and 26.01%, suggesting enhanced profitability and efficient utilisation of assets and equity. Additionally, the company's liquidity position strengthened, with the current ratio and acid-test ratio, reflecting better short-term financial health and a more balanced capital structure (see table 2).

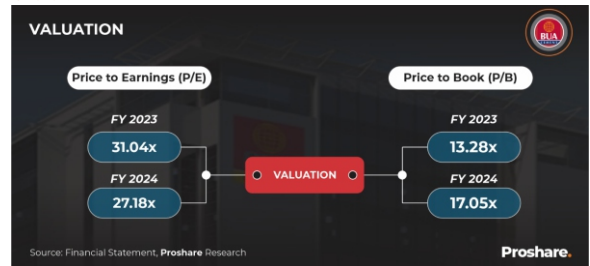
Table 2:

Ratios	FY 2023	FY 2024
Gross profit margin	35.71%	35.48%
Net profit Margin	15.37%	18.01%
Return on equity	42.78%	62.77%
Return on assets	10.47%	26.01%
Current Ratio	0.91x	1.14x
Acid-Test Ratio	0.76x	0.96x
Inventory Turnover Ratio	4.18x	9.35x
Debt-to-equity ratio	2.48x	0.72x

### Valuation

The price-to-earnings (P/E) ratio decreased from 31.04x to 27.18x, suggesting a lower market perception relative to corporate fundamentals. In contrast, the price-to-book (P/B) ratio increased from 13.28 to 17.05, indicating a higher market valuation relative to the company's book value, which may reflect investor optimism regarding future growth potential (see chart 1).

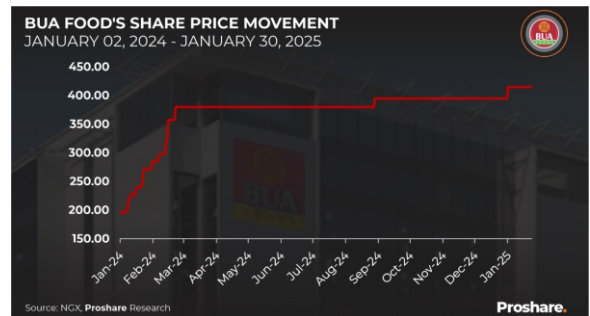
Chart 1:



### Share Price Movement.

BUA Foods' share price showed a steady bullish trend in 2024. At the beginning of the year, the stock price rose significantly from N193.40 to N379.90 by the end of February and took a flat position from March to August 2024. The share price resumed its upward trend in September, climbing to N394.90 on August 28, 2024, and remained there till December 31, 2024, to return +104% in 2024 (see chart 2).

Chart 2:



The passthrough effect of elevated input prices in adjusting commodities prices and strong consumption appetite should sustain BUA Foods performance in 2025. The recent exchange rate stability could lessen its FX exposure and losses incurred, improving bottom-line earnings.

For further updates on BUA Foods, follow the company Proshare Investor Relations (IR) Portal.

For feedback and further information, kindly contact [research@proshare.co](mailto:research@proshare.co)

Click Here to

## Subscribe

to our Market Intelligence notes for updates.

