

Cadbury Nigeria Plc

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

Content	Page
Financial highlights	2
Mission statement	3
Corporate information	4
Board of Directors and Company Secretary's profile	5
Directors' report	9
Statement of Directors' responsibilities	26
Certification of the audited financial statements	27
Report of the audit committee	28
Management annual assessment of, and report on Cadbury Nigeria PLC internal control over financial reporting	29
Certification of management's assessment on internal control over financial reporting	30
Independent practitioner's report	32
Independent auditor's report	34
Statement of financial position	37
Statement of profit or loss and other comprehensive income	38
Statement of changes in equity	39
Statement of cash flows	40
Notes to the financial statements	42
Other national disclosures:	
Securities trading policy	83
Value added statement	84
Five -Year financial summary	85
Cadbury's distributors	86

Financial highlights

In thousands of naira

	2024	2023 restated*	Change %
Revenue	129,165,095	80,378,955	61
Gross profit	18,227,769	17,337,427	5
Result from operating activities	5,961,223	7,872,189	(24)
Loss before tax	(28,326,328)	(32,252,226)	12
Loss for the year	(22,224,942)	(22,445,813)	1
Share capital	1,140,142	939,101	21
Total equity	4,379,193	(10,222,007)	143
Data per 50k share			
Basic Loss per share (Kobo)	(975)	(1,195)	18
Net Assets/(Liabilities) per share (Kobo)	192	(544)	135
Stock exchange quotation 31 December (Naira per share)	21.50	19.00	13
Market capitalisation at 31 December	49,026,119	35,685,837	37

* Relates to restatement of prior year balances. Refer to Note 32

MISSION STATEMENT

Cadbury Nigeria Plc is focused on nourishing and delighting our consumers with the right snacks. As a team, we are committed to our stakeholders and will do what is right for our environment.

Corporate information

Board of Directors

Mr. Adedotun Sulaiman, MFR	- Chairman/Non Executive Director
Mrs. Oyeyimika Adeboye	- Managing Director
Mr Ogaga Ologe	- Finance Director (Resigned August 2024)
Mr. Abhiroop Chuckarbutty (Indian)	Non Executive Director (Appointed on 24 October 2024)
Ms. Bunmi Lawson	Non Executive Director (Appointed on 05 June 2024)
Mr. Sunil Parthasarathy (Indian)	- Non-Executive Director
Mrs. Ibukun Awosika	- Non-Executive Director
Mrs. Kofo Akinkugbe	- Non-Executive Director

Company Secretary/Chief Counsel

Mrs Olowe Folashade
Cadbury Nigeria Plc
Lateef Jakande Road
Agidingbi, Ikeja
Lagos
Tel: +234-1-2717777

Registrar & Transfer Office

First Registrars and Investor Services Limited
2, Abebe Village
Iganmu, Lagos
Tel: +234 (1) 2799880
E-mail: info@firstregistrarsnigeria.com
www.firstregistrarsnigeria.com

Registered Office

Cadbury Nigeria Plc
RC4151
Lateef Jakande Road
Agidingbi, Ikeja
Lagos
Tel: +234-1-2717777
E-mail: cadburynigeria@mdlz.com
Website: www.cadburynigeria.com

Independent Auditor

PricewaterhouseCoopers
Chartered Accountants
Landmark Towers,
Plot 5B, Water Corporation Road,
Victoria Island,
Lagos.
Tel: +234 (1) 2711700
E-mail: ng_pwc.enquiry@pwc.com
Website: www.pwc.com/ng

Bankers

Access Bank Plc
Citibank Nigeria Limited
Citibank Europe Plc Uk Branch
Fidelity Bank Plc
First Bank of Nigeria Limited
First City Monument Bank Limited
Globus Bank Ltd
Stanbic IBTC Bank Limited
Standard Chartered Bank Limited
Sterling Bank Plc
Union Bank Of Nigeria Plc
Zenith Bank Plc

Board of Directors and Company Secretary's Profile

Adedotun Sulaiman, MFR

Adedotun Sulaiman, MFR was appointed to the Board of Cadbury Nigeria Plc as a Non-Executive Director in August 2009. He was appointed Chairman of the Board with effect from 22nd July 2020.

Mr. Sulaiman, a renowned management and strategy consultant, has over 35 years of experience in transformational engagements in strategic plan development, organization design/review, human resource management, technology planning, and process re-engineering, in a career with Arthur Andersen & Co./Andersen Consulting/Accenture that spanned 32 years.

Mr. Sulaiman retired as Country Managing Director and Chairman of Accenture Nigeria in 2010, and has since then become an active corporate governance advocate and practitioner. He sat or sits on and/or chaired or chairs the board of several companies and not-for-profit organisations including ABSA Nigeria (formerly Barclays), SecureID Limited, Interswitch Limited, Cornerstone Insurance Plc, Arian Capital Management Limited, New Horizons Systems Solutions Limited, Parthian Partners Limited, Sundry Foods Limited, Beyond Credit Limited, Descasio Nigeria Limited, Advantage Health Africa Limited, Super Network Limited, the African Venture Philanthropy Alliance (AVPA), The Corona Schools Trust, Greensprings Schools, the Lagos Angel Network (LAN) and University of Lagos Advancement Board.

Mr. Sulaiman was the Chairman of the Financial Reporting Council of Nigeria (FRCN) from January 2017 to January 2021.

Oyeyimika Adebayo

Oyeyimika Adebayo joined the Board of Cadbury Nigeria Plc. as Finance and Strategy Director in November 2008. She was appointed as Managing Director of Cadbury Nigeria Plc on 1 April 2019 and Cluster Director of Mondelez International West Africa on 1 July 2019. Mrs. Adebayo is the chairman of the Board of Cadbury Ghana Limited.

Prior to joining the Mondelez International group, Mrs. Adebayo was the Chief Financial Officer and Director of Finance at Nigerian Bottling Company Plc (NBC).

Mrs. Adebayo worked for the Nigeria Practice of the erstwhile accounting firm of Arthur Andersen & Co, and the London Practice of Midgley Snelling & Co, Chartered Accountants, where she also trained as an articled clerk after graduating with a Bachelor of Science Degree in Economics and Social Studies from University College Cardiff, Wales.

Mrs. Adebayo is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Institute of Chartered Accountants in Nigeria.

Mrs. Adebayo is a member of the Board of Odutola Holdings Limited, a family owned group of companies. She is also a member of the Board of Trustees of the Timothy Adeola Odutola Foundation, a family-owned philanthropic foundation set up for the purpose of providing educational, industrial and technological development of Nigerian youths who may be unable to gain access to tertiary education.

As part of her philanthropic work, Mrs Adebayo is a member of the Board of Trustees YEO Foundation which provides various initiatives to empower less privileged women. She also contributes her time to partner with Handmaidens WiLS, a Christian NGO, which seeks to mentor and empower professional women along an ethical career path.

Kofo Akinkugbe

Mrs. Kofo Akinkugbe OON, is a trail-blazing entrepreneur of tremendous energy and courage, passionate about innovative technology and committed to changing the narrative on manufacturing and gender perspectives in Africa

She is the founder/group CEO of SecureID Limited, a smartcard manufacturing and personalization company certified by MasterCard, VISA, Verve, ISO 9001, GSMA, GH-Link, GIMAC, CQM to manufacture bank ATM cards, telecom SIM cards and high security identity cards as well as government issued documents whilst serving clients in 21 countries across Africa. SecureID has a technology and fintech division – SID Digital, with products like digital identity, payments and automated fare collection for transport systems. SecureID also has a transport division – Transport Payment Solutions (TPS) with e-gate and turnstile infrastructure installed on various transport platforms: rail, road or water transport.

Mrs. Akinkugbe is a prize-winning graduate of Mathematics from the University of Lagos and a Chevening Scholar (MBA) Strathclyde Business School, Glasgow-UK. She has attended several international leadership and personal development programs at leading global institutions including the London Business School; INSEAD France; Lagos Business School (Chief Executive Program - CEP); and is an Alumnus of Harvard Business School (Owner/President Management - OPM).

She is a member of both the Nigerian Industrial Policy and Competitiveness Advisory Council, and the Regulators' Forum (a part of the Fintech Association of Nigeria). She equally serves as an Executive Committee Member at the Manufacturers Association of Nigeria

Board of Directors and Company Secretary's Profile (Continued)

Kofo Akinkugbe (cont'd)

In 2022, the Federal Government of Nigeria in its continuous drive to appreciate and encourage high productivity, hard work and excellence among Nigerian entrepreneurs awarded Mrs. Kofo Akinkugbe the National Productivity Order of Merit (NPOM) award during the 19th National Production Day (NPD) at the State House, Abuja.

On October 2022, Mrs. Akinkugbe was conferred with Officer of the Order of the Niger (OON), at Nigeria's National Honours Awards Investiture, by His Excellency Muhammadu Buhari, former President and Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, in recognition of her tremendous contribution to the nation's manufacturing and digital payment industry.

She sits on the board of several local and multinational corporate, philanthropic and humanitarian organizations alongside her role as wife and mother of two inspiring young women.

Ibukun Awosika

Ibukun Awosika is an African entrepreneur, author, international leader, and global culture shaper. She is the Chairman and CEO of The Chair Centre Group, a leading furniture and security systems provider in Nigeria. With an undergraduate degree in Chemistry from University of Ife and advanced degrees from various global institutions, including Lagos Business School, IESE Business School, Wharton and China European International Business School (CEIBS), Ibukun is both a student and leader of the world.

She serves as Chairman or board member on various corporate and non-profit boards around the world, cutting across education (IESE Business School, Imperial Gate Schools, Pan Atlantic University), energy (d-Light Inc.), IT (Digital Jewels Limited), manufacturing (Cadbury Nigeria Plc), retail (House of Tara International), financial services (Alitheia IDF Fund LP, Nigeria Advisory Board for Impact Investing), corporate governance (Convention on Business Integrity), advocacy (Women in Management, Business and Public Service), to mention a few. In addition to her work leading businesses, Ibukun Awosika is also committed to serving nations. She was recently appointed to the UK G7 impact Taskforce. She is a member of the Nigerian Economic Summit Group and served on the pioneer board of the Nigerian Sovereign Wealth Fund.

Over the years, she has received numerous awards locally and internationally. Her most recent recognitions are the 2020 Forbes Woman Africa Chairperson Award and the Beta Gamma Sigma 2020 Business Achievement Award. She is a fellow of the African Leadership Initiative and Aspen Global Leadership Network. She is also a recipient of three honorary Doctorate degrees.

Ibukun has spoken at numerous world conferences and platforms, including the Global Leadership Summit, where she shares her knowledge on several economic, leadership and faith-based topics. She is the founder of the Christian Missionary Fund, a faith-based organization that works with hundreds of missionaries spread across Nigeria to change lives through the provision of medical, educational, and general relief.

Ibukun Awosika is a woman of many firsts; she is the first female chairperson of Nigeria's premier bank, First Bank, the first Nigerian recipient of the prestigious International Women Entrepreneurial Challenge (IWEC) Award and the first African recipient of the International Friendship Award 2019 by the Queen of Spain.

As part of her commitment to investing in the next generation of business leaders, she started the 360 Executive Coaching series and The Life Series with Ibukun Awosika, which have directly impacted over 10,000 men and women and countless more across the world to date. She founded the Afterschool Graduate Development Centre, a career centre established to checkmate the high rate of unemployment in Nigeria. She is also a judge on Jack Ma's Africa's Business Heroes program for African entrepreneurs.

Ibukun has multiple expressions beyond the boardroom. She is a seasoned author and shapes culture through her active involvement in media and purposeful entertainment. She featured in the highly rated Netflix Original blockbuster movie, Citation, and was the Executive Producer of God Calling, another exceptional movie which was released on Netflix in 2020.

She is happily married to Abiodun Awosika and they are blessed with three wonderful sons.

Board of Directors and Company Secretary's Profile (Continued)

Sunil Parthasarathy

Sunil Parthasarathy was appointed to the Board of Cadbury Nigeria Plc as a Non-Executive Director effective 14th March 2018. Mr. Parthasarathy, has over 20 years' experience in Finance, he is currently the Finance Director for Mondelez Sub Saharan Africa.

Mr. Parthasarathy joined Cadbury Schweppes Plc in 2006 and has held a succession of senior finance roles in the Mondelez Group including Director of Accounting and External Reporting for Mondelez Asia Middle East and Africa (AMEA), Associate Director, Accounting and External Reporting, India, Supply Chain Finance Controller, Cadbury Schweppes Australia and New Zealand, and Financial Planning and Analysis Manager, Cadbury Schweppes Asia Pacific.

Prior to joining Cadbury Schweppes, Mr. Parthasarathy spent six years in a variety of Finance roles with Procter and Gamble Asia. Mr. Parthasarathy is an Associate of the Institute of Chartered Accountants of India.

Bunmi Lawson

Ms. Bunmi Lawson is the pioneer MD/CEO of EDFIN MfB Ltd; the first specialized Education MfB with unique and well researched products and services tailored to cater for the needs of its customers and the Education Ecosystem. Its shareholders include Gray Matters Capital, an impact investment company based in the USA

Prior to joining EDFIN, Bunmi was the pioneer MD of ACCION MfB, one of the largest MfB in Nigeria. She was instrumental in its growth to a national bank covering 23 states with 62 branches. She was also an Executive Director of FATE Foundation Ltd/Gte, a leading business development service provider, a co-owner and ED of VLA Lawrence & Associates, a leading HR services organization and has over 32 years post graduate experience in finance, insurance, marketing, auditing and banking.

Ms. Lawson holds a master's degree in business administration from the IESE Business School, University of Navarra, is an alumnus of the Lagos Business School, a Fellow of the Institute of Chartered Accountants of Nigeria and a Member of the Chartered Institute of Bankers of Nigeria. She is also a Fellow of the following institutes: Institute of Credit Administration of Nigeria, Institute of Credit & Collections Management of Nigeria, and Association of Investment Advisers & Portfolio Managers of Nigeria.

Bunmi is a director on the following boards: Trium Venture Capital Ltd; Chairman of the board of Fiducia Clearing Limited, Vice President Women in Finance, Nigeria and Board Trustee, Fintech Association of Nigeria and was formerly a director in EFINA, Enhancing Financial Innovation and Access and of CRC Credit Bureau Ltd as well as a former Advisory Board Member of Bridge International Academies, Nigeria.

She has attended several courses both locally and internationally at renowned institutions including Harvard Business School, INSEAD and the Boulder Institute for Microfinance and has successfully completed the CBN/CIBN Microfinance Certification Programme. She has presented several lectures/speeches both locally and internationally in Microfinance and other areas of capacity building for small scale industries and young entrepreneurs, SME Financing and been part of special workgroups on various topics bothering on several aspects of the Nigerian economy.

Abhiroop Chuckarbutty

Abhiroop Chuckarbutty (Abhi) is Business Unit President for Sub Saharan Africa (SSA) and is a member of the Asia Pacific, Middle East and Africa (AMEA) Leadership Team. In his role, Abhi is responsible for driving the operational strategy and long-term growth of the SSA markets.

Abhi joined Mondelēz International from Lipton Teas and Infusions, where he was President of the Africa, Middle East & Turkey business unit, a business which he was responsible for setting up as a standalone entity from Unilever. Prior to this role, Abhi had spent more than two decades in Unilever – having started his career at Hindustan Unilever Limited, the Indian arm of Unilever – with roles in sales, media and marketing. His last role at Unilever was as VP Foods and Refreshments for North Africa Middle East.

With a diverse range of experience in consumer-packaged goods (CGP), Abhi has strong consumer, customer, and execution capabilities in the region. Abhi is married to Chaitali, and they have a daughter'.

Board of Directors and Company Secretary's Profile (Continued)

Afolasade Olowe

Afolasade joined Cadbury Nigeria Plc. as Company Secretary in October 2024. Afolasade Olowe is a seasoned corporate counsel with over two decades of experience in corporate commercial practice and corporate governance. Her expertise cuts across different aspects of law including but not limited to Corporate Law and Governance, Regulatory Advisory and Compliance, Labour & Employment, Mergers & Acquisition, Immigration etc.

Afolasade acquired legal practice experience in two of Nigeria's upper tier full-service commercial law firms where she developed firsthand skills in her areas of expertise in corporate commercial practice, Company Secretarial and Corporate Governance practice.

Prior to joining Cadbury Nigeria Plc, she was Senior Counsel and Company Secretary at Unilever Nigeria Plc. During her tenure at Unilever, she led the legal team in providing tailored legal advisory insights and direction to the organisation on diverse aspect of law relating to the operations of the business. Furthermore, as Company Secretary, she ensured the entrenchment of good corporate governance within the board as well as the entire organisation.

She is a member of the Institute of Chartered Secretaries and Administrators of Nigeria and the Nigerian Bar Association. She holds an MBA from the Henley Business School, University of Reading, United Kingdom.

Afolasade is keen on social good causes and is most especially passionate about girl-child development; and as a personal goal, gives of her time to assisting the girl-child achieve their full potential through mentoring.

She has been recognized as one of the leading General Counsels in Nigeria by her inclusion on the GC Powerlist Nigeria by Legal500.com

Directors' report

For the year ended 31 December 2024

The Directors are pleased to present to the members, their Annual Report together with the audited financial statements for the year ended 31 December 2024.

Directors' responsibilities in relation to the financial statements

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with the IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria, 2020 and the Financial Reporting Council of Nigeria Act, 2023.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 2020 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern for at least twelve months from the date of this statement.

Principal activities

Cadbury Nigeria Plc was incorporated in Nigeria on 9 January 1965 as a company limited by shares. It became a publicly listed Company with its shares traded locally on the Nigerian Stock Exchange in 1976. The Company's registered address is Lateef Jakande Road, Ikeja and is principally engaged in the manufacture and sale of branded fast moving consumer goods mostly to the Nigerian market, but also for exports in West Africa. The Company also produces a wide range of intermediate products such as cocoa butter, liquor, cake and powder. The cocoa butter, cake and liquor are exported to a wide range of international customers.

The Product range

The Company's brands fall into three principal categories, namely Cocoa Beverages, Gum and Candy and Intermediate Cocoa Products. CADBURY BOURNVITA, CADBURY 3-in-1 HOT CHOCOLATE, are the main brands in the Cocoa beverage category, while TOMTOM CLASSIC, CANDY CARAMEL, CANDY COFFEE, BUTTERMINT AND CLORETS are the main brands in the Gum and Candy stable. COCOA POWDER, COCOA CAKE AND COCOA BUTTER are the main products for the Intermediate Cocoa Products.

The Cocoa Processing factory in Ondo State produces a range of intermediate products such as cocoa butter, liquor and powder. The cocoa butter and liquor are exported to a wide range of international customers while the cocoa powder is majorly consumed locally. The entire cocoa powder required for production at the Ikeja Plant is sourced from the Cocoa Processing factory.

Shareholding

Cadbury Nigeria Plc is owned 79.39% (2023: 74.97%) by Cadbury Schweppes Overseas Limited ("CSOL"), incorporated in the United Kingdom while CSOL is owned by Mondelez International (formerly Krfat Foods Inc.) 20.61% (2023: 25.03%) is owned by a highly diversified spread of individual and institutional shareholders. Other than CSOL, no other shareholder held more than 5% of the issued share capital of the Company as at 31 December 2024 (2023: Nil).

Directors' report (Continued)

For the year ended 31 December 2024

The Registrars have advised that the range of shareholding as at 31 December 2024 was as follows:

CADBURY NIGERIA PLC

Range	No. of Shareholders	Holder's %	Unit	% Unit
1 - 1000	43,572	58.99	14,169,366	0.62
1001 - 5000	20,202	27.35	47,554,602	2.09
5001 - 10000	5,476	7.41	39,053,834	1.71
10001 - 50000	3,712	5.03	73,937,883	3.24
50001 - 100000	484	0.66	34,931,499	1.53
100001 - 500000	340	0.46	66,821,942	2.93
500001 - 1000000	37	0.05	26,428,865	1.16
1000001 - 5000000	33	0.05	69,511,484	3.05
5000001 - 10000000	2	0.00	16,000,000	0.70
10000001 - 50000000	1	0.00	19,684,015	0.86
50000001 - 100000000	1	0.00	61,976,819	2.72
100000001 - 1878202062	1	0.00	1,810,214,310	79.39
	73,861	100.00	2,280,284,619	100

Operating results

The following is a summary of the Company's operating results as at 31 December 2024:

In thousands of naira

	2024	2023 restated*
Revenue	129,165,095	80,378,955
Result from operating activities	5,961,223	7,872,189
Loss before tax	(28,326,328)	(32,252,226)
Income tax credit	6,101,386	9,806,413
Loss for the year	(22,224,942)	(22,445,813)

Dividend

The Directors did not recommend dividend to shareholders for the current year (2023: Nil).