## Thank you.

## Related Items.

1. BUA Foods Plc 9M 2024 Result: Overcoming Price Effect as PBT Grows by +93.59%
2. BUA Foods: Resilient Performance as Biting Cost Pressures Remain Prevalent
3. BUA Foods Plc Declares N201.39bn PAT in 9M 2024 Results; (SP: N394.90k)
4. BUA Foods to Hold Board Meeting on October 30, 2024
5. Resolutions Passed at the 3rd Annual General Meeting of BUA Foods Plc
6. BUA Foods Plc to Increase Pasta Production Capacity by 400,000MTpa with FAVA Partnership
7. BUA Foods to Expand its Wheat Flour Milling Capacity
8. BUA Foods Plc H1 2024 Result: Sales Growth Doubles by +109.51% Amidst Cost Pressures
9. BUA Foods Plc to Hold Annual General Meeting on September 26, 2024
10. BUA Foods Plc Declares N130.9bn PAT in H1 2024 Unaudited Results, (SP: N379.9k)
11. BUA Foods Plc: Improved Earnings Amidst Biting Cost Pressures
12. BUA Foods Plc Q1 2024 Result: Finance Costs Soar +611.74% on the Back of Rising Interest Rates
13. BUA Foods Plc Declares N55.82bn PAT in Q1 2024 Results, (SP: N379.9)
14. BUA Foods Plc FY 2023 Result: Revenue Rises 74.36%, as Operating Costs Escalate
15. BUA Foods Plc Declares N112.10bn PAT in Q4 2023 Results, (SP: N379.9)
16. BUA Foods Plc to Hold Board Meeting on March 28th 2024
17. BUA Foods Plc to Hold Board Meeting on 25th January 2024
18. BUA Foods Plc Declares N105.62bn PAT in Q3 2023 Results, (SP: N202:80k)
19. BUA Foods Plc Holds 2nd AGM, Pays N4.50k Dividend
20. 2023 AGM: BUA Foods Plc Shareholders Approve N4.50k Final Dividend, Commits to Supporting FC Food Security Agenda
21. BUA Foods Plc to Hold 2nd AGM on Sept 14th 2023
22. BUA Foods Plc Declares N95.19bn Profit in Q2 2023 Unaudited Results, (SP: N135.75k)
23. BUA Foods Plc Appoints Mrs Yemisi Lowo-Adesola as an Independent Non-Executive Director
24. BUA Foods Restates Commitment to Supporting Local Rice Farmers for Food Security in Nigeria
25. BUA Foods Plc Declares N40.47bn PAT in Q1 2023 Results, (SP: N114:00k)
26. BUA Foods Plc FY 2022 Investors and Analysts Call Presentation



### Advice To Users of This Report.

Proshare, founded in 2006, is a trusted professional practice and financial information hub dedicated to serving as a critical bridge between the markets, investors, regulators, and stakeholders. By delivering credible, reliable, and timely engagements, we assist the marketplace to shape thought-led conversations premised on evidence-based insights that hold the firm accountable collaboratively.

#### Practice Ethos and Disclaimer

Proshare does not guarantee any results or investment returns based on the information contained in this report. Although we have used our best efforts to provide the most accurate information, we do not promise verbally or in writing that you will earn a profit when or if you use the information contained therein and/or take the actions that might have been prescribed here by the author or our analysts, any reliance you place on our content for decision making is at your own risk. Reports often contain complex technical language, kindly seek expert analysis or expert opinions to help interpret the findings accurately. Context is key, and understanding is essential to grasp the report's true implications. We encourage our discerning readers to seek additional education and insights as you navigate the complexities of the report. As consumers of news and information, we play a role in responsible reporting, be cautious of spreading unverified or misleading information about the report's contents or corporate entities mentioned in the report.

#### Copyright

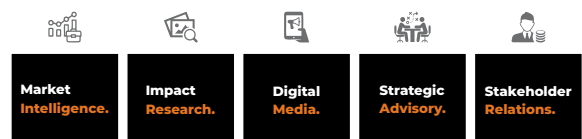
The copyright of the materials in this report belongs to Proshare Nigeria Ltd. While we encourage the dissemination of our work, permission to reproduce or republish any portion of the report should be directed to the office of the MD/CEO of Proshare Nigeria Ltd. This work is licensed under the Trademark and Copyrights Laws of the Federal Republic of Nigeria and is registered accordingly at the National Library and other relevant agencies. Proshare's Reports are critical to its education, empowerment, and enlightenment. It is designed to provide market impact commentary on economic, financial, and business developments. While the partners and acknowledged references are responsible for their work, the report issued is designed to document facts.

#### Creation Date

This report was published on February 01, 2025, and is based on the best publicly available information at that time. The PDF version was created on February 03, 2025. For comments, feedback, and updates, kindly send us an e-mail via [research@proshare.co](mailto:research@proshare.co). Thank you.


  
**Teslim SHITTA-BEY**  
 Managing Editor/CE

  
**Tosin IGE**  
 Head, Research



#### Contacts.

 Olufemi <b>AWOYEMI</b> , <i>mni</i> ceo@proshare.co	 <a href="http://www.proshare.co">www.proshare.co</a>
 Teslim <b>SHITTA-BEY</b> teslim.bey@proshare.co	 +234 902 407 5284
 Tosin <b>IGE</b> research@Proshare.co	 @proshare
 Ademidun <b>SHOGO</b> ireconomist@Proshare.co	 proshare.co
	 proshare.co
	 proshare.co

 Plot 590b, Lekan Asuni  
 Close, Off Toyin Omotosho Street,  
 Omole Phase 2, Isheri Olowora  
 Ikeja, Lagos, Nigeria **PC: 105102**  
 Tel: **0700 – PROSHARE**  
 E-mail: [info@proshare.co](mailto:info@proshare.co)