Board of Directors

The Board during the course of the year was made up of Eight (8) Directors, two (2) of whom are Executive Directors (the Managing Director and Finance Controller) and six (6) are Non-Executive Directors (including the Chairman). In line with global best practice, the position of the Chairman is distinct from that of the Managing Director. The Board has a formal schedule of meetings each year and met five (5) times during the year under review. Typically, Board meetings include consideration of a broad range of matters, including but not limited to financial performance, risk management assessment, corporate governance, compliance and internal control, and matters relating to the oversight and management of the business. In line with its responsibilities for the performance and affairs of the Company, the Board also holds an annual Strategy session to consider the strategic goals of the business and ensure that the Company's human and financial resources are effectively deployed towards attaining those goals.

Directors' report (Continued)

For the year ended 31 December 2024

Record of Directors' attendance at meetings

Pursuant to and in accordance with section 284 (2) of Companies and Allied Matters Act (CAMA), the record of Directors' attendance at Board meetings during the year under review will be made available for inspection at the Annual General Meeting (AGM).

The table below shows the number of meetings attended by the Directors during the period 1 January 2024 to 31 December 2024 as against the number of meetings held during their Board/Committee membership.

Name of Directors	Board Meetings	Governance & Risk Committee	Remuneration & Compensation Committee	Board Strategy Session
Adedotun Sulaiman, MFR	5/5	N/A	N/A	1/1
Oyeyimika Adeboye	5/5	1/1	2/2	1/1
Ogaga Ologe	3/5	N/A	N/A	N/A
Ibukun Awosika	5/5	1/1	2/2	1/1
Sunil Parthasarathy	5/5	N/A	N/A	1/1
Kofo Akinkugbe	5/5	N/A	2/2	1/1
Bunmi Lawson	3/5	1/1	1/1	1/1
Abhiroop Chuckarbutty	1/5	N/A	N/A	1/1

Dates of Board meetings held in 2024: : 25th January 2024, 28th March 2024, 23rd July 2024, 24th October 2024 and 10th December 2024.

Date of Board Strategy Session held in 2024: 24th October 2024.

Date of Governance & Risk Committee (GRC) meeting held in 2024: 23rd October 2024.

Dates of Remuneration & Compensation Committee (REMCO) meetings held in 2024 :27th March 2024 and 23rd October 2024.

Date of Annual General meeting held in 2024: 5th June 2024.

Directors retiring by rotation

The Directors to retire by rotation at the AGM in conformity with the Articles of Association of the Company and section 285(2) of CAMA and who, being eligible, have offered themselves for re-election at the meeting are: the Chairman, Mr. Adedotun Sulaiman, and Mr. Sunil Parthasarathy.

Interests of Directors

The interests of Directors in the issued share capital of the Company as recorded in the Register of Members and/or notified by them for the purpose of Section 301 (1) of CAMA and in compliance with the listing requirements of The Nigerian Exchange Group are as follows:

Name of Directors	Indirect holdings as at 31/12/2024	Direct holdings as at 31/12/2024	Indirect holdings as at 31/12/2023	Direct holdings as at 31/12/2023
Mr. Adedotun Sulaiman, MFR	Nil	594,000	Nil	594,000
Mrs. Oyeyimika Adeboye	Nil	54,000	Nil	54,000
Mr. Ogaga Ologe	Nil	Nil	Nil	Nil
Mrs. Ibukun Awosika	Nil	Nil	Nil	Nil
Mr. Sunil Parthasarathy	Nil	Nil	Nil	Nil
Mrs. Kofo Akinkugbe	Nil	Nil	Nil	Nil
Ms. Bunmi Lawson	Nil	Nil	Nil	Nil
Mr. Abhiroop Chuckarbutty	Nil	Nil	Nil	Nil

Directors' report (Continued)

For the year ended 31 December 2024

Directors' interest in contracts

No Director has declared any interest in contracts with which the Company was involved as at 31 December 2024 (2023: Nil).

Distributors

The Company's products are distributed nationally through an extensive network of 59 distributors, key accounts and institutional customers and the products reach their ultimate consumers through a chain of wholesalers and retailers across the nation. The names of the distributors are listed in the appendix to the Annual Report.

Employment and employees

a. Our people

In Cadbury Nigeria Plc, people remain the most important and valuable assets of our company. This is emphasized daily in our activities and interactions. The growth, performance and achievement of our strategic objectives is an outcome of consistent individual and collective commitment of our workforce, the Cadbury People. Our diversified, engaged, exceptional, resilient, and cross-functional talents are spread through our Executive Leadership team, Management level and Non-Management cadre.

To enable our talents deliver on current challenges and position our business for the future, our best-in-class people policies are designed to ensure that the knowledge and skills of staff are optimized maximally, and we consistently endeavor to align our policies, processes, and practices to the absolute best international standards in employment practices. The People team serves as a keystone that unites teams and drives cohesion across the organization, making it a pivotal force with significant impact. From managing behind-the-scenes administration to spearheading internal communication, leadership development, talent acquisition, onboarding programs, talent and workforce planning, and succession strategies; the team plays a crucial role in shaping our company's culture, fostering employee engagement, bringing in the right talent with the right skills and, enhancing business performance. In this same vein, we continue to receive support from the Mondelez International Group to ensure that our employees are empowered to achieve their best, both for the Company and for themselves. In the year under review, our engagements activities and initiatives maximally delivered returns and added extra impetus to our performance-driven and values-led culture.

b. Talent Acquisition & Recruitment

We believe that hiring the right talent, at the right time, with the right capabilities and cultural fit is an organizational imperative. To ensure that Cadbury Nigeria Plc has the talent needed to deliver our business outcomes, we leverage our talent acquisition strategies that support the Build, Buy, Borrow and Bridge talent philosophies. In our talent acquisition strategy:

- We seek growth.
- We seek to build our diversity, equity, and inclusion.
- Create an enabling environment supporting our people's growth.
- We are an equal opportunity employer.

One of the four (4) pillars of our Business Strategy is "culture". Hence, our new joiners should not only be able to contribute to the Growth, Operational excellence, and Sustainability pillars of our Strategy, but should also be culturally fit to unleash the power of our people.

Our Employer Brand Proposition is designed to nurture engagement, aligning our internal culture with the attraction of new talent, thereby reinforcing our position as a desirable workplace.

In year 2024, we revamped our onboarding program, enhanced the digitization of our talent acquisition process with use of a new tool, "Phenom" and our revamping our Buddy systems.

c. Equal opportunity statement

Cadbury Nigeria Plc is an equal opportunity employer that is committed to providing fair and equitable opportunities to all individuals within entire areas of its business. Our policies, procedures, and practices focus on capability, capacity and contribution and differentiation is strictly on merit and performance.

We continued to implement our diversity, inclusion, and equality in the employee life cycle of all to nurture and sustain a keen sense of belonging when everyone can bring their true self to work, every day.

Directors' report (Continued)

For the year ended 31 December 2024

d. Employment of Physically Challenged Persons

In line with Cadbury Nigeria Plc's policy to promote diversity and offer everyone equal opportunities for employment, we provide employment opportunities to physically challenged persons, bearing in mind the respective aptitude and abilities of the applicants concerned.

If a member of staff becomes physically challenged whilst in the employment of the Company, every effort is made to ensure that their employment with the Company continues, and that appropriate training and support is given to them. It is the Company's policy that, as far as possible, all employees are treated alike in the areas of training, career development and promotion. The Company had two(2) physically challenged persons in its employment as at 31 December 2024 (2023: Two(2)).

e. Learning and Development

We pride ourselves at Cadbury Nigeria Plc as a Learning organization where Training, Learning, Development and Career are foundational and strategic. This is further entrenched with one of our values of "Grow Every Day" and the practice of all people managers having a people development objective annually. We understand that learning and development are required for performance, growth, and continuous improvement. To achieve our learning philosophy, we provide easy access to varied opportunities to learn and grow, leveraging technology alongside our 70-20-10 learning model thereby encourage learning communities who learn from each other maximizing our learning principle of Learn - Do - Teach.

Adults are believed to be autonomous, who delights in taking responsibility for their development. Hence, are willing and ready to learn on the go. We have a wide variety of learning offerings from on-the-job trainings to classroom trainings in our L&D center, hands on demonstration in our Technical Training Center (TTC) to self-directed, self-paced learning on our virtual online university (with over ten thousand courses on foundational, functional, business and leadership capabilities) via Workday Learning to learning offerings on the go through partnership with Tiger Hall, Josh Bersin Academy etc.

We strive to develop the right functional technical skills, knowledge, experiences to deliver world and best in class expertise at all levels in every function.

We encourage our employees to own their career development (which is unique to everyone), be flexible, challenge self, collect a rich blend of experiences and history of impact in the various roles all which are critical to propel their career growth.

In 2024, we held several trainings and learning intervention on the job, in our Technical Training Center (TTC), and externally to onboard and settle new hires on their roles, close skill gaps, build capabilities, prepare talents and successors for the future, equip people managers with leadership and management skills for their team members and improve performance transferring knowledge and expertise. All mandatory compliance, quality and safety trainings were completed as per the training plan.

f. Employee/Industrial Relations

In 2024, we have maintained the peaceful relationship with our social's partners i.e., our employee unions, in an atmosphere where we listen to their opinions & pains and can reach a mutual agreement for the benefit of our employees and the business. We supported the unions both at the Enterprise/Branch and well as in the Industry/National levels. These are the National Union of Food Beverage and Tobacco Employees (NUFBTE) and the Food Beverage and Tobacco Senior Employees Association (FOBTOB).

As employer, we are active members of Association of Food Beverage and Tobacco Employers (AFBTE) and Nigeria Employers Consultative Association (NECA) and were fully committed as expected.

Directors' report (Continued)

For the year ended 31 December 2024

g. Employee Wellness & Well-being

We drive the Employee Wellness and Wellbeing through our Right You program with three pillars – Right Body, Right Mind and Right Connection. These pillars investigate various activities that promote great physical health, sound mental wellbeing and forming lasting inter connective relations.

Post COVID-19, the online fitness group and the onsite Gym continued to support colleagues in various keep-fit initiatives and programs. We commemorate and participate in all World Health Organization Observance days through the year with Health Care Updates communicated to all employees via all our communication channels.

We continued to celebrate the wellbeing month twice, in May & November. As part of activities of the wellbeing months we held online seminar sessions on topics Lifestyle Disease – Dealing with the deadly duo (Hypertension & Obesity), Nutrition: The Effects of Sugar & Caffeine, Sleep Essentials, and Vaccination: Merits Vs Demerits. We also had Yoga/Meditation session and aerobics session. We also hosted quarterly financial forum under the Right Mind Pillar, facilitated by leading financial institutions such as Pension Fund Administrators, Mortgage and Commercial banks etc.

Our Employee Assistance Program (EAP) offered psychological, emotional, and advisory support on mental wellbeing, domestic violence, and griefs from loss of loved ones for employees requiring their services all through the year.

h. Employee Involvement and Engagement

We recognize that an engaged workforce is essential to achieving our goals. Employees who are committed to our mission, proud of their work, and willing to go the extra MILE are pivotal to our success.

Our robust Engagement Calendar has various engagement activities that pull teams across functions, developing bonds and friendship which further reflects our strong company culture and has a direct impact on employee morale.

We have a multigenerational and multicultural workforce bringing together individuals with diverse backgrounds, experiences, and viewpoints. This diversity of perspectives fosters innovation, creativity, and problem-solving, as employees approach challenges from various angles.

We have exported talents outside the country to other Mondelez International subsidiaries for capacity building and to gather international perspectives and experience.

Several formal channels exist for participation in the Company's affairs. As part of the Company's commitment to transparent communication with its employees in line with our communication matrix, quarterly Town Hall meetings, Breakfast meetings with the Managing Director and connect Snacking sessions with leaders, are platforms provided for our employees to communicate through face-to-face and virtual dialogues with the Company's Executive Management team and directly obtain clarifications and/or rationales behind the Company's performance, activities, and strategic plans.

To accelerate employee involvement and ownership of innovative ideas, we continue to leverage our "Ignite" program which was launched to encourage all employees to be collaborative, think out of the box and bring valuable innovative contributions to their work and their company. In 2024, a number of value adding projects were executed, delivering productivity and engagement.

We continue to listen to our employees through the annual "Make it Matter" Engagement Survey which is done every October. In 2024, we had a significant improvement in our engagement score laying credence to the excellent work being done to drive engagement despite the economic challenges in the country.

Cadbury Nigeria Plc has an encompassing Diversity, Equity, and Inclusion (DEnI) agenda through which we foster a powerful sense of belonging where all employees irrespective of race, color, religion, gender etc. bring their true self to work and contribute to the business. The commensuration of the International Women's Day (IWD) is usually done with immense pride in observing this important event. It serves as an avenue to demonstrate and emphasize the company's commitment to promote importance of equal opportunities and fair treatment for all. In line with the 2024 IWD theme #Inspire Inclusion, there was a month-long focus on Diversity, Equity, and Inclusion across the organization.

We equally celebrated International Men's Day across all our locations and engaging sessions in line with the global theme "Men's Health" facilitated by renowned medical experts.

We continued to engage with ex-employees under the umbrella of the Cadbury Alumni Network, demonstrating to our employees that they remain relevant to us even after leaving the business.

Directors' report (Continued)

For the year ended 31 December 2024

h. Employee Involvement and Engagement (continued)

In addition to these champions, we have Talent Brand Ambassadors who are employees with strong social media presence, consistent superior performance and can model what the company stands for in all aspects. Our Talent Brand Ambassadors are often involved in our campus activities and campus events or job fairs where these Talent Brand Ambassadors engage with students or individuals interested in our company. Prior to these events, the Talent Brand Ambassadors undergo comprehensive briefing sessions on how to respond to questions about the company, our brands, and the opportunities available with us. This training ensures they are well-prepared to represent Mondelēz effectively, share insights about our organizational culture, and attract top talent to join our team. We also endeavor to choose talent brand ambassadors from high-performing and long-staying employees, ensuring that those who represent us have a deep understanding of our values and a strong commitment to our organization. We leverage their activities to drive our Employer Brand Proposition (EBP).

Several formal channels and consultative committees exist for participation in the Company's affairs. As part of the Company's commitment to transparent communication with its employees in line with our communication matrix, quarterly Town Hall meetings, Breakfast meetings with the Managing Director and connect Snacking sessions with leaders, are platforms provided for our employees to communicate through face-to-face and virtually with the Company's Executive Management team and directly obtain clarifications and/or rationales behind the Company's performance, activities, and strategic plans.

To accelerate employee involvement and ownership of innovative ideas, we continue to leverage our "Ignite" program which was launched to encourage all our employees to contribute ideas to improve on extant processes and procedures. The rationale behind Ignite was to get the employees who currently do not see their contributions as valuable to get involved through creativity and innovative contributions to supporting the growth objectives of Cadbury Nigeria Plc. It is an organized effort designed to inspire new agile ways of working in the management and employees across all departments/teams. In 2024, projects executed delivered productivity and engagement.

We continued to listen to our employees through the Annual "Make it Matter" Engagement Survey completed in October. To keep engagement top of mind and check how far our action plans are addressing prior year's gap, we still executed the pulse survey in June 2024. In 2024, we had a significant improvement in our engagement score laying credence to the excellent work being done to drive engagement amidst the challenging economy of the nation.

Cadbury Nigeria Plc has an encompassing Diversity, Equity, and Inclusion (DEnI) agenda through which we foster a powerful sense of belonging where all employees irrespective of race, color, religion, gender etc. bring their true self to work and contribute to the business. The commensuration of the International Women's Day (IWD) is usually done with immense pride in observing this important event. It serves as an avenue to demonstrate and emphasize the company's commitment to promote importance of equal opportunities and fair treatment for all. In line with the 2024 IWD theme #Inspire Inclusion, there was a month-long focus on Diversity, Equity, and Inclusion across the organization.

Some of the major highlights of the celebrations included Women's peer-to-peer recognition, a Panel Session titled "Inspire Inclusion" with Tope Phillips Aikhuemelo and Topsy Kole-Oyeneyin (TKO); an online seminar on "Skin Care Tips for Women of all Ages" and a Tote bag making hand on craft session.

Our DE&I Agenda is not only towards the female gender, and in the year under review we celebrated International Men's Day across all our locations. We had a very engaging session in line with global theme "Men's Health" facilitated by renowned medical experts as well as fun, games, and team-bonding session for all men.

Cadbury Nigeria Plc is deeply committed to Corporate Social Responsibility (CSR), consistently dedicating resources to make a meaningful impact on both the communities where we operate and the broader society. Employees are encouraged to participate in CSR initiatives and programs. Our robust Employee Volunteering Program is a testament to our dedication to giving back. This program is both organization-wide and department-based, allowing our employees to actively participate in various community initiatives. A key focus of our volunteer efforts is on supporting education in our neighboring communities and involvement in broader community development projects that address essential needs and promote environmental sustainability.

We continued all our commitments in the 2 year "Nigeria2Equal program" of the Nigeria Stock Exchange and International Finance Corporation (NGX/IFC) with huge commendation from them.

Our DE&I Agenda is not only towards the female gender. This year we celebrated International Mens day across all our locations. We had a very engaging session in line with global theme "Zero Male Suicide" facilitated by renowned medical experts as well as fun, games, and team-bonding session for our men.

We continued to engage with ex-employees under the umbrella of the Cadbury Alumni Network, demonstrating to our employees that they remain relevant to us even after leaving the business.

Directors' report (Continued)

For the year ended 31 December 2024

i. Rewards & Recognition

The Company remains committed to providing world-class rewards for delivering exceptional performance and recognizing the right behaviours to ensure we deliver growth through its innovative rewards and recognition framework. The Company held its 2024 Long Service Awards tagged "Celebration of Devotion" where a total of thirty-nine (39) employees were celebrated for serving the Company devotedly for ten, twenty and thirty years respectively in a fun way which was adjudged to be the best in recent times. This was alongside our existing rewards & recognition framework such as our Manager's Award, Values in Action Awards, Managing Director's Awards, Bravos, Excellence awards, amongst others.. We instituted the Big 5 awards to further reward exceptional behaviours according to our safety and quality.

h. Employee Involvement and Engagement (continued)

The Company continued to receive notable recognition for her excellent and impactful people processes and initiatives from external partners. We retained and improved in our ratings as a Top Employer in Nigeria and Africa for 2024 from the Top Employer Institute, we received the Blue Seal – Africa (region) for the second time and Red Seal – Nigeria (country) for the fourth consecutive year. We have been consistently recognized by various reputable organizations for the amazing work. Notably the awards we received in the past year include:

- **Top Employer in Nigeria 2024 - #1 in Nigeria, #4 in Africa,**
- **HR People Magazine Awards:**
 - Employer of Choice (under 1000 employees)
 - Outstanding Employee Engagement (under 1000 employees)
 - Outstanding Talent Management Strategy
 - Best Training, Learning and Development (under 1000 employees)
- HR Best Practices Awards 2024 – The company with the best-in-class HR policies, practices, and processes
- HR Optimization - Diversity and Inclusion Category
- HR Optimization - Adoption of Technology/Digital HR Category

Cadbury Nigeria Plc in the community

Staff of Cadbury Nigeria Plc carried out volunteering activities in 2024 in line with our corporate social responsibility (CSR) policy. In June, some members of staff from the Health, Safety and Environment (HSE) team, joined by officials of the Food and Beverage Recycling Alliance (FBRA), set aside time to clean up the environment around the piped water that we donated to our Agidingbi host community, as part of World Environment Day.

In addition, the Mondelez Supply Chain (MSC) team in Ikeja visited Agidingbi Primary School within our host community, to hold career and mentoring sessions with the pupils. We also donated branded company items, safety, and hygiene materials to the school.

In the same vein, the Customer Service and Logistics (CS & L) team paid a visit to the Old People's Home in Yaba, Lagos, where We donated various company products, toiletries, and food items.

In compliance with section 43 (2) of CAMA, the Company did not make any donation or gift to any political party, political association or for any political purpose in 2024.

No donations were made by the company during the year 2024.

In compliance with section 43 (2) of CAMA, the Company did not make any donation or gift to any political party, political association or for any political purpose in 2024.

Know-How and trademark license agreements

The Company has Know-How/Management Services and Trademark License Agreements with Mondelez International AMEA PTE. LTD. Under the agreements, Cadbury Nigeria Plc receives technical, scientific and commercial support for its products and its operations.

Property plant and equipment

Information relating to changes in property, plant and equipment is given in Note 13 to the financial statements.

Sustainability Report:

Sustainability:

Mondelez International is committed to doing what is right for our plant and meeting aspirations of our consumers. We aim to make an end to end positive impact on the world and the communities where we do business. This is core to who we are as a Company

Directors' report (Continued)

For the year ended 31 December 2024

Approach to integrating Sustainability



Sustainability

Mondelēz International is committed to doing what is right for our plant and meeting aspirations of our consumers.

We aim to make an end to end positive impact on the world and the communities where we do business. This is core to who we are as a company.

-Approach to integrating Sustainability :

Our foundation is based on 4 core principles

1. Increasing the sustainable sourcing of ingredients used to make our much loved brands.
2. Enhancing the efficient and sustainable use of resources along our supply chain.
3. Continuous improvement of our environmental performance driving measurable results.
4. Meeting or exceeding the requirement of applicable standards'.



Directors’ report (Continued)

For the year ended 31 December 2024

MONDELÉZ INTERNATIONAL ENVIRONMENTAL POLICY

Our mission is to lead the future of snacking by offering the right snack for the right moment , mad the right way.

We call it “Snacking Made Right “.

As a global snacking leader , we have the responsibility to reduce our impact on the environment , have a positive impact on society and conduct ourselves in an ethical, efficient and inclusive manner.

We are increasing our focus and re affirming our commitment to our Environment, Social Impact and Governance (ESG).

Our Snacking right program

- Reduce co2 footprint to protect food supplies: we have increased our focus on ways to continually reduce emissions.
- Cutting wastes : It is better not to generate waste to begin with
- Preserving Water: We have identified sites and areas where water is most scarce and target our reduction efforts on these locations.

Sustainability programs

SUSTAINABILITY PROGRAMS

CO2 Emissions.

We cut CO2 emissions by using low-carbon energy sources (Natural gas) and all our powered trucks are run on batteries thereby eradicating carbon emission. We have also partnered with power plants provider who have mastery on energy efficiency in order to drive conformance to our set objective. Our Forecasted target is to drive reduction by 23% versus what the reduction was in 2018 being our baseline year..

Saving Water

Based on a comprehensive risk assessment. We set target for our water reductions in our operations . Our goal is to reduce absolute water use by 25% percent in areas where high consumption has been identified. This we achieved in the outgone year and we took a new target of 50% reduction by year end to further ensure depletion of natural resources is minimal within west African business apace.

Packaging

We are focusing on investing in packaging technologies that optimize our design in order to meet customer needs. This typically helps reduce the direct material and supply chain environmental footprint and also enables environmental gains in the logistics and waste management phases of the value chain. We also analyze packaging design changes using our propriety Eco-Calculator, which provides our teams information to guide their packaging choices and optimize their design choices to minimize environmental impact. Our target is to achieve 18% food waste reduction by year end.

PURPOSE MATTER SUSTAINABILITY

PURPOSE MATTER’S SUSTAINABILITY





Sustainability programs

CO2 Emissions

We cut CO2 emissions by using low-carbon energy sources (Natural gas) and all our powered trucks are run on batteries thereby eradicating carbon emission. We have also partnered with power plants provider who mastery on energy efficiency in order to drive conformance to our set objective. Our Forecasted target is to drive reduction by 23% versus what the reduction was in 2018.

Saving Water

Based on a comprehensive risk assessment, We set target for our water reductions in our operations. Our goal is to reduce absolute water use by 24% percent in areas where high consumption has been identified. This we achieved in the outgone year and we took a new target of 46% reduction by year end to further ensure depletion of natural resources is minimal within west African business space.

Packaging

We are focusing on investing in packaging technologies that optimize our design in order to meet customer needs. This typically helps reduce the direct material and supply chain environmental footprint and also enables environmental gains in the logistics and waste management phases of the value chain. We also analyze packaging design changes using our proprietary Eco Calculator, which provides our teams information to guide their packaging choices and optimize their design choices to minimize environmental impact. Our target is to achieve 18% food waste reduction by year end.



Directors' report (Continued)

For the year ended 31 December 2024

THE ZERO WASTE HIERARCHY

The zero waste hierarchy

Always consider the waste hierarchy when designing any of our packaging. Packs should be optimised first and then designed with the best materials/structure to facilitate recycle at the end of life and avoid waste to landfill or leakage to oceans.



ENVIRONMENTAL FOOTPRINT GOALS

- REDUCE ABSOLUTE CO₂ EMISSIONS FROM MANUFACTURING BY 23%*
- REDUCE WATER USE BY 40%* AT PRIORITY LOCATIONS WHERE WATER IS MOST SCARCE.
- REDUCE TOTAL FOOD WASTE IN MANUFACTURING 18%*
- ELIMINATE 65,000 METRIC TONNES OF PACKAGING

Mondelēz
International
SNACKING MADE RIGHT

WE'RE READY. WE'RE IN.

MONDELÉZ INTERNATIONAL IS JOINING THE RACE TO ZERO AND COMMITS TO 2050 NET ZERO EMISSIONS TARGET

Directors' report (Continued)

For the year ended 31 December 2024



Corporate Governance Report

The Company recognizes the importance of adhering to best corporate governance principles and practices and the valuable contribution made by such adherence to its long-term business profitability and accountability to its shareholders. A strong focus on corporate governance is at the forefront of the Company's operations and in line with the Code of Best Practices on Corporate Governance in Nigeria. Examples of the Company's compliance with these corporate governance requirements during the year under review are as follows:

i. Board of Directors – composition and independence

As at the date of this report, the Board has a total of six Directors, five of whom are Non-Executive Directors. The Company recognizes the importance of the role of the Non-Executive Directors, all of whom increase the diversity of experience as well as bring objectivity and independence of thought to Board deliberations and decision making.

The position of the Chairman is held by Mr. Adedotun Sulaiman MFR, a Non-Executive Director appointed with effect from 22 July 2020. This is separate and distinct from the position of Managing Director which is held by Mrs. Oyeyimika Adeboye. Mrs. Kofo Akinkugbe is an independent Non-Executive Director. The Board is in the process of filling the casual vacancies, nonetheless, the Board continues to run efficiently and effectively. No Director is on the Board of more than five public companies at the same time.

Directors' report (Continued)

For the year ended 31 December 2024

Corporate Governance Report (Continued)

ii. Board – Training and access to advisers

The Company has a structured and robust induction Programme for new Directors in which the Company's business structure and operations are covered in depth and requisite information provided to assist new Directors in becoming knowledgeable about the Company and discharging their duties effectively. Directors participate in relevant continuing education programmes to update their knowledge and skills.

All the Directors have access to the advice and services of the Company Secretary and if required, to the advice and services of other professionals where such advice will improve the quality of their contribution to Board decision making.

iii. Board Governance & Appointments

The Governance & Risk Committee is responsible for identifying and evaluating names of Directors for recommendation to the Board. The Governance & Risk Committee will consider recommendation of candidates for the Board of Directors, using a robust criteria summarising, key qualifications, skills or attributes each of our directors possess that are most relevant to the decision to nominate him or her to serve on the Board of Directors of Cadbury. In its assessment of each potential Director nominee, The Governance & Risk Committee considers the nominees judgement, integrity, experience, independence, understanding of the Company's business and other related industries and such other factors, the committee determines are pertinent in light of the current needs of the Board. The Committee also takes into account the ability of a potential nominee to devote the time and effort necessary to fulfill his/her responsibilities to the company.

An annual Board Evaluation and Corporate Governance evaluation was conducted for the year under review which confirmed that the Board has in place a robust Corporate Governance system. The evaluation ascertained that the Board was fulfilling its purpose and recommended areas where change(s) were appropriate. The Board's governance processes and practices had also been evaluated, benchmarking them against local law and regulations, key corporate governance considerations; Stakeholders Engagement and Corporate citizenship; Board Structure & Composition; Board Operations & Effectiveness; Strategy Development & Implementation; Risk Management & Compliance; Performance measurement & Management and Transparency & Disclosure. The Board is satisfied that the existing Board has implemented the recommended practices and implemented the principles of Good Corporate Governance and presently in its present state comprises of the necessary quality and quantity of a high performing Board to help the Company achieve its short and long term strategies.

iv. Committees of The Board

In conformity with the Code of Best Practice in Corporate Governance, the Company has in place the following Committees:

(a) Governance & Risk Committee

The Governance & Risk Committee is guided by its Terms of Reference and has the responsibility of establishing and reviewing recommendations, qualifications and mitigating any potential risks, conflict of interest and otherwise, regarding the appointment of any proposed Executive or Non-Executive Director. Thus, ensuring that a review of Board candidates is undertaken in a disciplined and objective manner. The Committee is also tasked with reviewing existing governance procedures and practices considering current domestic and global developments in Corporate Governance and oversee the enforcement of the company code of conduct and ethics and the non-financial elements of risk. The Governance & Risk Committee is chaired by Mrs. Ibukun Awosika (Chair). Ms. Bunmi Lawson and Mr. Abhiroop Chuckarbutty were appointed as members of the Committee in 2024.

(b) Remuneration and Compensation Committee (REMCO)

The Remuneration & Compensation Committee is responsible for making recommendations to the Board on the remuneration of the Directors and senior executives of the Company, reviewing the ongoing appropriateness and relevance of the remuneration policy and ensuring that all provisions regarding disclosure for remuneration which apply to the Company are complied with. The Committee is also guided by its Terms of Reference. The members of the Remuneration & Compensation Committee are Mrs. Ibukun Awosika (Chair), and Mrs. Kofo Akinkugbe, Ms. Bunmi Lawson and Mr. Abhiroop Chuckarbutty. Ms. Bunmi Lawson and Mr. Abhiroop Chuckarbutty were also appointed as members of the REMCO Committee in 2024.

Directors' report (Continued)

For the year ended 31 December 2024

Corporate Governance Report (Continued)

(c) Executive Management committee

The Executive Management Committee comprises the functional directors who head the core business units of the Company. It meets on a bi-monthly basis and is responsible for setting overall corporate targets, reviewing the Company's performance and operational issues, and overseeing the affairs of the Company on a day-to-day basis.

As of 31 December 2024, the Executive Management Committee was comprised of the following members: Mrs. Oyeyimika Adeboye (Managing Director), Ms. Swati Mimani (Finance Lead, West Africa), Mr. Wole Odubayo (Human Resources Director), Mr. Akin Fajembimo (National Sales Director), Mrs. Morolake Emokpaire (Marketing Director), Mr. Owen Akinwande (Manufacturing Director) and Mrs. Afolasade Olowe (Company Secretary/Chief Counsel, West Africa).

(d) Risk Assessment Committee

The Risk Assessment Committee comprises the functional directors and designated senior managers of the Company. It meets on a half yearly basis and its report is forwarded to the Board of Directors for further guidance. It is responsible for the oversight, review and management of the entire business risk of the Company and for proposing steps to mitigate the effects of such business risks. As at 31 December 2024, Mrs. Oyeyimika Adeboye (Managing Director), Ms. Swati Mimani (Finance Lead, West Africa) Mr. Wole Odubayo (Human Resources Director), Mr. Owen Akinwande (Manufacturing Director), Mrs. Afolasade Olowe (Company Secretary/Chief Counsel), Mr. Akin Fajembimo (National Sales Manager), Mrs. Morolake Emokpaire (Marketing Director), and Ms. Damilola Okeowo (Senior Analyst, Internal Audit) and selected cross-functional Heads of units.

(e) Risk Management Framework

The Company has in place a risk management framework that defines the Company's risk policy, risk appetite and risk limits and identifies, assess, monitors and manages key business risks to safeguard shareholder investments and the Company's assets. The Business Risk profile is presented by Management and considered by the Governance & Risk Committee and recommended to The Board for approval.

Code of conduct

Being part of the Mondelēz International Family of Companies, all employees subscribe to the Mondelēz International Code of Conduct which describes the values that should guide all employees as they do business. The Company maintains a steady awareness of these values by continuous training and publicity of the contents of the Code to its employees throughout the course of the year. Strict adherence to the Code is mandatory in the Company's Day to day operations.

To further buttress the above, the Company has in place a confidential whistle blowing system, which enables staff, suppliers and distributors to raise concerns in relation to its operations, report unethical conduct in breach of its Code of Conduct, illegal acts or omission by employees. Such concerns can be communicated to the Company through www.mdlzethics.com or the dedicated speak up line.

Directors' report (Continued)

For the year ended 31 December 2024

Share trading policy

Cadbury Nigeria Plc. maintains and is compliant with a share trading policy that guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. Relevant persons are prohibited from dealing in the Company's shares both when they are in possession of material non-public information about the Company's activities as well as during prescribed "blackout" periods. Notification of individual share trading activity is required to be made to the appropriate regulatory bodies as well as the Company Secretary. The share trading policy is also available on the Company's website.

Complaints management policy

Cadbury Nigeria Plc maintains and is compliant with the Securities and Exchange Rule relating to the implementation of a Complaints Management Framework of the Nigerian Capital Market ("SEC Rules") and the Nigerian Stock Exchange Directive (NSE/LARD/LRD/CIR6/15/04/22) to all listed companies ("the NSE Directive"). This policy sets out the framework by which Cadbury Nigeria Plc, its Registrars and key stakeholders provide assistance regarding shareholder issues and concerns. It also provides the opportunity for Cadbury's shareholders to provide feedback to the Company on matters that affect shareholders. The overall objective of the policy is designed to ensure that complaints and enquiries from the Company's shareholders are managed in a fair, impartial, efficient, and timely manner.

Business Continuity Plan

Business continuity helps the organization maintain resiliency, in responding quickly to an interruption. Cadbury Nigeria Plc (CNP) continues to implement its Business Continuity Plan to ensure sustained business activities and prioritise the health and wellbeing of its employees in the Company.

This continuity plan includes but not limited to the following actions responses:

- Temperature checks at the entrances to all our locations of the Company.
- As a food manufacturer there is a mandatory requirement to use hand sanitizer before entering our factories. This requirement was immediately extended to all locations.
- Provision of relevant safety materials to all essential employees working on site and on the field.
- Maintenance of continuous flow of relevant market information to all employees and stakeholders to make informed business, health, and safety decisions.
- Regular engagement with the Government to address market issues
- Other Market actions and activities undertaken by the Federal & Lagos State Governments to support Manufacturing companies, including advocacy and advisory with the Manufacturers Association of Nigeria (MAN) and Nigerian Employers Consultative Association (NECA).

The priority for us is to protect the health, safety and welfare of our employees, customers, consumers and partners, as well as collaborate and support the Government and its agencies.

Having a robust Business Continuity Plan, helps your company remain better positioned to recover from the business interruption, property damage, financial impact, and loss of life that a disruption may cause.

The Board and Management are focused on efforts to mitigate the overall impact of any disruption to our business.

Directors' report (Continued)

For the year ended 31 December 2024

Compliance with the Nigerian Code of Corporate Governance (NCCG 2018):

Companies were required to begin reporting the application of the NCCG in their financial reports ending on or before January 1 2020. Our company has commenced taking necessary steps to fully comply with the NCCG and submits the report of compliance to The Financial Reporting Council (FRCN), The Securities and Exchange Commission (SEC), The Nigerian Stock Exchange (NSE) Issuers Portal and included the same on the Company's website. The Company also ensured compliance with The Securities and Exchange Commission (SEC) Form 01 for reporting compliance on the SEC Corporate Governance Guidelines.

Audit Committee

In accordance with section 404(6) of CAMA 2004, members of the Audit Committee of the Company were elected at the last Annual General Meeting held on 5th June 2024. According to section 404(3) of the Companies and Allied Matters Act 2020, the Audit Committee shall now consist of 5 members, comprising of 3 members and 2 non -executive directors. This re-constitution was adopted at the Company's Annual General Meeting. The Audit Committee evaluates annually, the independence and performance of external auditor, receives the planning, interim and final audit presentation from the external auditor and reviews with management and the external auditor, the annual audited financial statements before its submission to the Board. Members that served on the Audit Committee comprise three representatives of the shareholders namely: Pastor Oyelakin Lanre Awobode, Mrs. Elizabeth Gbgbaje and Mrs. Mary Joke Shofolahan and two members of the Board of Directors: Mr. Sunil Parthasarathy and Mrs. Kofo Akinkugbe.

Independent Auditor

The firm of Messers PricewaterhouseCoopers served as independent Auditor during the year under review.

In accordance with Section 401(1) of the Companies and Allied Matters Act (CAMA), 2020, Messrs PricewaterhouseCoopers have indicated their willingness to continue in office as independent auditor to the Company.



BY ORDER OF THE BOARD

Afolashade Olowe
Company Secretary

27 March 2025

FRC/2013/NBA/0000003320

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 responsibility include:


- a) ensuring that the Company 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) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; and
- c) preparing the Company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with the IFRS Accounting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria 2020 and the Financial Reporting Council of Nigeria Act, 2023.


The Directors further accept responsibility for maintaining adequate accounting record as required by the Companies and Allied Matter of Nigeria and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

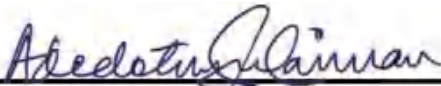
SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Oyeyimika Adeboye (Managing Director)
FRC/2013/PRO/DIR/003/00000001089



Victoria Akhigbe (Financial Controller)
FRC/2014/ICAN/00000009017



Mr. Adedotun Sulaiman, MFR (Chairman)
FRC/2013/PRO/ICAN/002/00000002885

Certification of the Audited Financial Statements

For the year ended 31 December 2024

Pursuant to the provisions of section 405 of the Companies and Allied Matters Act, 2020 (CAMA), we, the Managing Director and Financial Controller of Cadbury Nigeria Plc (“the Company”) hereby certify as follows:

- a) We have reviewed the audited financial statements of the Company for the year ended 31 December 2024.
- b) The audited financial statements represent the true and correct financial position of our Company as at 31 December 2024.
- c) That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.
- d) That the audited financial statements fairly presents, in all material respects, the financial condition and results of operations of the company as of and for the year ended 31 December 2024.
- e) That we are responsible for establishing and maintaining the Company's internal controls. We assessed the effectiveness of the Company's internal controls within 90 days prior to the date of its audited financial statements and based on our assessment, the controls are effective as at that date.

Any 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 have been disclosed to the Independent Auditor and the Audit Committee.

- f) We have disclosed to the Company's auditors and Audit Committee whether or not, there is any fraud that involves management or other employees who have a significant role in the Company's internal controls.
- g) We affirm that subsequent to our assessment, there are no significant changes in internal controls or in other factors that could significantly affect internal controls.

SIGNED:



Oyeyimika Adeboye (Managing Director)
FRC/2013/PRO/DIR/003/00000001089



Victoria Akhigbe (Financial Controller)
FRC/2013/PRO/ICAN/002/00000002885

Report of the Audit Committee

In compliance with section 404 (7) of the Companies and Allied Matters Act of Nigeria, we have;

- (i) Reviewed and ascertained that the accounting and reporting policies adopted by the Company are in accordance with applicable legal requirements and agreed ethical practices.
- (ii) Reviewed the scope and planning of audit requirements and found them satisfactory.
- (iii) Appraised the Financial Statements for the year ended 31 December 2024 and are satisfied with the explanations provided.
- (iv) Reviewed the Company's systems of accounting and internal control and found them effective.
- (v) Reviewed the External Auditor's report for the year ended 31 December 2024 and are satisfied that management is taking appropriate steps to address issues and comments noted in the report.

The Independent Auditors confirmed management's full cooperation in the course of the performance of their duties and that they were not limited in any way by the Company and its management.



Pastor Oyelakin Lanre Awobode

Chairman, Audit Committee

FRC/2013/PRO/ANAN/002/00000003618

26 March 2025

Members of the Audit Committee are:

- | | |
|---|------------------------------|
| 1) Pastor Oyelakin Lanre Awobode (Chairman) | Shareholders' Representative |
| 2) Mrs. Mary Joke Shofolahan | Shareholders' Representative |
| 3) Mrs. Elizabeth Gbegbaje | Shareholders' Representative |
| 4) Mrs. Kofo Akinkugbe | Directors' Representative |
| 5) Mr. Sunil Parthasarathy | Directors' Representative |

Attendance at the Committee's meetings for the year 2024 held respectively on 8th January 2024, 27th March 2024, 22nd July 2024, and 23rd October 2024 was as follows:

Names of Members	Audit Committee Meetings
Pastor Oyelakin Lanre Awobode (Chairman)	5/5
Mrs. Mary Joke Shofolahan	5/5
Mrs. Elizabeth Gbegbaje	5/5
Mr. Sunil Parthasarathy	4/5
Mrs. Kofo Akinkugbe	4/5

Management annual assessment of, and report on Cadbury Nigeria PLC internal control over financial reporting

In compliance 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 Cadbury Nigeria PLC for the year ended 31 December 2024:

- (i) Cadbury Nigeria 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 IFRS Accounting Standards.
- (ii) Cadbury Nigeria 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) Cadbury Nigeria Plc's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective. Material weaknesses identified that were fully remediated include:
 - a. Completeness and accuracy controls relating to the treasury and borrowings process
 - b. Occurrence controls relating to the treasury and borrowings process

The nature of the material weakness:

The description of the prior year restatement in Note 32 to the financial statements discloses the nature of the material weakness.

The remedial actions taken include:

A robust control assessment and implementation process was carried out to ensure that all borrowings and borrowings related transactions are recognised appropriately.

We have designed controls to ensure that interest transactions, particularly for facilities with correspondent banks, are recorded. Furthermore, lenders' statement reconciliations controls are now performed for correspondent banks.

Management has determined that the restatement described in Note 32 to the financial statements did not affect management's report on internal control over financial reporting as of 31 December 2024.

- (iv) Cadbury Nigeria 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 Cadbury Nigeria Plc's annual report.



Oyeyimika Adeboye (Managing Director)

FRC/2013/PRO/DIR/003/00000001089



Victoria Akhigbe (Financial Controller)

FRC/2013/PRO/ICAN/002/00000002885

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

In compliance 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 Cadbury Nigeria PLC for the year ended 31 December 2024:

I, Oyeyimika Adeboye certify that;

- (i) I have reviewed this management assessment on internal control over financial reporting of Cadbury Nigeria Plc;
- (ii) 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;
- (iii) 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 Company as of, and for, the periods presented
- (iv) Cadbury Nigeria Plc's Financial Controller and I:
 - a are responsible for establishing and maintaining internal controls;
 - b 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 Company is made known to us by others within the Company, particularly during the period in which this report is being prepared;
 - c 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;
 - d 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.
- (v) The Financial Controller and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee of the Company's board of directors.
 - a All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - b Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.
- (vi) The Company's Finance Controller 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.



Oyeyimika Adeboye (Managing Director)

FRC/2013/PRO/DIR/003/00000001089

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

In compliance 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 Cadbury Nigeria PLC for the year ended 31 December 2024:

I, Victoria Akhigbe certify that;

- (i) I have reviewed this management assessment on internal control over financial reporting of Cadbury Nigeria Plc;
- (ii) 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;
- (iii) 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 Company as of, and for, the periods presented in this report;
- (iv) Cadbury Nigeria Plc's Managing Director and I:
 - a are responsible for establishing and maintaining internal controls;
 - b 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 Company is made known to us by others within the Company, particularly during the period in which this report is being prepared;
 - c 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;
 - d 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.
- (v) The Managing Director and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee of the Company's board of directors.
 - a All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - b Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.
- (vi) The Company's Managing Director 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.



Victoria Akhigbe (Financial Controller)

FRC/2014/ICAN/0000009017



Independent practitioner's report

To the Members of Cadbury Nigeria 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 Cadbury Nigeria Plc ("the company's") are not adequate as of December 31, 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 Cadbury Nigeria 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 company'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, Cadbury Nigeria Plc Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company'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 entity'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 company'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 company'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 company; (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 company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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 financial statements of Cadbury Nigeria Plc and our report dated 31 March 2025 expressed an unqualified opinion.

Udochi Muogilim

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



31 March 2025

Engagement Partner: Udochi Muogilim
FRC/2013/PRO/ICAN/004/00000003209



Independent auditor's report

To the Members of Cadbury Nigeria Plc

Report on the audit of the financial statements

Our opinion

In our opinion, Cadbury Nigeria Plc's ("the company's") financial statements give a true and fair view of the financial position of the company as at 31 December 2024, and of its financial performance and its 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

Cadbury Nigeria Plc's financial statements comprise:

- the statement of financial position as at 31 December 2024;
 - the statement of profit or loss and other comprehensive income for the year then ended;
 - the statement of changes in equity for the year then ended;
 - the statement of cash flows for the year then ended; and
 - the notes to the 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 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 Company 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 Financial highlights, Mission statement, Corporate information, Board of Directors and Company Secretary's profile, Directors' report, Statement of Directors' responsibilities, Certification of the audited financial statements, Report of the audit committee, Management's annual assessment of, and report on Cadbury Nigeria Plc internal control over financial reporting, Certification of management's assessment on internal control over financial reporting, Securities trading policy, Value added statement, Five-Year financial summary and Cadbury's distributors (but does not include the 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 Cadbury Nigeria Plc 2024 Annual Report, which are expected to be made available to us after that date.

Our opinion on the 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 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 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 Cadbury Nigeria 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 financial statements

The directors are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 the 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 company'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 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 Cadbury Nigeria 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 opinion in our report dated 31 March 2025.

Udochi Muogilim

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



31 March 2025

Engagement Partner: Udochi Muogilim
FRC/2013/PRO/ICAN/004/0000003209

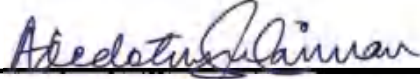


Statement of financial position

As at 31 December 2024

In thousands of naira

	Note	31-Dec 2024	31-Dec 2023 restated*	01-Jan 2023 restated*
Assets				
Non-current assets				
Property, plant and equipment	13	16,706,145	14,564,239	14,070,993
Right-of-use assets	27	9,496	35,781	38,973
Intangible assets	14	105,504	141,954	6,813
Deferred taxation	15	16,265,022	9,413,008	-
Total non-current assets		33,086,167	24,154,982	14,116,779
Current assets				
Inventories	16	13,807,769	11,938,959	11,913,166
Trade and other receivables	17	8,259,709	7,320,449	5,164,146
Prepayments	18	950,936	583,288	1,071,815
Cash and cash equivalents	19	16,339,363	20,455,005	27,447,778
Total current assets		39,357,777	40,297,701	45,596,905
Total assets		72,443,944	64,452,683	59,713,684
Equity and liabilities				
Equity				
Share capital	20	1,140,142	939,101	939,101
Share premium	20	7,107,750	272,344	272,344
Other reserves	20	33,177,321	3,436,348	3,436,348
Share based payment reserve	22	250,296	201,574	176,896
Retained loss		(37,296,316)	(15,071,374)	8,125,720
Total equity		4,379,193	(10,222,007)	12,950,409
Liabilities				
Non-current liabilities				
Borrowings	24	-	-	7,640,590
Deferred taxation	15	-	-	810,107
Employee benefits	21	823,100	749,435	576,884
Lease liabilities	27	-	1,748	12,494
Total non-current liabilities		823,100	751,183	9,040,075
Current liabilities				
Borrowings	24	32,811,040	47,944,797	16,854,670
Current tax liabilities	11	771,387	437,461	383,006
Trade and other payables	23	33,657,477	25,530,503	20,484,918
Lease liabilities	27	1,747	10,746	606
Total current liabilities		67,241,651	73,923,507	37,723,200
Total liabilities		68,064,751	74,674,690	46,763,275
Total equity and liabilities		72,443,944	64,452,683	59,713,684

These financial statements were approved and authorised for issue by the Board of Directors on 27 March 2025 and signed on its behalf by:

)	Mr. Adedotun Sulaiman, MFR (Chairman) FRC/2013/PRO/ICAN/002/00000002885
)	Oyeyimika Adeboye (Managing Director) FRC/2013/PRO/DIR/003/00000001089
)	Victoria Akhigbe (Financial Controller) FRC/2014/ICAN/00000009017

The accompanying notes to the financial statement form an integral part of these financial statements.

Certain amount shown here do not correspond to the 2023 financial statement and reflected adjustment made. Refer to Note 32

Statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

<i>In thousands of naira</i>	Note	2024	2023 restated*
Revenue	5	129,165,095	80,378,955
Cost of sales	9	(110,937,326)	(63,041,528)
Gross profit		18,227,769	17,337,427
Other income	6	21,923	72,590
Selling and distribution expenses	9	(6,265,475)	(7,372,547)
Administrative expenses	9	(6,022,994)	(2,168,790)
Write-back of impairment for receivables	26(a)	-	3,509
Result from operating activities		5,961,223	7,872,189
Finance income	7	434,599	2,262,684
Finance cost	7	(34,722,150)	(42,387,099)
Net finance cost		(34,287,551)	(40,124,415)
Loss before tax		(28,326,328)	(32,252,226)
Income tax credit	11	6,101,386	9,806,413
Loss for the year		(22,224,942)	(22,445,813)
Other comprehensive income		-	-
Total comprehensive loss for the year		(22,224,942)	(22,445,813)
Basic and diluted loss per share (Kobo)	12	(975)	(1,195)

The accompanying notes to the financial statement form an integral part of these financial statements.

Certain amount shown here do not correspond to the 2023 financial statement and reflected adjustment made. Refer to Note 32

Statement of changes in equity
for the year ended 31 December 2024

In thousands of naira

	Note	Share capital	Share premium	Other reserves	Shared based payment	Retained (Loss)/earnings	Total equity
Balance at 1 January 2024 as restated	20 & 22	939,101	272,344	3,436,348	201,574	(15,071,374)	(10,222,007)
Comprehensive income for the year		-	-	-	-	(22,224,942)	(22,224,942)
Loss for the year		-	-	-	-	(22,224,942)	(22,224,942)
Total comprehensive loss for the year		-	-	-	-	(22,224,942)	(22,224,942)
Transactions with owners, recorded directly in equity							
Issue of shares	24	201,041	6,835,406	-	-	-	7,036,447
Intercompany loan forgiveness	24	-	-	29,740,973	-	-	29,740,973
Equity settled share based payment transaction	22	-	-	-	48,722	-	48,722
Total transactions with owners, recorded directly in equity		201,041	6,835,406	29,740,973	48,722	-	36,826,142
Balance at 31 December 2024		1,140,142	7,107,750	33,177,321	250,296	(37,296,316)	4,379,193
In thousands of naira		Share capital	Share premium	Other reserves	Shared based payment	Retained earnings	Total equity
Opening balance as previously reported	20 & 22	939,101	272,344	3,436,348	176,896	8,477,940	13,302,629
Restatement on Interest*		-	-	-	-	(634,800)	(634,800)
Restatement on deferred tax*		-	-	-	-	282,580	282,580
Balance as at 1 January 2023 as restated*		939,101	272,344	3,436,348	176,896	8,125,720	12,950,409
Comprehensive loss for the year		-	-	-	-	-	-
Loss for the year as restated		-	-	-	-	(22,445,813)	(22,445,813)
Total comprehensive loss for the year		-	-	-	-	(22,445,813)	(22,445,813)
Transactions with owners, recorded directly in equity							
Dividends to equity holders (paid)	12(b)	-	-	-	-	(751,281)	(751,281)
Equity settled share based payment transaction	22	-	-	-	24,678	-	24,678
Total transactions with owners, recorded directly in equity		-	-	-	24,678	(751,281)	(726,603)
Balance at 31 December 2023 as restated*		939,101	272,344	3,436,348	201,574	(15,071,374)	(10,222,007)

The accompanying notes to the financial statement form an integral part of these financial statements.

Statement of cash flows

for the year ended 31 December 2024

<i>In thousands of naira</i>	Note	2024	2023 restated*
Cash flow from operating activities			
Loss before tax		(28,326,328)	(32,252,226)
Adjustments for:			
Depreciation of property, plant and equipment	13	1,889,118	1,623,850
Impairment of property, plant and equipment	13	757,205	1,399,445
Depreciation of right of use assets	27	14,039	18,372
Equity settled share-based payment transaction	22	48,722	24,678
Write-back of impairment for receivables	26(a)	-	(3,509)
Amortisation of intangible assets	14	36,450	41,613
Finance income	7	(434,599)	(2,262,684)
Exchange (loss)/gain on foreign currency cash and cash equivalents		6,102,122	(1,116,389)
Loss on sale of property, plant and equipment	9	144,604	2,527
Accretion of interest on lease liabilities	27(b)	903	1,144
Loss on lease modification	9	12,247	-
Accrued interest on intercompany loan	24	4,778,633	1,357,841
Import finance facilities/Accrued interest on short term loan	24	1,631,169	3,469,679
Expense for employee benefits	21(c)	160,668	246,162
Exchange loss on intercompany loan	24	25,769,503	6,896,616
Exchange loss on import finance facilities	24	3,062,370	21,057,008
		15,646,826	504,127
Change in:			
Increase in inventories	16	(1,868,810)	(25,793)
Increase in trade and other receivables	17.1	(1,285,296)	(2,171,540)
(Increase)/decrease in prepayments	18	(367,648)	488,527
Increase in trade and other payables	23(c)	10,700,951	6,459,189
Cash generated from operating activities		22,826,023	5,254,510
Employee benefit paid	21(a)	(87,003)	(73,611)
VAT paid	23(c)	(2,558,820)	(2,040,168)
Income tax paid	11(b)	(70,666)	(343,501)
Net cash generated from operating activities		20,109,534	2,797,230
Cash flow from investing activities			
Interest received	7	434,599	2,262,684
Proceeds from sale of property, plant and equipment		132,598	4,434
Acquisition of property, plant and equipment	13	(5,065,431)	(3,700,256)
Net cash used in investing activities		(4,498,234)	(1,433,138)
Cash flow from financing activities			
Dividends paid	23(a)	(15,157)	(124,717)
Additions - Intercompany loan	24	34,420,000	6,196,000
Additions - Import finance facilities	24	8,345,117	30,824,426
Repayment - Intercompany loan	24	(2,505,515)	(14,902,456)
Repayment- Import finance facilities	24	(53,857,607)	(31,449,577)
Repayment of lease liabilities	27(b)	(11,650)	(16,930)
Net cash used in financing activities		(13,624,812)	(9,473,254)
Net increase/(decrease) in cash and cash equivalents		1,986,480	(8,109,162)
Cash and cash equivalents at 1 January		20,455,005	27,447,778
Exchange gain on foreign currency cash and cash equivalents		(6,102,122)	1,116,389
Cash and cash equivalents at 31 December	19	16,339,363	20,455,005

The accompanying notes to the financial statement form an integral part of these financial statements.

Certain amount shown here do not correspond to the 2023 financial statement and reflected adjustment made. Refer to Note 32

Notes to the financial statements

	Page		Page
1 Reporting entity	42	17 Trade and other receivables	64
2 Basis of preparation	42	18 Prepayments	64
3 Material accounting policies	44	19 Cash and cash equivalents	64
4 Measurement of fair values	55	20 Capital and reserves	65
5 Revenue	56	21 Employee benefits	66
6 Other income	56	22 Share-based payment plan	69
7 Net finance cost	56	23 Trade and other payables	69
8 Loss before tax	56	24 Borrowings	70
9 Expenses by nature	57	25 Related parties	71
10 Personnel expenses	58	26 Financial risk management and fair values	72
11 Income tax (credit)/expense	59	27 Leases	78
12 Earnings and declared dividend per share	60	28 Contingent assets and contingent liabilities	79
13 Property, plant and equipment	61	29 Information on reportable segments	80
14 Intangible assets	62	30 Going concern	80
15 Deferred taxation	63	31 Events after the reporting date	80
16 Inventories	64	32 Correction of prior year restatement	81

Notes to the financial statements

1 Reporting entity

Cadbury Nigeria Plc is a company domiciled and incorporated in Nigeria on 9 January 1965. The address of the Company's registered office is Lateef Jakande Road, Ikeja, Lagos. The Company is principally engaged in the manufacture and sale of branded fast moving consumer goods mostly to the Nigerian market, but also for exports.

The Company's brands fall into three principal categories, namely refreshment beverages, confectionery and intermediate cocoa products. Cadbury Bournvita and 3-in-1 Hot Chocolate are the refreshment beverages, TomTom, Candy Caramel, Candy Coffee, Buttermint and Clorets gum are the confectionery products category, while Cocoa Butter is a key product in the intermediate cocoa category.

Cadbury Nigeria Plc is owned 79.39% (2023: 74.97%) by Cadbury Schweppes Overseas Limited ("CSOL"), incorporated in the United Kingdom while CSOL is owned by Mondelez International and 25.03% (2023: 25.03%) by a highly diversified spread of individual and institutional shareholders.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and in the manner required by the Companies and Allied Matter Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Amendment Act 2023. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). They were authorized for issue by the Company's Board of Directors on 27 March 2025.

(b) Basis of preparation

These financial statements have been prepared in accordance with the going concern assumption under the historical cost basis except for the following;

- Equity-settled share-based payment arrangements – fair value
- Defined benefit obligations – present value of the obligation
- Inventory - lower of cost or net realizable value
- Lease liabilities - present value of the obligation
- Freehold land

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These financial statements are presented in Naira, which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest thousands, except when otherwise indicated.

(d) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions, estimation uncertainties, and critical judgments in applying accounting policies that have a significant effect on the amounts recognized in the financial statements are described below;

Note 13 – Estimated useful lives of property, plant and equipment

Note 15 – Deferred tax

Note 16 – Net realisable value of inventory

Note 21 – Employee benefits

Note 22 – Share-based payment plan

Note 26 – Provision of expected credit losses (ECL) on trade receivables

Note 26 – Provision of expected credit losses (ECL) on related parties receivables

Note 28 – Contingent liabilities and commitments

Note 16 – Capitalisation of standard cost variance

Deferred taxation-key assumptions

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes to the financial statements (Continued)

2 Basis of preparation (continued)

(d) Use of estimates and judgments (continued)

Provision of expected credit losses (ECL) on trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Provision of expected credit losses (ECL) on related parties receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all related parties receivables. In applying the provision matrix, the Company estimates the ultimate write offs for a defined population of related parties receivables. A loss ratio is calculated according to the ageing profile of the related parties receivables by applying the historic write offs to the payment profile of the population adjusted to reflect current and forward looking information on macroeconomic factors. The Company exercises significant judgements in the inputs, assumptions and techniques for estimating ECL, default and credit impaired assets.

Estimated useful lives of property, plant and equipment

Property, Plant and Equipment are depreciated over their useful lives. The Company estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives are based on technical evaluations carried out by experts and those staff with knowledge of the assets 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. A reduction in the estimated useful lives of the plant and machinery would increase expenses and decrease the value of property, plant and equipment.

Net realisable value of inventory

Net realisable value of inventory is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale. The Company estimate selling price of inventory based on current market condition, including supply and demand mechanism, pricing trends and macro-economics conditions that might affect the selling price of the inventory. The Company also evaluate historical sales data and patterns to understand the inventory performance in the past to provide insights to likely selling price in the future, adjusted for factors such as inventory damage, obsolescence, change in technology. The Company estimated selling cost include marketing expenses, commission on sales, shipping costs and other incidental cost directly related to the sale. If the inventory require further processing or manufacturing before it can be sold, estimated cost of completion will include material cost, labour cost and overhead necessary to complete the inventory.

Capitalization of Standard Cost Variances

IAS 2 does not specify a particular method for capitalizing variances arising from differences between standard cost and actual cost. Entities must use a method that approximates the actual cost of inventory based on normal production levels. Variances can be analyzed and tracked against specific products or broadly grouped by category. At the end of the period, an exercise is performed to determine the portion of variances to allocate to remaining inventory, based on assumptions of inventory turnover. Capitalization of variances occurs before determining net realizable value. Variances due to idle capacity or abnormally low production are not capitalized.

For raw materials and packaging materials, the purchase price variance is determined upon receipt of the inventory item and posted directly to the profit and loss statement. This variance is the difference between the invoice amount and the standard cost per SKU. At year-end, the purchase price variance attributable to the closing stock is re-allocated.

For finished goods, manufacturing variances arise from differences between planned production (standard cost) and actual production cost. These variances are typically accounted for directly in the income statement (cost of sales) on a monthly basis. The company's policy assumes that products manufactured in one month are used up by the next month. Consequently, conversion cost variances are held in the inventory balance for one month before being written off to the income statement. This approach ensures that period costs are not over-absorbed in the year-end inventory balance.

Notes to the financial statements (Continued)

2 Basis of preparation (continued)

(d) Use of estimates and judgments (continued)

Employee benefits (Long service award)

Employee benefit is other long-term employment benefit plan (long service awards) other than a defined contribution plan and defined benefit plan. The Company's net obligation in respect of long service awards is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years and that benefit is discounted to determine its present value. In determining the liability for employee benefits under the long service awards, consideration is given to future increases in salary rates and the Company's experience with staff turnover.

The recognized liability is determined by an independent actuarial valuation every year using the projected unit credit method. Actuarial gains and losses arising from differences between the actual and expected outcome in the valuation of the obligation are recognized fully in profit or loss.

The effect of any curtailment is also charged in full in profit or loss immediately the curtailment occurs. The discount rate is the yield on Federal Government of Nigeria issued bonds that have maturity dates approximately the terms of the Company's obligation. Although the scheme is not funded, the Company ensures that adequate arrangements are in place to meet its obligations under the scheme.

Share-based payment transactions

The Company participates in a group share-based payment arrangement instituted by its ultimate parent, Mondelēz International. Certain employees of the Company participate in this arrangement which is based on the shares of Mondelēz International. The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the years that the employees unconditionally become entitled to the awards.

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions. They are presented as employee expenses and included in administrative expenses in the statement of profit or loss.

Share-based payment arrangements in which the Company receives goods or services and has no obligation to settle the share-based payment transaction are accounted for as equity-settled share-based payment transactions, regardless of the equity instrument awarded.

Contingent liabilities and commitments

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

3 Material accounting policies

(a) Foreign currency transactions

Transactions denominated in foreign currencies are translated and recorded in Naira at the actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on translation are recognized in net finance cost (see note 7). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(b) Financial instruments

i) Classification and measurement

Financial assets

It is the Company'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.

Classification and subsequent measurement of the Company's debt instruments is dependent on the Company's business model for managing the asset and the cashflow characteristics of the asset. On this basis, the Company classifies its debt instruments at amortised cost. The Company has no equity investments.

The business models applied to assess the classification of the financial assets held by the company are;

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

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

Fair value through profit or loss: 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 business model for the Company's financial assets 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 Company's financial assets include trade and other receivables, cash and cash equivalents and amount due from related parties. 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 and presented in finance income/cost.

Financial liabilities

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

ii) 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 classified at amortised cost under IFRS 9: Financial instruments. 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 general approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion. 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. Non-trade receivables from related parties, other assets and cash and cash equivalents have been assessed for impairment under this approach.

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

In line with the Company'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 Company carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Company 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.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(b) Financial instruments (continued)

iii) Derecognition

Financial assets

The Company 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 as finance income/cost.

Financial liabilities

The Company 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.

iv) 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 Company or the counterparty.

(c) Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow into the entity and the cost of the item can be measured reliably.

Land and buildings are initially recognised at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Buildings and leasehold land are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses.

Other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, except capital work in progress measured at cost less any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of construction recognized includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to the location and a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized as profit or loss in the statement of profit or loss and other comprehensive income.

ii. Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred. The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company.

iii. Depreciation and impairment

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of capital-work-in-progress, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using a straight-line basis over their estimated useful lives. Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(c) Property, plant and equipment

iii. Depreciation and impairment (continued)

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Freehold land
- Buildings – 40 years
- Plant and Machinery
 - o Power Generating Equipment – 20 years
 - o Packaging Equipment – 15 years
 - o Food and Candy Processing Equipment – 15 years
 - o Totebins - 2 years
- Motor Vehicles - 4 years
- Office furniture and Equipment – 6.67 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

iv. Impairment of non-financial assets

(a)

Intangible assets, Property, plant and equipment and Right-of-use assets

Intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to the paragraph "Property, plant and equipment" for the treatment of a revaluation decrease.

(d) Intangible assets (Software)

Recognition and measurement

- i Software acquired is stated at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

- ii Amortization is recognized in profit or loss on a straight line basis over the estimated useful life of the software from the date it is available for use.

The estimated useful lives for the current and comparative years of significant items of intangible asset are as follows:

- Software
 - o Catalyst SAP – 7 years
 - o Others – 5 years

iii **Impairment**

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(d) Intangible assets (Software)

iv Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment whenever there is an indication that it may be impaired.

(e) Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfillment of the arrangement is dependent on the use of a specific asset or assets; and
- the arrangement contains a right to control the use of the asset(s).

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company separates non-lease components from lease components.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The Company average lease term is four (4) years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are presented as non-current assets in the statement of financial position, separately from property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is based on the money market rate derived from Bloomberg. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The interest expense is included in administrative expenses and presented under operating activities in the Statement of Cash Flows. 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 lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(f) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

The basis of costing is as follows:

* Engineering spares and consumable stock - purchase cost on a weighted average basis including transportation and clearing costs;

* Raw, sundry and non-returnable packaging materials, finished products and products in process measured on the basis of weighted average cost. The cost of finished goods and products in progress comprises raw materials, direct labor, other direct costs and related production overheads;

* Stock-in-transit - purchase cost incurred to date;

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Stock values are adjusted for obsolete, slow-moving or defective items where appropriate.

(g) Dividend

Dividends are recognized as a liability in the period they are declared.

Dividends which remained unclaimed for a period exceeding twelve (12) years from the date of declaration and which are no longer actionable by shareholders in accordance with Section 432 of the Companies and Allied Matters Act (CAMA), 2020, are written back to retained earnings.

The Securities and Exchange Commission (SEC) published a circular in 2015 directing Capital Market Registrars to return all unclaimed dividend which has been in their custody for fifteen (15) months and above to the paying companies. These unclaimed dividends are included as a liability to the shareholders until they become statute barred in accordance with the provisions of Section 432 of Companies and Allied Matters Act (CAMA), 2020.

(h) Employee benefits

i Defined contribution plan

A defined contribution scheme is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts in respect of all employee benefits relating to employee service in current and prior periods. In line with the provisions of the Pension Reform Act 2014, the Company has instituted a defined contribution pension scheme for its permanent staff. Staff contributions to the scheme are funded through payroll deductions. Obligations for contributions to the defined contribution plan are recognized as employee benefit expense in profit or loss in the periods which related services are rendered by employees. Employees contribute 8% each of their Basic salary, Transport and Housing Allowances to the Fund on a monthly basis. The Company's contribution is 10.3% of each employee's Basic salary, Transport and Housing Allowances.

ii Defined contribution gratuity scheme

The Company has a defined contribution gratuity scheme for its Nigerian employees called Employee Investment Scheme, which is funded. Under this scheme, a specified amount in accordance with the Gratuity Scheme Agreement is contributed by the Company and charged to the profit and loss account over the service life of the employees. These employees' entitlements are calculated based on their actual salaries and paid to Cadbury Nigeria Employee Investment Scheme (CPFA) Limited each month. The Cadbury Employee investment scheme is held with Stanbic IBTC Pension Fund.

iii Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

iv Share-based payment transactions

The Company participates in a group share-based payment arrangement instituted by its ultimate parent, Mondelez International. Certain employees of the Company participate in this arrangement which is based on the shares of Mondelez International. The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense (split by function between cost of sales, administrative expenses and selling & distribution expenses), with a corresponding increase in equity, over the years that the employees unconditionally become entitled to the awards.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(h) Employee benefits (continued)

iv Share-based payment transactions (continued)

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions. They are presented as employee expenses and included in administrative expenses in the statement of profit or loss.

Share-based payment arrangements in which the Company receives goods or services and has no obligation to settle the share-based payment transaction are accounted for as equity-settled share-based payment transactions, regardless of the equity instrument awarded.

v Other long-term employee benefits

The Company's other long-term employee benefits represents Long Service Awards scheme instituted for all permanent employees. The Company's obligation in respect of the Long Service Awards scheme is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the Company's obligation. The calculation is performed using the Projected Unit Credit method. Remeasurements are recognized fully in profit or loss.

vi Termination benefits

Termination benefits are recognized as an expense when the Company is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

(i) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future pre-tax cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. A provision for restructuring is recognized when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

(j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

(k) Government grants

The Company is a beneficiary of the Export Expansion Grant (EEG), an unconditional grant related to export sales. The EEG aims to support active exporters in expanding their international business. It is a post-shipment incentive designed to expand export volumes and improve global competitiveness of the Nigerian products. The value of the grant is based on the amount awarded in the grant certificate. The grant is recognized in the statement of profit or loss as a deduction from cost of sales when the grant becomes receivable.

(l) Revenue from contracts with customers

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

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

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(l) Revenue from contracts with customers (continued)

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

Sale of goods arises from sales of products to third parties and related parties. Revenue from the sale of goods is recognised when the control of the goods are transferred to the buyer. This occurs when the goods are transferred to the customer in accordance with the terms of the trade contract. The Company offers a credit period of 38 days which is deemed suitable and conditional upon the provision of a bank guarantee, otherwise payment would be made in advance. The payment term is as contained in the customer's contract and contracts with customers do not contain a financing component.

Delivery occurs when the goods have been shipped to the agreed location, the risks of obsolescence and loss have been transferred to the customer. Revenue is recognised based on the price specified in the contract, net of the estimated rebates. Rebates are estimated at the inception of the contract.

Disaggregation of revenue from contract with customers

The Company recognises revenue from the transfer of goods at a point in time in the following product lines and geographical regions. The below information is stated in thousands of Naira.

Product lines	Nigeria	Other Countries	Total
Refreshment Beverages	77,450,511	-	77,450,511
Confectionery	36,869,499	541,714	37,411,213
Intermediate cocoa products	31,476	14,271,895	14,303,371
Total	114,351,486	14,813,609	129,165,095

(m) Finance income and finance costs

Finance income comprises interest income on funds invested and changes in the fair value of financial assets at fair value through profit or loss where the Company holds such financial assets. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, interest on lease liabilities, changes in the fair value of financial assets at fair value through profit or loss where the Company holds such financial assets.

(n) Taxation

Income tax expense represents the sum of current tax expense and deferred tax expense. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Company is subject to the following types of current income tax:

Company Income Tax- This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act Cap C21, LFN 2020 as amended to date.

Tertiary Education Tax- Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act LFN 2011.

The Nigeria Police Trust Fund (NPTF) – This relates to levy on the net profit of companies operating business in Nigeria. It is established by the Nigeria Police Trust Fund (Establishment) Act 2019 (as amended).

The Company offsets current tax assets and current tax liabilities if and only if it has a legally enforceable right to set off tax assets and tax liabilities and they relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

ii. Deferred tax (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

iii. Tax exposures

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(o) Share capital

The Company has only one class of shares: ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental costs that are directly attributable to issuing new shares are deducted from equity (net of any income tax benefit). Non-incremental costs that are not directly attributable to the share issue are recorded as an expense in profit or loss.

(p) Earnings per share

The Company 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 Company by the weighted average number of ordinary shares outstanding during the year, 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 own shares held (if any), for the effects of all dilutive potential ordinary shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprises cash at banks, call deposits and cash in transit. Cash in transit comprises cash transfers initiated via an electronic transfer system which are not yet settled into the Company's bank account by the bank and for which the Company received confirmation of transfer in the form of a swift advice from the relevant bank. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and call deposits with associated exchange difference for foreign currency-denominated balances, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items, have been eliminated for the purpose of preparing the statement. Dividends paid to ordinary shareholders are included in financing activities. Interest paid is also included in financing activities while finance income is included in investing activities.

(r) Operating segment

An operating segment is a distinguishable component of the Company that earns revenue and incurs expenditure from providing related products or services (business segment), or providing products or services within a particular economic environment (geographical segment), and which is subject to risks and returns that are different from those of other segments. All operating segments' operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Items that are different from those of other segments. The Company's primary format for segment reporting is based on business segments. The business segments are determined by management based on the Company's internal reporting structure.

Segment results that are reported to the Company's Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses and tax assets and liabilities. The Board of Directors is the Chief Operating decision maker.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(s) Application of new and revised International Accounting Standards and interpretations to standards

The following new standard, amendment to standard and interpretation are effective for the period under review. The Company is not affected by all other effective amendments during the year.

(i) Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments contain specific transition provisions for the first annual reporting period in which the group applies the amendments. Under the transitional provisions an entity is not required to disclose:

- comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments
- the information otherwise required by IAS 7:44H(b)(ii)–(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

In the current year, the company has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

The standard had impact on the Company's financial statements.

(ii) Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The standard had impact on the Company's financial statements.

(iii) Amendments to IAS 1 Presentation of Financial Statements - Non current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date)

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The standard had an impact on the Company's financial statements.

(iv) Amendments on IFRS 16 Leases- Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

Notes to the financial statements (Continued)

3 Material accounting policies (continued)

(s) Application of new and revised IFRS Accounting Standards (IFRSs) and interpretations to standards (continued)

(iv) Amendments on IFRS 16 Leases- Lease Liability in a Sale and Leaseback (continued)

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

The standard had no impact on the Company's financial statements.

(t) New standards, amendments and interpretation not yet effective

Certain new standards, amendments to standards and interpretations have been published that are not yet effective for the financial year ended 31 December 2024 and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is as stated below. Other standards are not applicable to the Company.

(i) Amendments to IAS 21 - The Effect of Changes in Foreign Exchange Rates Titled Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency. The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- a spot exchange rate for a purpose other than that for which an entity assesses exchangeability
- the first exchange rate at which an entity is able to obtain the other currency for the specified purpose after exchangeability of the currency is restored (first subsequent exchange rate).

An entity using another estimation technique may use any observable exchange rate—including rates from exchange transactions in markets or exchange mechanisms that do not create enforceable rights and obligations—and adjust that rate, as necessary, to meet the objective as set out above.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, the entity is required to disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments add a new appendix as an integral part of IAS 21. The appendix includes application guidance on the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented. In addition, the IASB made consequential amendments to IFRS 1 to align with and refer to the revised IAS 21 for assessing exchangeability. The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments. The directors of the company anticipate that the application of these amendments may have an impact on the company's financial statements in future periods.

(ii) Amendment to IFRS 18 - Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the company anticipate that the application of these amendments may have an impact on the company's financial statements in future periods.

3 Material accounting policies (continued)

(t) New standards, amendments and interpretation not yet effective (continued)

(iii) IFRS 19- Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- it is a subsidiary (this includes an intermediate parent)
- it does not have public accountability, and
- its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

A subsidiary has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual funds and investment banks often meet this second criterion). Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

If an entity elects to apply IFRS 19 for a reporting period earlier than the reporting period in which it first applies IFRS 18, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability.

The directors of the company do not anticipate that IFRS 19 will be applied for purposes of the financial statements of the company.

4 Measurement of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. Significant valuation issues are reported to the Audit Committee.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In some cases, if the inputs used to measure the fair value of an asset or a liability is categorised in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in Financial Instruments – Financial risk management and fair values (Note 26).

Notes to the financial statements (Continued)

5 Revenue

In thousands of naira

Revenue for the year comprises:

	2024	2023
Domestic sales	114,351,486	73,605,300
Export sales	14,813,609	6,773,655
Revenue is recognised at a point in time	129,165,095	80,378,955

6 Other income

Other income comprises:

In thousands of naira

	2024	2023
Sale of by-products	-	39,869
Insurance claims received	21,923	32,721
	21,923	72,590

7 Net finance (cost)/income

In thousands of naira

Finance income

Interest income on bank deposits	434,599	2,262,684
----------------------------------	---------	-----------

Finance cost

Interest expense on leases (Note 27b)	(903)	(1,144)
Interest expense on borrowings (Note 24)	(6,409,802)	(4,827,520)
Exchange difference- Realized	(26,050,844)	(30,072,058)
Exchange difference- Unrealized	(2,260,601)	(7,486,377)

	(34,722,150)	(42,387,099)
Net finance cost recognised in profit or loss	(34,287,551)	(40,124,415)

8 Loss before tax

Loss before taxation is stated after charging/(crediting):

In thousands of naira

	2024	2023
		restated*
Directors' remuneration (Note 10(iv))	260,840	257,017
Depreciation of property, plant and equipment (Note 13)	1,889,118	1,623,850
Depreciation of right of use assets (Note 27)	14,039	18,372
Impairment of property, plant and equipment (Note 13)	-	1,399,445
Amortisation of intangible assets (Note 14)	36,450	41,613
Personnel expenses (Note 10(i))	7,446,966	6,601,628
Audit fees	25,000	27,192
Tax services	109,478	50,600
Loss on disposal of property, plant and equipment	144,604	2,527
Royalty and technical service fees*	2,366,226	1,445,187
Operating lease cost	-	4,875
Foreign currency exchange loss, net	28,311,445	37,558,435

The National Office for Technology Acquisition and Promotion (NOTAP) approved the agreement relating to royalty and technical service fee. The certificate number is CR008309.

Non-audit Services

No non-audit services were provided by our auditors

Details of other professionals providing other forms of assurance on the financial statements are as follows:

Name of professional	FRC number of the professional	Name of firm	Nature of service	FRC Number of the firm
Miller Kingsley	FRC/2012/PRO/NAS/00000002392	Ernst and Young	Actuarial services	FRC/2023/COY/209403
Audrey Obidike	FRC/2015/PRO/ICAN/004/00000011970	Ernst and Young	Taxation services	

Notes to the financial statements (Continued)

9 Expenses by nature

The analysis of Cost of Sales, Selling & Distribution and Administrative expenses by nature are as follows:

In thousands of naira

	2024	2023
Finished goods, raw and packaging materials	89,210,366	47,464,266
Energy and utilities	7,030,569	3,567,561
Advertising and sales promotion	3,275,141	3,542,194
Depreciation of property, plant and equipment (Note 13)	1,889,243	1,623,850
Impairment of property, plant and equipment (Note 13)	-	1,399,445
Amortisation of intangible assets (Note 14)	36,450	41,613
Depreciation of Right of use assets (Note 27)	14,039	18,372
Personnel expenses (Note 10(i))	7,446,966	6,601,628
Distribution	1,209,255	935,101
Repairs and maintenance	2,566,952	1,288,739
Royalty, technical service and management fees	2,366,226	1,445,187
Consultancy, professional fees and subscriptions	609,156	197,449
Travel and entertainment	271,901	332,785
Telephone and related charges	58,068	33,113
Insurance	393,034	248,002
Loss on disposal of property, plant and equipment	144,604	2,527
Other Expense	221,289	-
Loss on lease termination (Note 27)	12,247	-
Impairment provision on idle assets (Note 13)	757,080	-
Production and office consumables	5,029,584	3,767,933
Bank Charges and fees	683,625	73,100
	123,225,795	72,582,865

Summarised as follows:

Cost of sales	110,937,326	63,041,528
Selling and distribution expenses	6,265,475	7,372,547
Administrative expenses	6,022,994	2,168,790
	123,225,795	72,582,865

10 Personnel expenses

(i) Employee benefit expenses during the year comprises:

In thousands of naira

	2024	2023
Salaries and wages	6,657,829	5,832,610
Pension contribution (Note 21(b))	740,415	744,340
Share-based transactions (Note 22)	48,722	24,678
	7,446,966	6,601,628

Notes to the financial statements (Continued)

10 Personnel expenses (Continued)

(ii) Employees of the Company, other than Directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension costs and certain benefits) in the following ranges:

				2024	2023
		₦	₦	Number	Number
		300,001		3	15
		600,001	-	-	12
		800,001	-	12	5
		1,000,001	-	5	9
		1,200,001	-	2	3
		1,400,001	-	2	13
		1,600,001	-	9	1
		1,800,001	-	7	12
		2,000,001	-	5	34
		2,500,001	-	19	103
		3,000,001	-	47	85
		3,500,001	-	57	37
		4,000,001	-	56	25
		4,500,001	-	27	23
		5,000,001	and	109	82
			above	<u>360</u>	<u>459</u>

(iii) The average number of full-time persons employed during the year (other than Executive Directors) was as follows:

	2024	2023
	Number	Number
Production	239	289
Supply chain	22	28
Sales and marketing	71	116
Administration	28	26
	<u>360</u>	<u>459</u>

(iv) Remuneration for Directors of the Company charged to the profit or loss are as follows:

<i>In thousands of naira</i>	2024	2023
Fees	26,200	23,800
Salaries	222,787	219,240
Pension	11,853	13,977
	<u>260,840</u>	<u>257,017</u>

Three directors received directors fee as remuneration while the others received salaries.

The Directors' remuneration shown above includes:

<i>In thousands of naira</i>	2024	2023
Chairman	11,250	9,100
Highest paid director	131,198	145,614

Other Directors received emoluments in the following ranges:

				2024	2023
		₦	₦	Number	Number
		Nil	-	2	2
		7,000,001	-	4	2
		50,000,000	-	1	1
			70,000,000	<u>7</u>	<u>5</u>

Notes to the financial statements (Continued)

11 Income tax (credit)/expense
Tax recognised in profit or loss:
In thousands of naira

	2024	2023 restated*
Minimum tax	748,436	413,430
	748,436	413,430
Company income tax	-	-
Capital gain tax	2,192	3,272
	750,628	416,702
Deferred tax credit (Note 15)	(6,852,014)	(10,223,115)
	(6,852,014)	(10,223,115)
Income tax credit	(6,101,386)	(9,806,413)

The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax laws and prior experience.

(a) Reconciliation of effective tax rate:
In thousands of naira

	2024		2023 restated*	
	%		%	2023
Loss for the year	%	(22,224,942)	%	(22,445,813)
Taxation		(6,101,386)		(9,806,413)
Loss before income tax		(28,326,328)		(32,252,226)
Income tax using the Company's domestic rate of 30%	30	(8,497,898)	30	(8,447,110)
Impact of tertiary education tax	-	-	-	-
Impact of police trust fund levy	-	-	-	-
Capital gain tax	-	2,192	-	3,272
Impact of deferred tax	24	(6,852,014)	34	(10,223,115)
Impact of minimum tax	(3)	748,436	(1)	413,430
Unutilized loss		6,271,398		-
Losses relieved for the year	-	-	(23)	6,474,472
Effect of capital allowance and balancing charge	-	-	-	1,330
Non-deductible expenses	(32)	9,133,988	(13)	3,609,554
Effect of tax incentives and exempted income	24	(6,907,488)	6	(1,638,246)
Tax credit	43	(6,101,386)	33	(9,806,413)

(b) The movement on the tax payable account during the year was as follows:
In thousands of naira

	2024	2023 restated*
Balance, beginning of the year	437,461	383,006
Current year charge	750,628	416,702
Payments during the year	(70,666)	(343,501)
Withholding credit notes utilised	(346,036)	(18,746)
Balance, end of the year	771,387	437,461

Notes to the financial statements (Continued)

12 Earnings and declared dividend per share

(a) Basic (loss)/earnings per share

Basic loss per share for the Company is 975 kobo (2023: earnings: 1,195 kobo) is based on the loss attributable to ordinary shareholders of ₦22,224,942,000 (2023: loss: ₦22,445,813,000), and on the 2,280,284,619 (2023: 1,878,201,962) ordinary shares of 50 kobo each, being weighted average number of ordinary shares in issue during the year.

	2024	2023
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	2,280,284,619	1,878,201,962
Issued ordinary shares at 1 January	1,878,201,962	1,878,201,962
Additions in the year*	402,082,657	-
Issued ordinary shares at 31 December	2,280,284,619	1,878,201,962
<p>The addition in the shares for the year was simply because the Shareholders of Cadbury Nigeria PLC held an extraordinary general meeting of the Company on 8th February 2024 and resolved to convert the intercompany loan of \$7.72 million owed by the Company to Cadbury Schweppes Overseas Limited ("CSOL") to equity by the allotment of 402,082,657 ordinary shares of 50kobo to CSOL, each shares to rank pari passu in all respects with the existing ordinary shares in the capital of the Company at the price of ₦17.50 per share being the share price of the Company as at close of trading on 27th December 2023.</p>		
<p>Ordinary shares issued (Note 20)</p>		
Weighted average number of ordinary shares at 31 December	2,280,284,619	1,878,201,962
Loss attributable to ordinary shareholders (₦'000)	(22,224,942)	(22,445,813)
Basic loss per share (kobo)	(975)	(1,195)

There were no potentially dilutive shares as at the reporting date (2023: Nil), thus the basic loss per share and the diluted loss per share have the same value.

(b) Dividend declared per share

There was no dividend declared for the year. (2023: Nil). The 2022 dividend paid during the year is N15.2 million.

Dividend declared is subject to withholding tax before payment to the recipients. Also, excess dividend tax is applicable on the dividend declared to the extent that the dividend is declared out of profits that have not been subject to tax.

Notes to the financial statements (Continued)

13 Property, plant and equipment

(a) The movement on these accounts was as follows:

<i>In thousands of naira</i>	Freehold Land	Buildings	Plant & machineries	Office furniture & equipment	Motor vehicles	Capital Work in Progress (WIP)	Total
Cost							
At 1 January, 2024	652,800	5,839,165	26,076,450	2,139,398	2,113,936	704,162	37,525,911
Additions	-	-	-	-	-	5,065,431	5,065,431
Transfers from CWIP	-	407,461	3,717,522	299,596	-	(4,424,579)	-
Disposals	-	-	-	(66,504)	(632,897)	-	(699,401)
Adjustment*	-	-	(1,387,208)	-	-	-	(1,387,208)
At 31 December, 2024	652,800	6,246,626	28,406,764	2,372,490	1,481,039	1,345,014	40,504,733
Accumulated depreciation							
At 1 January, 2024	-	2,679,697	18,278,768	1,223,632	779,575	-	22,961,672
Depreciation for the year	-	204,679	1,324,713	95,298	264,428	-	1,889,118
Disposals	-	-	-	(41,915)	(380,284)	-	(422,199)
Adjustment*	-	125	(630,128)	-	-	-	(630,003)
At 31 December, 2024	-	2,884,501	18,973,353	1,277,015	663,719	-	23,798,588
Cost							
At 1 January, 2023	652,800	5,500,870	23,897,957	2,085,336	1,564,663	560,601	34,262,227
Additions	-	-	-	-	-	3,695,822	3,695,822
Intercompany*	-	-	4,434	-	-	-	4,434
Transfers from CWIP	-	338,541	2,196,541	54,062	786,363	(3,552,261)	(176,754)
Disposals	-	(246)	(22,482)	-	(237,090)	-	(259,818)
At 31 December, 2023	652,800	5,839,165	26,076,450	2,139,398	2,113,936	704,162	37,525,911
Accumulated depreciation							
At 1 January, 2023	-	2,122,232	16,298,680	1,108,936	661,386	-	20,191,234
Depreciation for the year	-	182,483	992,042	100,871	348,454	-	1,623,850
Disposals	-	(110)	(22,482)	-	(230,265)	-	(252,857)
Impairment*	-	375,092	1,010,528	13,825	-	-	1,399,445
At 31 December, 2023	-	2,679,697	18,278,768	1,223,632	779,575	-	22,961,672
Carrying amounts							
At 31 December 2024	652,800	3,362,125	9,433,411	1,095,475	817,320	1,345,014	16,706,145
At 31 December 2023	652,800	3,159,468	7,797,682	915,766	1,334,361	704,162	14,564,239

* Adjustment during the year relates to provision for idle assets

* Impairment for prior year were due to management decision to discontinue the biscuit line. This decision led to full impairment of all assets associated within the biscuit line.

* Intercompany relates to assets acquired from related parties in 2023.

Notes to the financial statements (Continued)

13 Property, plant and equipment (Continued)

(b) Capital work in progress

Capital work in progress as at the end of the year is analysed as follows:

<i>In thousands of naira</i>	2024	2023
Building	-	18,850
Plant and machinery	1,268,454	508,672
Office furniture and equipment	10,320	-
Software	66,240	176,640
	<u>1,345,014</u>	<u>704,162</u>

No borrowing costs were capitalised during the year as the acquisition of property, plant and equipment was not through borrowings (2023: Nil).

There is no restriction on the title of property, plant and equipment and no pledge as security on liabilities(2023:Nil).

(c) Capital commitments

Capital expenditure commitments at the year-end authorized by the Board comprise:

<i>In thousands of naira</i>	2024	2023
Contracted	<u>3,860,200</u>	<u>1,435,000</u>
	<u>3,860,200</u>	<u>1,435,000</u>

14 Intangible assets

Intangible assets represent purchase and installation cost of software licenses. The movement on this account during the year was as follows:

<i>In thousands of naira</i>	2024	2023
Cost		
Balance at 1 January	878,014	701,260
Transfers from CWIP	-	176,754
Balance at 31 December	<u>878,014</u>	<u>878,014</u>
Accumulated amortisation		
Balance at 1 January	736,060	694,447
Amortisation for the year	36,450	41,613
Balance at 31 December	<u>772,510</u>	<u>736,060</u>
Carrying amounts		
As at 1 January	<u>141,954</u>	<u>6,813</u>
As at 31 December	<u>105,504</u>	<u>141,954</u>

Notes to the financial statements (Continued)

15 Deferred Tax

(a) Movement in deferred tax balances

<i>In thousands of naira</i>	Assets		Liabilities		Net	
	2024	2023 restated*	2024	2023 restated*	2024	2023 restated*
Unrealised exchange difference	745,999	2,264,085	-	-	745,999	2,264,085
Trade and other receivables	3,320	3,320	-	-	3,320	3,320
Employee benefits	271,623	247,314	-	-	271,623	247,314
Inventory	316,666	268,591	-	-	316,666	268,591
Property, plant and equipment & Intangible assets	-	-	(92,500)	(925,271)	(92,500)	(925,271)
Right of use assets	-	-	(2,558)	(7,685)	(2,558)	(7,685)
Unrelieved losses carried forward	12,914,838	7,496,135	-	-	12,914,838	7,496,135
Share Based Payment Expenses	82,597	66,519	-	-	82,597	66,519
Unutilised interest on loan	2,025,036	-	-	-	2,025,037	-
	16,360,080	10,345,964	(95,058)	(932,956)	16,265,022	9,413,008

(b) Movement in temporary differences during the year

<i>In thousands of naira</i>	Balance 1	Recognised in		Recognised in		Balance 31
	January 2023	profit or loss	other comprehensive income	profit or loss	other comprehensive income	December 2024
	restated*					
Property, plant and equipment	(2,206,546)	1,281,275	-	832,771	-	(92,500)
Right of use assets	(7,210)	(475)	-	5,127	-	(2,558)
Trade and other receivables	263,951	(260,631)	-	-	-	3,320
Inventory	67,813	200,778	-	48,075	-	316,666
Unrealised exchange difference*	564,778	1,699,307	-	(1,518,087)	-	745,999
Unrelieved losses carried forward	282,580	7,213,555	-	5,418,703	-	12,914,838
Employee benefits	187,487	59,827	-	24,310	-	271,623
Share Based Payment Expenses	37,040	29,479	-	16,078	-	82,597
Unutilised interest on loan	-	-	-	2,025,037	-	2,025,037
	(810,107)	10,223,115	-	6,852,014	-	16,265,022

The amount of non-current deferred tax assets that is expected to be recovered after more than 12 months is ₦16,252 million (2023: deferred tax asset: ₦9,413 million).

Notes to the financial statements (Continued)

16 Inventories

In thousands of naira

	2024	2023
Raw and packaging materials	5,184,665	5,079,137
Product in process	178,061	337,097
Finished products	1,892,740	3,552,444
Spare parts	2,302,132	1,533,142
Goods in transit	4,250,171	1,437,139
	13,807,769	11,938,959

The value of raw materials, packaging materials, spare parts and changes in finished products and products in process included in cost of sales amounted to ₦96,427 million (2023: ₦54,800 million). Adequate provisions were made for slow-moving stock. The value of obsolete stock at year end was ₦926.71 million (2023: ₦781.03 million).

During the year, no impact (2023: Nil) was recognised as an expense for finished goods carried at net realisable value.

17 Trade and other receivables

In thousands of naira

	2024	2023
Trade receivable	6,712,061	5,058,314
Other receivables*	885,223	1,161,401
Withholding tax receivable	87,915	395,416
Due from related parties (Note 25)	574,510	705,318
	8,259,709	7,320,449

*Other receivables comprise amounts receivable from Distributors from funding of Sales Force Automation devices by the Company, amounts held by the Company's Registrar (First Registrar) for unclaimed dividends (Refer to note 23 (a)), accrued interest receivable on time deposits and rebates on export proceeds.

17.1 Reconciliation of changes in trade and other receivables included in statement of cash flows

In thousands of naira

	2024	2023
Movement in trade and other receivables	939,260	2,156,303
Withholding credit notes utilised	346,036	18,746
Write-back of impairment for receivables	-	(3,509)
	1,285,296	2,171,540

18 Prepayments

In thousands of naira

	2024	2023
Prepaid insurance	402,892	388,892
Prepaid rent*	2,758	2,758
Advances to suppliers	490,093	164,618
Other prepayments**	55,193	27,020
	950,936	583,288

*Prepaid rent relates to short-term apartment leases for expatriate to which the company elected to apply the short-term leases recognition exemptions.

**Other prepayments relates to car, housing and leave allowances paid to employees earlier than their due dates and as per company policies.

19 Cash and cash equivalents

In thousands of naira

	2024	2023
Cash and cash equivalents comprises:		
Bank balances	10,321,262	11,362,780
Call deposits	1,218,349	8,903,376
Cash in transit	-	188,849
Restricted cash*	4,799,752	-
Cash and cash equivalents in the statement of financial position	16,339,363	20,455,005
Cash and cash equivalents in the statement of cash flows	16,339,363	20,455,005

Cash and cash equivalents comprise cash on hand, demand deposits and cash in transit, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value(2023:Nil)

Expected credit loss on cash and cash equivalents were determined, however, the amount was immaterial and thus, was not recognised(2023: Nil)

Foreign currency denominated bank balances are revalued at each reporting date.

There is restricted cash of ₦4.7 billion with Globus and Stanbic Ibtce as at reporting date (2023: Nil).

*In 2024 the business started opening cash backed letters of credit. The restricted cash amount represents the Naira equivalent of USD3.2 million held with its bankers which was used as cash back letters of credit

Notes to the financial statements (Continued)

19 Cash and cash equivalents (Continued)

Net (debt)/cash reconciliation

The table below sets out an analysis of net (debt)/cash and the movements in net (debt)/cash for each of the periods presented:

In thousands of naira

	2024	2023 restated*
Cash and cash equivalents	16,339,363	20,455,005
Borrowings	(32,811,040)	(47,944,797)
Net debt	<u>(16,471,677)</u>	<u>(27,489,792)</u>
Cash and liquid investments	16,339,363	20,455,005
Gross debt - fixed interest rates	(32,811,040)	(47,944,797)
Net debt	<u>(16,471,677)</u>	<u>(27,489,792)</u>

	Other assets	Liabilities from financing activities		
	Cash	Borrowing due within 1 year	Borrowing over 1 year	Total
<i>In thousands of naira</i>				
Net cash as at 1 January 2024	20,455,005	-	-	20,455,005
Cash flows	(4,115,642)	-	-	(4,115,642)
Borrowings (Note 24)	-	(32,811,040)	-	(32,811,040)
Net debt as at 31 December 2024	<u>16,339,363</u>	<u>(32,811,040)</u>	-	<u>(16,471,677)</u>
Net cash as at 1 January 2023	27,447,778	-	(7,640,590)	19,807,188
Cash flows	(6,992,773)	-	-	(6,992,773)
Borrowings (Note 24)	-	(47,944,797)	7,640,590	(40,304,207)
Net Debt as at 31 December 2023	<u>20,455,005</u>	<u>(47,944,797)</u>	-	<u>(27,489,792)</u>

20 Capital and reserves

(a) Ordinary shares as at 31 December

In thousands of naira

	2024	2023
Minimum issued shares 2,280,284,619 (2023: 1,878,201,962) ordinary shares of 50k each	<u>1,140,142</u>	<u>939,101</u>
Issued and fully paid ordinary shares of 50k each At 31 December - 2,280,284,619 ordinary shares of 50k each (2023: 1,878,201,962)	<u>1,140,142</u>	<u>939,101</u>

The Shareholders of Cadbury Nigeria PLC held an extraordinary general meeting of the Company on 8th February 2024 and resolved to convert the intercompany loan of \$7.72 million owed by the Company to Cadbury Schweppes Overseas Limited ("CSOL") to equity by the allotment of 402,082,657 ordinary shares of 50kobo to CSOL, each shares to rank pari passu in all respects with the existing ordinary shares in the capital of the Company at the price of ₦17.50 per share being the share price of the Company as at close of trading on 27th December 2023.

Nature and purpose of reserves

(b) Other reserves

The balance in the other reserves is as follows

In thousands of naira

	2024	2023
At 31 December	<u>33,177,321</u>	<u>3,436,348</u>

The movement in other reserves is reflected below:

Balance as at 1 January	3,436,348	3,436,348
Movement during the year	29,740,973	-
Balance as at 31 December	<u>33,177,321</u>	<u>3,436,348</u>

On 28 January 2024, the Board of Directors negotiated a debt forgiveness of \$20 million from CSOL on the \$40 million received on 15 January 2024. The debt forgiveness was necessary due to the significant devaluation of the Nigerian Naira from ₦11.68 in December to ₦1400+ in January 2024 against the US Dollar. The debt forgiveness amount of ₦29.7 billion is responsible for the movement in other reserves for 2024 financial year.

The breakdown of the other reserves is reflected below:

Non-distributable reserve that existed prior to IFRS conversion	3,436,348	3,436,348
Debt forgiveness during the year	29,740,973	-
	<u>33,177,321</u>	<u>3,436,348</u>

Notes to the financial statements (Continued)

20 Capital and reserves (continued)

(c) Shared based payment reserve

The share based payment reserve relates to ordinary shares of Mondelez International that would be issued to employees when the options granted are being exercised. As at year end, share based payment reserve amounted to ₦250.3million (2023: ₦201.6million). Refer to Note 22.

(d) Share premium

In thousands of naira

	2024	2023
At 31 December	7,107,750	272,344

The company converted the interCompany loan of \$7.72 million owed by the Company to Cadbury Schweppes Overseas Limited ("CSOL") to equity by the allotment of 402,082,657 ordinary shares of 50kobo to CSOL each shares. This resulted in additional share premium of ₦6.8 billion in 2024.

(d) Shareholding structure

	Number of Ordinary Shares	Percentage Shareholding
Shareholders:		
Cadbury Schweppes Overseas Limited	1,810,214,310	79.39%
Total Directors' shareholdings	648,000	0.03%
Institution holdings*	193,796,795	8.50%
Other shareholders	275,625,514	12.08%
Total	2,280,284,619	100.0%

* Institution holdings comprises shares held by institutional shareholders for various investors which are available for trade on the floor of the Nigerian Exchange Group (NGX).

Compliance with Free Float Requirements

As at 31 December 2024, Cadbury Nigeria Plc is compliant with the Free Float requirement for the Main Board of the Nigerian Stock Exchange, with free float of 20.59 % (2023: 24.99%).The free float comprises of the Institutional holdings and other shareholders.

21 Employee benefits

Employee benefits comprises:

In thousands of naira

	2024	2023
Long service awards (Note a)	823,100	749,435
	823,100	749,435

Other long term employee benefits provisions are based upon independent actuarial valuation conducted by Miller Kingsley (FRC/2012/PRO/NAS/0000002392) of Ernst & Young, Nigeria.

The weighted average liability duration for the plan is 6.58 years (2023: 6.58years).

- (a) The following analyses the movement in the present value of employee benefit obligations, expense recognized in the profit or loss, actuarial assumptions and other information relating to the benefit plans:

Movement in other long-term employee benefits:

In thousands of naira

	2024	2023
Balance, beginning of year	749,435	576,884
Benefits paid by the plan	(87,003)	(73,611)
Current service costs	69,772	58,147
Interest cost	110,042	73,116
Actuarial gains – change in assumption	(23,372)	(23,765)
Actuarial losses – experience adjustment	4,226	138,664
Balance, end of year	823,100	749,435

- (b) The following employee benefits related expense are recognised in the following line items in the statement of profit or loss and other comprehensive income:

	Cost of Sales	
	2024	2023
<i>In thousands of naira</i>		
Defined pension contribution expense	385,079	387,120
Long service awards expense	83,561	128,025
	468,640	515,145

	Administrative Expenses	
	2024	2023
<i>In thousands of naira</i>		
Defined pension contribution expense	355,336	357,220
Long service awards expense	77,107	118,137
	432,443	475,357

Notes to the financial statements (Continued)

21 Employee benefits (Continued)

<i>In thousands of naira</i>	Total	2024	2023
Long service awards expense	160,668	246,162	246,162
Defined pension contribution expense	740,415	744,340	744,340
	901,083	990,502	990,502

(c) The employee benefits related expense are recognised in the following line items in the Statement of cash flow:

<i>In thousands of naira</i>	2024	2023
Long service awards expense	160,668	246,162
Long service awards charge	160,668	246,162
Long service awards paid	(87,003)	(73,611)
Employee benefit paid	(87,003)	(73,611)
Net amount on the cashflow	73,665	172,551

(d) Actuarial assumptions

Principal financial actuarial assumptions at the reporting date (expressed as weighted averages):

	2024	2023
	%	%
Discount rate	18.0	16.3
Future salary increases	17	15
Inflation rate	16.0	14.5

The inflation rate used in the assumption is forward-looking.

Mortality in service

Sample age	2024		2023	
	Number of deaths in year out of 10,000 lives		Number of deaths in year out of 10,000 lives	
25	7	7	7	7
30	7	7	7	7
35	9	9	9	9
40	14	14	14	14
45	26	26	26	26

Withdrawal from service

Age band	2024		2023	
	Rate (%)		Rate (%)	
Less than or equal to 30	10	9	9	9
31-39	8	7	7	7
40-49	4	3.2	3.2	3.2
50-59	2	2	2	2

Assumptions regarding future mortality rates are based on published A67/70 statistics and mortality tables by Institute and Faculty of Actuaries in the UK.

Withdrawals/turnover

It is assumed that all the employees covered by the defined end of service benefit scheme would retire at age 60 (2023: age 60).

Notes to the financial statements (Continued)

21 Employee benefits (Continued)

(e) Sensitivity analysis

Below is the sensitivity analysis of the principal actuarial assumptions adopted in determining the employee benefit liabilities:

<i>In thousands of naira</i>		Long service awards
Base		823,100
	+1%	781,052
Discount rate	-1%	868,940
	+1%	837,120
Future salary increase rate	-1%	810,051
	+1%	859,006
Inflation Rate	-1%	789,737
	Age rated up by one year	819,459
Mortality rate	Age rated down by one year	826,401

Risk exposure

Through its long service awards, the Company is exposed to a number of risks, the most significant of which are detailed below:

- i. **Liquidity risk:** The plan liabilities are not funded and as a result, there is a risk of the Company not having the required cash flow to fund future defined benefit obligations as they fall due.
- ii. **Inflation risk:** This is the risk of an unexpected significant rise/fall of market interest rates. A rise leads to a fall in long term asset values and a rise in liability values.
- iii. **Life expectancy:** The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.
- iv. **Asset volatility:** The plan liabilities are calculated using a discount rate set with reference to federal government bond yields. A decrease in the bond yields will increase plan liabilities.

(f) Maturity Profile of the Defined Benefit Obligation

<i>In thousands of naira</i>	Long service awards
Within the next 12 months (next annual reporting period)	138,849
Between 2 and 5 years	408,663
Between 5 and 10 years	2,212,614
Beyond 10 years	5,840,973
Total	8,601,099

Notes to the financial statements (Continued)

22 Share-based payment plan

The Group's ultimate holding company, Mondelez International, operates two Equity Incentive Schemes for its key management employees around the world known as the Deferred Stock Unit Agreement (DSU) and Non-Qualified Non-U.S. Stock Option Award Agreement (NSOA). Under the DSU agreement, Mondelez International awards Restricted Stock Units (RSU) to employees that entitle participants to receive freely disposable Mondelez International equity instruments at the end of a three-year restriction period. Under the NSOA agreement, participating employees receive the share appreciation in value i.e., the difference between the fair value of the options on exercise date and the price on grant date at the end of the three year vesting period. The fair value at grant date is determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option.

Performance stock units (PSU) is a long term incentive introduced in the year which rewards key management employees with Mondelez International stock when key company financial goals are achieved during a three-year performance period. Dividend equivalents are also paid for the number of shares awarded.

The model inputs for options granted during the year ended 31 December 2024 included:

- a. Exercise price: US\$73.13 (2023 – US\$65.36)
- b. Grant date: 27 February 2024 (2023 – 2 March 2023)
- c. Expiry date: 27 February 2034 (2023 – 3 March 2033) for NSOA and 1 March 2028 (2023- 1 March 2027) for PSU
- d. Expected volatility of underlying shares: 25% (2023 – 25%)
- e. Risk free interest rate: 3.87% (2023 – 3.85%) for NSOA and 4.10% (2023 – 4.45%) for PSU
- f. Expected dividend yield: 2% (2023 – 2%)

The fair value of the new shares awarded in 2024 as at grant date is \$14,180 for the NSOA and \$50,123 for the PSU

At 31 December 2024, Cadbury Nigeria Plc had one (1) (2023: one (1)) deserving management employees in its employment.

The Share-based payment is equity settled. The terms and conditions relating to the grants of the DSU and NSOA agreements are as follows:

Shares	Number of instruments	Vesting conditions	Contractual life of rights
Shares awarded to senior management in 2018	5818	3 year's service	10 years
Shares awarded to senior management in 2019	5,990	3 year's service	10 years
Shares awarded to senior management in 2020	1,700	3 year's service	10 years
Shares awarded to senior management in 2021	1,340	3 year's service	10 years
Shares awarded to senior management in 2022	780	3 year's service	10 years
Shares awarded to senior management in 2023	920	3 year's service	10 years
Shares awarded to senior management in 2024	720	3 year's service	10 years

The terms and conditions relating to the grants of the PSU agreements are as follows:

Shares	Number of instruments	Vesting conditions	Contractual life of rights
PSU awards to senior management in 2020	1030	3 year's service	4 years
PSU awards to senior management in 2021	820	3 year's service	4 years
PSU awards to senior management in 2022	470	3 year's service	4 years
PSU awards to senior management in 2023	560	3 year's service	4 years
PSU awards to senior management in 2024	440	3 year's service	4 years

The movement in the share based payment account was as follows:

<i>In thousands of naira</i>	2024	2023
Cumulative amount at January 1	201,574	176,896
Recognized during the year	48,722	24,678
Cumulative amount at December 31	250,296	201,574

The share based payment expense recognised in the profit or loss for the year is ₦48.72 million (2023: ₦24.68 million).

23 Trade and other payables

In thousands of naira

	2024	2023
Trade payables	16,637,564	8,617,109
Dividend payable (Note (23a))	485,126	500,283
Pension payable (Note (23b))	152,451	57,342
Accrued expenses*	6,196,405	3,717,021
Due to related parties (Note 25)	9,292,240	11,858,738
Contract liabilities**	393,685	279,997
Unpaid decapitalisation fund	500,006	500,013
	33,657,477	25,530,503

*Accrued expenses include VAT and Withholding taxes due to the Tax Authorities and other trade accruals.

**Contract liabilities relates to payments received for goods to be delivered at a future date. Revenue recognised during the year that was included in the contract liabilities balance at the beginning of the year was ₦280 million (2023: ₦401.9 million).

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 26.

Notes to the financial statements (Continued)

23 Trade and other payables (Continued)

(a) Dividend payable

Dividend payable represents unclaimed dividend from prior years. The movement on this account was as follows:

<i>In thousands of naira</i>	2024	2023
Balance, beginning of year	500,283	455,377
Dividend declared (excluding related parties dividend)	-	169,623
Payments made during the year	(15,157)	(124,717)
Balance, end of year	485,126	500,283

As at year end, a total cash amount of ₦97.93 million (2023: ₦152.7 million) was held with the Company's registrar, First Registrar representing unclaimed dividends.

(b) Pension payable

<i>In thousands of naira</i>	2024	2023
Obligation as at 1 January	57,342	132
Charge for the year	740,415	744,340
Payments	(645,306)	(687,130)
Obligation as at 31 December	152,451	57,342

(c) Reconciliation of changes in trade and other payables included in statement of cash flows

<i>In thousands of naira</i>	2024	2023
Movement in trade and other payables	8,126,974	5,045,585
VAT paid	2,558,820	2,040,168
Dividend paid	15,157	124,717
Dividend declared	-	(751,281)
	10,700,951	6,459,189

24 Borrowings

	2024	2023 restated*
Short term borrowings	32,811,040	47,944,797
	32,811,040	47,944,797

Movement in borrowings during the year is as follows:

<i>In thousands of naira</i>	2024	2023 restated*
As at 1 January	47,944,797	24,495,260
Additions to Intercompany loan	34,420,000	6,196,000
Additions - Import finance facilities	8,345,117	30,824,426
Intercompany loan forgiveness	(29,740,973)	-
Repayment - Intercompany loan	(2,505,515)	(14,902,456)
Intercompany loan and interest conversion to Equity	(7,036,454)	-
Repayment - Import finance facilities	(53,857,607)	(31,449,577)
Accrued interest on intercompany loan	4,778,633	1,357,841
Import finance facilities/Accrued interest on short term loan	1,631,169	3,469,679
Exchange loss on Intercompany loan	25,769,503	6,896,616
Exchange loss on Import finance facilities	3,062,370	21,057,008
Balance as at 31 December	32,811,040	47,944,797

On 15 January 2024, the Board of Directors approved the intercompany loan of \$40 million from CSOL to support the repayment of overdue FX loans owed from local banks. The Intercompany loan was used to repay overdue FX loans from local banks.

On 28 January 2024, the Board of Directors negotiated a debt forgiveness of \$20 million from CSOL on the \$40 million received on 15 January 2024. The debt forgiveness was necessary due to the significant devaluation of the Nigerian Naira from ₦911.68 in December to ₦1400+ in January 2024 against the US Dollar. The debt forgiveness amount has been included as part of other reserves in the financial statements as it is a contribution from the parent company.

The Shareholders of Cadbury Nigeria PLC held an extraordinary general meeting of the Company on 8th February 2024 and resolved to convert the interCompany loan of \$7.72 million owed by the Company to Cadbury Schweppes Overseas Limited ("CSOL") to equity by the allotment of 402,082,657 ordinary shares of 50kobo to CSOL, each shares to rank pari passu in all respects with the existing ordinary shares in the capital of the Company at the price of ₦17.50 per share being the share price of the Company as at close of trading on 27th December 2023. This will increase shareholder funds and the net assets position of the Company by ₦7,037 billion.

The short term loan as at 31 December 2024 relates to \$20m loan owed by the company to Cadbury Schweppes Overseas Limited ("CSOL").

Notes to the financial statements (Continued)

25 Related parties

Amount due from related parties

In thousands of naira

	2024	2023
Cadbury Ghana Limited	167,906	485,335
Mondelez South Africa (Pty) Limited	272,052	87,457
Mondelez Europe Services	95,099	133,761
Mondelez Europe GmbH CH - Switzerland	40,688	-
	575,745	706,553
Impairment provision	(1,235)	(1,235)
	574,510	705,318

Amounts due to related parties

In thousands of naira

	2024	2023
Mondelez Egypt Foods SAE (MEF)	-	294,992
Cadbury Ghana Limited	1,978,841	2,831,953
Mondelez South Africa (Pty) Ltd	348,259	216,901
Mondelez Pakistan Limited (MP)	280,661	263,747
Mondelez India Foods Pvt Ltd	1,014,605	435,553
Mondelez UK R&D Limited	-	60,353
Reading Scientific Services	4,633	7,042
Cadbury Schweppes Overseas Ltd	-	2,026,265
Mondelez International AMEA Pte Ltd	5,603,397	4,647,168
Mondelez Europe GmbH CH - Switzerland	-	787,337
CS Business services (India) Pvt Ltd	23,342	-
Mondelez Global LLC	38,502	22,733
Mondelez Bahrain Biscuits W.L.L.	-	264,694
	9,292,240	11,858,738

Of the total amount due to related parties, an amount of ₦4.2 billion (2023: ₦3.9 billion) represents technical service fees due to Mondelez International AMEA PTE Ltd.

(a) Parent and Ultimate holding companies

The Company is a subsidiary of Mondelez International incorporated in the United States of America. Mondelez International, through Cadbury Schweppes Overseas Limited held 79.39% of the issue and fully paid share capital of the Company as at 31 December 2024 (2023: 74.97%). Amount due to Cadbury Schweppes Overseas Ltd at the end of the period was Nil for Dividend(2023: ₦2,026.3 million).

(b) Related party transactions

The Company entered into the following transactions with the under-listed related parties during the year:

(i) Mondelez International AMEA PTE Ltd (MIAPL)

The Company has the exclusive rights to manufacture, distribution and marketing of Mondelez's international brands in Nigeria and also provide services. In consideration for this, royalties, technical know-how and management services are paid to Mondelez International AMEA PTE Ltd.

The Company made an accrual of ₦519.4 million & ₦1,727.9 million (2023: ₦302.9 million & ₦949.6 million) for the year on royalties and technical know-how and management service fees respectively. Amount due to MIAPL at the end of the period was ₦5,603.4 million (2023: ₦4,647.2 million).

(ii) Cadbury Ghana Limited (CGL)

The Company sells confectionery to CGL and in turn purchases 3-in-1 Hot chocolate from CGL. There were sales of ₦541 million during the period (2023: ₦300.5 million), Purchases during the period was ₦21,941.7 million (2023: ₦15,732.3 million). The net amount due to CGL at the end of the period was ₦1,978.8 million (2023: ₦2,831.2 million) while due from is ₦167.9 million (2023: ₦485.3 million). The Company and CGL are subsidiaries of the same parent company.

(iii) Mondelez Pakistan Limited (MP)

The Company shares the same parent company with MP. Amount due to MP at the end of the period was ₦280.6 million (2023: ₦263.7 million) as a result of FX devaluation in Nigeria.

(iv) Mondelez South Africa (Pty) Limited (KFSA)

The Company shares the same parent company with KFSA. Transactions during the period amounted to ₦228.5 million (FY2023: ₦260.5 million) representing mainly salary recharges to/from KFSA. The net amount due to KFSA at the end of the period was ₦348.2 million (2023: ₦216.9 million).

(v) Mondelez Egypt Foods SAE (MEF)

The Company purchases certain Gum product from MEF which it sells and market to its consumers. Transactions during the period is ₦801.7 million (2023: ₦1307.9 million). Amounts due to MEF at the end of the period is NIL (2023: ₦294.9 million).

(vi) Mondelez Europe Services GmbH (MES)

The Company shares the same parent company with MES. Transactions during the period amounted to ₦257.8 million (2023: ₦209.7 million) representing mainly research, development and quality (RD&Q) recharges from the company to MES. Amount due from MES at the end of the period is ₦95.1 million(2023: ₦133.8 million).

Notes to the financial statements (Continued)

25 Related Parties (Continued)

(vii) Reading Scientific Services (RSS)

The Company shares the same parent company with RSS. Transactions during the period is N4.6 million (2023: N3.9 million) representing mainly research, development and quality (RD&Q) recharges from RSS to the company. Amount due to RSS at end of the period is N4.6 million (2023: N7.0 million).

(viii) Mdlz India Foods Pvt Ltd (MIF)

The Company shares the same parent company with MIF. Transactions during the period amounted to N287.2 million (2023: N167.1 million) representing mainly salary recharges to the company for expatriates in its employment. Amount due to MIF at the end of the period was N1,014.6 million (2023: N435.6 million).

(ix) Mondelez UK R&D Limited (MU)

The Company shares the same parent company with MU. Transactions during the period is N100.5million (2023: Nil). Amount due to MU at end of the period was NIL (2023: N60.4 million) representing mainly research & development recharges from MU to the company, as a result of FX devaluation in Nigeria.

(x) Mondelez Europe GmbH CH- Switzerland

The Company shares the same parent company with Mondelez Switzerland. Transactions during the period is N827.7million (2023: N650.7 million). Amount due to MBB at end of the period is NIL (2023:N787 Million)

(xi) Mondelez Global LLC

Mondelez Global LLC provides application enhancement and information management system service to the company. Transaction during the period was NIL. Amount due to Mondelez Global LCC at the end of the period was N38.5 million (2023: N22.7 million).

(xii) Mondelez Bahrain Biscuits W.L.L. (MBB)

The Company shares the same parent company with MBB. The Company purchases chocolates and Oreo biscuit from Mondelez Bahrain Biscuits. Transactions during the period is Nil (2023: Nil). Amount due to MBB at end of the period was NIL (2023: N264.7 million).

(xiii) CS Business services (India) Pvt Ltd

Transactions during the period is N23.3Million (2023: Nil). Amount due to CS Business Service (India)PVT Ltd at end of the period was N23.3Million (2023: Nil)

(c) Transactions with executive management personnel and executive management personnel compensation

Key Management personnel include members of the board and executive management(Managing Director and Finance Director). In addition to their salaries, the Company also provides non-cash benefits to Executive Directors and members of executive management, and contributes to a post-employment defined contribution plan on their behalf. In accordance with the terms of the plan, Executive Directors and other executive management retire at age 60 and if qualified, are entitled to receive gratuity lump sum amount from Cadbury Nigeria Plc.

Executive Directors and other executive management, if qualified, also participate in the Company's long service awards programme. This programme awards a certain sum of cash benefit which accrues to the recipient on graduated periods of uninterrupted service.

Executive management personnel compensation comprised:

<i>In thousands of naira</i>	2024	2023
Short-term employee benefits	248,987	645,875
Employer pension contribution	11,853	30,745
	<u>260,840</u>	<u>676,620</u>

None of the Executive management personnel received Long service award during the year (2023: Nil). There were no other transactions with key management personnel (2023: Nil).

26 Financial risk management and fair values

A Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the financial statements (Continued)

A Risk management framework (continued)

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Audit Committee is assisted in its oversight role by the Internal Audit Function. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk
- Capital management

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<i>In thousands of naira</i>	2024	2023
Cash and cash equivalents (Note 19)	16,339,363	20,455,005
Trade receivables (Note 17)	6,712,061	5,058,314
Other receivables (Note 17)	885,223	1,161,401
Due from related parties (Note 25)	574,510	705,318
	24,511,157	27,380,038

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings when available, and in some cases bank references.

Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Risk Management Committee; these limits are reviewed quarterly. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

More than 94% (2023: 94%) of the Company's customers have been transacting with the Company for over four (4) years, however, impairment loss has been recognized against these customers. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, geographic location, industry, aging profile, maturity and existence of previous financial difficulties. Trade and other receivables relate mainly to the Company's distributors. Customers that are graded as "high risk" are placed on a restricted customer list and monitored by the Risk Management Committee, and future sales are made on a prepayment basis.

The Company establishes an allowance for impairment at each reporting date using the expected credit losses. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. This is based on groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. The weighted average loss rate during the year was 0.09% (2023: 0.09%) for trade receivables from customers and 1.12% (2023: 1.12%) for related party receivables.

In computing the loss rate on trade receivables from customers and related parties, historical payment patterns and default rate was incorporated, together with current information as well as forward-looking macro economic factors such as inflation rate and GDP growth rate.

Notes to the financial statements (Continued)

26 Financial risk management and fair values (continued)

A Risk management framework (continued)

Trade receivables (Continued)

The Company does not have any significant concentration of credit risk.

The aging of trade receivables at the reporting date was:

Gross amount

In thousands of naira

	<u>2024</u>	<u>2023</u>
Not past due 0 - 30 days	6,720,887	5,067,140
Past due 31 - 90 days	-	-
Past due 91 - 180 days	-	-
More than 180 days	-	-
	<u>6,720,887</u>	<u>5,067,140</u>

Impairment

In thousands of naira

	<u>2024</u>	<u>2023</u>
Not past due 0-30 days	8,826	8,826
Past due 31 - 90 days	-	-
Past due 91 - 180 days	-	-
More than 180 days	-	-
	<u>8,826</u>	<u>8,826</u>

Carrying amount

In thousands of naira

	<u>2024</u>	<u>2023</u>
Not past due 0-30 days	6,712,061	5,058,314
Past due 31 - 90 days	-	-
Past due 91 - 180 days	-	-
More than 180 days	-	-
	<u>6,712,061</u>	<u>5,058,314</u>

The aging of related parties receivables at the reporting date was:

Gross amount

In thousands of naira

	<u>2024</u>	<u>2023</u>
Not past due 0 - 30 days	575,745	706,553
Past due 31 - 90 days	-	-
Past due 91 - 180 days	-	-
More than 180 days	-	-
	<u>575,745</u>	<u>706,553</u>

Impairment

In thousands of naira

	<u>2024</u>	<u>2023</u>
Not past due 0-30 days	1,235	1,235
Past due 31 - 90 days	-	-
Past due 91 - 180 days	-	-
More than 180 days	-	-
	<u>1,235</u>	<u>1,235</u>

Carrying amount

In thousands of naira

	<u>2024</u>	<u>2023</u>
Not past due 0-30 days	574,510	706,553
Past due 31 - 90 days	-	-
Past due 91 - 180 days	-	-
More than 180 days	-	-
	<u>574,510</u>	<u>706,553</u>

Movement in impairment provision

	<u>2024</u>	<u>2023</u>
At 1 January	10,061	13,570
Write-back of impairment for receivables	-	(3,509)
At 31 December	<u>10,061</u>	<u>10,061</u>

The analysis of impairment provision is as follows:

Impairment provision on trade receivables	8,826	8,826
Impairment provision on related party receivables	1,235	1,235
	<u>10,061</u>	<u>10,061</u>

The adjusted loss rate for the impairment assessment of trade receivables and related parties receivables above is 0.13% and 0.21% (2023: 0.17%).

Notes to the financial statements (Continued)

26 Financial risk management and fair values (Continued)

The credit quality of trade and other receivables is assessed based on a credit policy established by the Risk Management Committee. The Company has monitored customer credit risk, by grouping trade and other receivables based on their characteristics. An analysis of the credit quality of trade and other receivables not impaired is as follows:

Carrying amount

In thousands of naira

	<u>2024</u>	<u>2023</u>
Four or more years trading history with the Company	5,485,350	3,911,606
Less than four years trading history with the Company	1,226,712	1,146,708
	<u>6,712,062</u>	<u>5,058,314</u>

Amounts determined to be uncollectible are written off after proper authorization. For debtors in bankruptcy, an allowance for the entire receivable is established and the adequacy of the allowance is reviewed at least quarterly.

The Company considers a trade receivable to be in default when contractual payments are over 365 days past due. However, in certain cases, the Company may also consider a receivable to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A receivable is written off when there is no reasonable expectation of recovering the contractual cash flows.

Cash and cash equivalents:

The Company held cash and cash equivalents of ₦16,339 million at 31 December 2024 (2023: ₦20,455 million), which represents its maximum credit exposure on these assets. The expected credit loss on cash and cash equivalents was not recognised as it was immaterial.

An analysis of the long term credit ratings of counterparties where cash and cash equivalents are held was carried out using Fitch/Agusto/Standard & Poor's rating scale. All counterparties are of good credit ratings as shown below:

In thousands of naira

Rating Agency	Ratings	<u>2024</u>	<u>2023</u>
Fitch	A	223,813	-
	A+	979,541	523,611
	AAA	7,855,453	973,650
	AA-	4,451,256	-
	B	1,597,667	-
	BBB	922	-
	BBB+	-	-
	B-	1,230,711	10,729,268
		-	-
		-	-
Agusto	Aa+	-	227,876
	A-	-	8,000,600
	Bbb+	-	-
	-	-	-
Standard & Poor's	B-	-	-
		<u>16,339,363</u>	<u>20,455,005</u>

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's products are valued using the actual costs, which assist it in monitoring cash flow requirements and optimizing its cash return on investments. However, adjustments are made to align the costs recognised to the actual costs incurred during the period. The Company aims to maintain the level of cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the succeeding 60 days. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

At 31 December 2024, the expected cash flows from trade and other receivables maturing within two months were ₦6,389 million (2023: ₦5,058 million). This excludes potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Notes to the financial statements (Continued)

26 Financial risk management and fair values (Continued)

Analysis of non-derivative financial liabilities

In thousands of naira

	2024	2023 restated*
Trade payables	16,637,564	8,617,109
Dividend payable	485,126	500,283
Accrued expenses	6,196,405	3,717,021
Due to related parties	9,292,240	11,858,738
Short and long term borrowings	32,811,040	47,944,797
Lease liabilities	1,747	12,494
	65,424,122	72,650,442

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

(i) Currency risk

The Company is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Company, primarily the US dollars (USD), Great British pounds (GBP) and EUR. The Company's policy is to ensure that its net exposure in respect of monetary assets and liabilities denominated in foreign currencies are kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

The summary quantitative data about the Company's exposure to currency risk as reported to the Management of the Company based on its risk management policy was as follows:

	2024	2023 restated*
	GBP	GBP
Trade receivables*	-	-
Trade payables**	(60,778)	(70,758)
	(60,778)	(70,758)
	2024	2023 restated*
	USD	USD
Trade receivables*	740,437	1,599,009
Cash and cash equivalent	1,302,930	1,224,516
Trade payables**	(1,777,569)	(6,413,017)
	265,798	(3,589,492)
	2024	2023 restated*
	EUR	EUR
Trade payables**	68,198	(1,375,956)
	68,198	(1,375,956)

* This amount relates to receivables from intercompany partners for the sales of finished goods and also sales of Cocoa butter and cake to third party export customers.

** This amount relates to payments to intercompany partners for the purchase of finished goods, recharges and invoices for other services rendered to Cadbury Nigeria Plc as well as a number of other foreign suppliers.

The following significant exchange rates applied during the year:

Naira	Average Rate	
	2024	2023 restated*
GBP 1	1,904.52	819.77
USD 1	1,490.41	656.06
EUR 1	1,612.12	710.13
Naira	Reporting date spot rate	
	2024	2023 restated*
GBP 1	1,932.52	1,160.64
USD 1	1,544.08	911.68
EUR 1	1,598.59	1,006.38

The above exchange rates are scaled from Bloomberg as at 31st December 2024.

Notes to the financial statements (Continued)

26 Financial risk management and fair values (Continued)

(ii) Sensitivity analysis

A weakening of the naira, as indicated below, against the GBP or the USD or the EUR would have decreased equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest and inflation rates, remain constant and ignores any impact of forecast sales and purchases.

31 December 2024

In thousands of naira

	<u>Equity</u>	<u>Profit/(Loss)</u>
GBP (60 percent increase)	1,360	1,360
USD (60 percent increase)	1,702	1,702
EUR (60 percent increase)	1,644	1,644
GBP (60 percent decrease)	(1,360)	(1,360)
USD (60 percent decrease)	(1,702)	(1,702)
EUR (60 percent decrease)	(1,644)	(1,644)

(ii) Sensitivity analysis (continued)

31 December 2023

In thousands of naira

	<u>Equity</u>	<u>Profit/(loss)</u>
GBP (10 percent increase)	227	227
USD (10 percent increase)	284	284
EUR (10 percent increase)	274	274
GBP (10 percent decrease)	(227)	(227)
USD (10 percent decrease)	(284)	(284)
EUR (10 percent decrease)	(274)	(274)

(d) Interest rate risk

Interest rate risk results from the cash flow and financial performance uncertainty arising from interest rate fluctuations. Financial assets and liabilities affected by interest rate fluctuations include bank and cash deposits and interest-bearing loans. Cash deposits comprise call deposits and placed on a fixed term basis. Interest bearing loans comprise loans from group companies and import facilities with four banks. At the reporting date, the company's cash deposits were either accessible immediately or had maturity dates up to six months. The interest rates earned on these deposits and loans closely approximate the market rates prevailing. Should the interest rate on the interest-bearing loans change by 100 basis points, the net impact on profit or loss for 2024 would be ₦ 5.4 million(2023: ₦1.4 million) for the company.

(e) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. Management also monitors the level of dividends to all shareholders.

The Intercompany loan payable to the company's majority shareholder was converted into shares subsequent to year end. Refer to Note 31 for going concern considerations by the Board of Directors.

The Company's debt to adjusted capital ratio at the end of the reporting period was as follows:

In thousands of naira

	<u>2024</u>	<u>2023</u> <u>restated*</u>
Total debt	32,811,040	47,944,797
Less: Cash and Cash equivalents	(16,339,363)	(20,455,005)
Total Equity	16,471,677	27,489,792
Net debt to equity ratio	<u>3.76</u>	<u>(2.69)</u>

There were no changes in the Company's approach to capital management during the year.

B Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in statement of financial position, are as follows:

Financial assets

	<u>2024</u>	<u>2023</u>
<i>In thousands of naira</i>	<u>Carrying amount</u>	<u>Carrying amount</u>
Financial assets at amortised cost		
Trade receivables	6,712,061	5,058,314
Other receivables	885,223	1,161,401
Due from related parties	574,510	705,318
Cash and cash equivalent	16,339,363	20,455,005
	<u>24,511,157</u>	<u>27,380,038</u>

Notes to the financial statements (Continued)

26 Financial risk management and fair values (Continued)

Financial liabilities

	2024	2023 restated*
	<u>Carrying amount</u>	<u>Carrying amount</u>
<i>In thousands of naira</i>		
Trade payables	16,637,564	8,617,109
Dividend payable	485,126	500,283
Due to related parties	<u>9,292,240</u>	<u>11,858,738</u>
Trade and other payables	26,414,930	20,976,130
Lease liabilities	1,747	13,100
Short term borrowings	32,811,040	47,944,797
Long term borrowings	-	-
	<u>59,227,717</u>	<u>68,934,027</u>

Trade and other receivables, bank balances dividend payables and trade and other payables are the Company's short term financial instruments. Accordingly, management believes that their fair values are not expected to be materially different from their carrying values.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Financial liabilities at amortised cost 31 December 2024

<i>In thousands of naira</i>	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>12 months or less</u>	<u>Over 12 months</u>
Trade and other payables	26,414,930	(26,414,930)	(26,414,930)	-
Lease liabilities	1,747	(1,747)	(1,747)	-
Short term borrowings	<u>32,811,040</u>	<u>(32,811,040)</u>	<u>(32,811,040)</u>	-
	<u>59,227,717</u>	<u>(59,227,717)</u>	<u>(59,227,717)</u>	-

31 December 2023

<i>In thousands of naira</i>	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>12 months or less</u>	<u>Over 12 months</u>
Trade and other payables	20,976,130	20,976,130	20,976,130	-
Lease liabilities	12,494	12,494	12,494	-
Short term borrowings	<u>47,944,797</u>	<u>47,944,797</u>	<u>47,944,797</u>	-
	<u>68,933,421</u>	<u>68,933,421</u>	<u>68,933,421</u>	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

27 Leases

The Company leases comprises lease of four categories of buildings with an average lease term of four(4) years. The company incremental borrowing rate is 12.27%.(2023:12.27%)

Set out below are the carrying amounts of lease liabilities and the movements during the year:

a Right-of-use (ROU) Assets

<i>In thousands of naira</i>	<u>Building</u>	<u>Total</u>
Cost		
Balance at 1 January 2024	66,036	66,036
Modification	<u>(30,001)</u>	<u>(30,001)</u>
Balance at 31 December 2024	36,035	36,035
Balance at 1 January 2023	50,856	50,856
Additions	<u>15,180</u>	<u>15,180</u>
Balance at 31 December 2023	66,036	66,036
Accumulated depreciation		
Balance at 1 January 2024	30,255	30,255
Depreciation for the year	14,039	14,039
Modification	<u>(17,755)</u>	<u>(17,755)</u>
Balance at 31 December 2024	26,539	26,539
Accumulated depreciation		
Balance at 1 January 2023	11,883	11,883
Depreciation for the year	<u>18,372</u>	<u>18,372</u>
Balance at 31 December 2023	30,255	30,255
Carrying amounts		
At 31 December 2024	<u>9,496</u>	<u>9,496</u>
At 31 December 2023	<u>35,781</u>	<u>35,781</u>

Notes to the financial statements (Continued)

b Lease liabilities

	2024	2023
		restated*
As at 1 January	12,494	13,100
Additions	-	15,180
Accretion of interest	903	1,144
Payments	(11,650)	(16,930)
As at 31 December	1,747	12,494
Lease - Current Liabilities	1,747	10,746
Lease - Non Current Liabilities	-	1,748
	1,747	12,494
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	14,039	18,372
Interest expense on lease liabilities	903	1,046
Total amount recognised in profit or loss	14,942	19,418

28 Contingent assets and contingent liabilities

The Company has Nil contingent assets and liabilities (2023: NGN326.5m assets and NGN2.5m liabilities) arising from pending litigations. In the opinion of the Directors and based on independent legal advice, the company is not expected to suffer any material loss arising from these claims. Accordingly, no provisions have been made in this regard(2023:Nil)

29 Information on reportable segments

(i) Business segments

As at 31st December 2024, the company has three reportable business segment (2023; Four) summarised as follows:

Segment	Description
Refreshment Beverages	This includes the manufacturing and sale of Bournvita and 3-in-1 Hot Chocolate.
Confectionery	This includes the manufacturing and sale of Tom Tom, Buttermint, Candy Caramel, Candy Coffee and Clorets gum.
*Biscuit	This includes the production and sale of Bournvita Biscuit.
Intermediate Cocoa Products	This includes the manufacturing and sale of cocoa powder, cocoa butter, cocoa liquor and cocoa cake.

Information regarding each reportable business segment is shown below:

*Biscuit- This was discontinued in 2024

Revenue

In thousands of naira

	2024	2023
Refreshment beverages	77,450,511	53,870,343
Confectionery	37,411,213	20,985,525
Biscuit	-	1,233,896
Intermediate cocoa products	14,303,371	4,289,193
	129,165,095	80,378,957

Depreciation, amortisation and impairment

In thousands of naira

	2024	2023
Refreshment Beverages	1,617,074	1,128,514
Confectionery	781,101	439,620
Biscuit	-	25,848
Intermediate cocoa products	298,638	89,853
	2,696,812	1,683,835

Notes to the financial statements (Continued)

29 Information on reportable segments (Continued)

Net finance (cost)/income

In thousands of naira

	2024	2023 restated*
Refreshment beverages	(20,559,644)	(26,891,566)
Confectionery	(9,931,002)	(10,475,776)
Biscuit	-	(615,949)
Intermediate cocoa products	(3,796,905)	(2,141,125)
	(34,287,551)	(40,124,416)

(Loss)/profit before taxation

In thousands of naira

	2024	2023 restated*
Refreshment beverages	(16,985,150)	(21,615,589)
Confectionery	(8,204,402)	(8,420,486)
Biscuit	-	(495,103)
Intermediate cocoa products	(3,136,776)	(1,721,048)
Total per profit or loss account	(28,326,328)	(32,252,226)

Assets and liabilities by reportable segments are not presented to the Chief Operating Decision Maker (the Board of Directors). Consequently, information on segment assets and liabilities has not been presented.

Revenue from one customer does not represent up to 10% of the Company's total revenue. Therefore, information on major customers is not presented.

All the Company's assets are located in Nigeria.

(ii) Geographical segments

The Company has two reportable geographical segments summarised as follows:

Segment	Description
Domestic sales	This comprises sales within Nigeria.
Export sales	This comprises sales to countries outside of Nigeria mainly in Africa and Europe.

Information regarding the operations of each reportable geographical segment is shown below:

In thousands of naira

	2024	2023 restated*
Domestic sales	114,351,486	73,605,300
Export sales	14,813,609	6,773,655
	129,165,095	80,378,955

30 Going concern

The Company incurred a net loss of ₦22.2 billion (2023: ₦22.5 billion net loss) for the year ended 31 December 2024 and as at that date, the Company's total assets exceeded its total liabilities by ₦4.3 billion (2023: net liability of ₦10.2 billion).

In 2024, the Company's revenue grew by 61%, an increase of ₦48.8 billion and the operating profit decreased by 24% from ₦7.8 billion in December 2023 to ₦5.9 billion in December 2024. The Company generated positive cash from operating activities of ₦20.8 billion (2023: ₦2.8 billion). The Company has continued to invest in Capital Expenditure to improve and expand its existing lines.

Despite the strong operational performance, the net profit was impacted by the significant devaluation of the Nigerian Naira. The Company believes that as macroeconomic situation stabilizes, the same will positively impact the overall economy as well as the Company operating results. The Company has taken a robust gross margin improvement and cost management initiatives to address the significant forex exposure, volatility and cost inflation.

In addition to the above, to further address the going concern issues, the Directors have taken the following steps:

The Company remains committed to serving its Nigerian consumers with its world class products. Specific actions are being undertaken by the management to continue to improve the overall profitability of the Company in a very difficult operating environment.

The financial statements of Cadbury Nigeria Plc have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future as the Company has a continuing support from her parent Company, Cadbury Schweppes Overseas Limited.

The management of the company has carried out a review of the company's potential future profitability by concluding that the major drivers will be sustaining the revenue growth rate recorded in 2024 while also aggressively controlling cost of running the business.

The Company have also obtained a letter of support from the Parent Company, Cadbury Schweppes Overseas Limited undertaking will remain in place for the foreseeable future and will not be withdrawn during a period of twelve months from the date of the support letter.

Considering the above, the Directors are confident that the Company would be able to continue to operate and be able to settle all its obligations in the normal course of business. Accordingly, the Directors considered it appropriate to prepare the financial statements based on accounting policies applicable to a going concern

31 Events after the reporting date

There are no significant subsequent events which could have had a significant material effect on the financial statement of the company as at 31 December 2024 that have not been provided for or disclosed in the financial statements.

32 Prior year restatement

a Description of the prior year restatement

In 2020, Cadbury Nigeria Plc had outstanding Letters of Credit (LCs) for production materials ordered from foreign vendors, which the Company couldn't settle due to extreme shortage of foreign currencies available to settle these obligations. The company entered an arrangement with a commercial bank in Nigeria to fulfill these LC obligations through their correspondent bank. The LC obligations were recorded without recording the interest accruing on these obligations.

Cadbury Nigeria Plc is now restating its financial statements in accordance with IAS 8 to include the accrued interest on these obligations. This restatement significantly impacts borrowings, finance costs, and foreign exchange movements, resulting in a cumulative reduction of N3.71 billion in retained earnings by the end of December 2023. Consequently, the restatement affects borrowings, finance costs, deferred tax assets, and retained earnings for the 2022 and 2023 financial years.

The impact of this restatement on the financial statements is as disclosed below:

b Impact of the prior year restatement for each financial statement line item affected

i Statement of financial position (extract)

	31 December 2023	Increase/ (Decrease)	31 December 2023 (Restated)	31 December 2022	Increase/ (Decrease)	1 January 2023 (Restated)
<i>In thousands of naira</i>						
Borrowings	43,214,805	4,729,992	47,944,797	23,860,460	634,800	24,495,260
Deferred tax assets	8,391,345	(1,021,663)	9,413,008	-	-	-
Deferred tax liabilities	-	-	-	1,092,687	(282,580)	810,107
Current tax liabilities	-	-	-	-	-	-
Net assets	51,606,150	3,708,329	57,357,805	24,953,147	352,220	25,305,367
Retained (loss)/earnings	(11,363,045)	(3,708,329)	(15,071,374)	8,477,940	(352,220)	8,125,720
Total equity	(11,363,045)	(3,708,329)	(15,071,374)	8,477,940	(352,220)	8,125,720

ii Statements of profit or loss and other comprehensive income (extract)

	31-Dec-23	Loss (Increase)/ Decrease	31 December 2023 (Restated)
<i>In thousands of naira</i>			
Loss before tax	(28,157,034)	(4,095,192)	(32,252,226)
Income tax credit/(expense)	9,067,330	739,083	9,806,413
Loss for the year	(19,089,704)	(3,356,109)	(22,445,813)
Other comprehensive income:	-	-	-
Total comprehensive loss for the year	(19,089,704)	(3,356,109)	(22,445,813)

iii Statements of cash flows (extract)

<i>Cash flow from operating activities</i>			
Loss before tax	(28,157,034)	(4,095,192)	(32,252,226)
<i>Adjustments:</i>			
Interest on borrowings	1,357,841	3,469,679	4,827,520
Income tax credit/(expense)	9,067,330	739,083	9,806,413
Exchange difference Unrealized	6,860,864	625,513	7,486,377
Net cash generated from operating activities	2,797,230	-	2,797,230
Net cash used in investing activities	(1,433,138)	-	(1,433,138)
Net cash used in financing activities	(9,473,254)	-	(9,473,254)
Net decrease in cash and cash equivalents	(8,109,162)	-	(8,109,162)
Cash and cash equivalents at 1 January	27,447,778	-	27,447,778
Exchange gain on foreign currency cash and cash equivalents	1,116,389	-	1,116,389
Cash and cash equivalents at 31 December	20,455,005	-	20,455,005

c Impact of the prior year restatement on basic and diluted earnings per share

	31 December 2023	Increase/ (Decrease)	31 December 2023 (Restated)	31 December 2022	Increase/ (Decrease)	1 January 2023 (Restated)
Weighted average number of ordinary shares	1,878,201,962	-	1,878,201,962	1,878,201,962	-	1,878,201,962
(Loss)/profit attributable to ordinary shareholders	(19,089,704,000)	(3,356,108,730)	(22,445,812,730)	583,111,000	(352,220,000)	230,891,000
<i>Basic ana aiutea</i> (loss)/earnings per share	(1,016)	(178.69)	(1,195)	31	(19)	12

Other National Disclosures

Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Nigerian Stock Exchange 2015 (Issuers Rule), Cadbury Nigeria Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the year.

Value added statement
for the year ended 31 December 2024
In thousands of naira

	2024	%	2023	%
			restated*	
Revenue	129,165,095		80,378,955	
Interest income	434,599		2,262,684	
Other income	21,923		72,590	
Brought-in-materials and services				
-Local	(99,707,691)		(55,086,992)	
-Imported	(14,131,531)		(7,807,456)	
Value added	15,782,395	100	19,819,781	100
Applied as follows:				
Employees as salaries, wages and other staff costs	7,446,966	47	6,601,628	33
Providers of capital as interest on borrowings	34,722,150	220	42,387,099	193
Government as taxes	(6,101,386)	(39)	(9,806,413)	(46)
Provide for the maintenance of fixed assets as:				
- Depreciation	1,903,157	12	1,642,222	8
- Amortisation	36,450	-	41,613	1
- Impairment	-	-	1,399,445	7
Retained in the business as:				
-To reduce the reserves	(22,224,942)	(140)	(22,445,813)	(96)
Value added	15,782,395	100	19,819,781	100

Value added is wealth created by the efforts of the Company and its employees and its allocation between employees, shareholders, government and re-investment for the creation of future wealth.

Five-Year Financial Summary

<i>In thousands of naira</i>	2024	2023 restated*	2022 restated*	2021	2020
Statement of comprehensive income:					
Revenue	129,165,095	80,378,955	55,212,617	42,372,034	35,407,323
(Loss)/profit before income tax	(28,326,328)	(32,252,226)	1,298,410	1,097,917	408,065
Income tax credit/(expense)	6,101,386	9,806,413	(715,299)	(648,205)	523,762
(Loss)/profit for the year	<u>(22,224,942)</u>	<u>(22,445,813)</u>	<u>583,111</u>	<u>449,712</u>	<u>931,827</u>
Statement of financial position:					
Non-current assets	33,086,167	24,154,982	14,116,779	13,052,713	12,826,823
Current assets	<u>39,357,777</u>	<u>40,297,701</u>	<u>45,596,905</u>	<u>30,635,578</u>	<u>20,383,861</u>
	<u>72,443,944</u>	<u>64,452,683</u>	<u>59,713,684</u>	<u>43,688,291</u>	<u>33,210,684</u>
Funds employed:					
Share Capital	1,140,142	939,101	939,101	939,101	939,101
Share premium	7,107,750	272,344	272,344	272,344	272,344
Other reserves	33,177,321	3,436,348	3,436,348	3,436,348	3,436,348
Share based payment reserve	250,296	201,574	176,896	153,220	117,359
Retained (loss)/earnings	<u>(37,296,316)</u>	<u>(15,071,374)</u>	<u>7,843,139</u>	<u>8,835,341</u>	<u>8,784,371</u>
Shareholders' fund	<u>4,379,193</u>	<u>(10,222,007)</u>	<u>12,667,828</u>	<u>13,636,354</u>	<u>13,549,523</u>
Current liabilities	67,241,651	73,923,507	37,723,201	22,024,707	14,474,694
Non-current liabilities	<u>823,100</u>	<u>751,183</u>	<u>9,322,655</u>	<u>8,027,230</u>	<u>5,186,467</u>
	<u>72,443,944</u>	<u>64,452,683</u>	<u>59,713,684</u>	<u>43,688,291</u>	<u>33,210,684</u>
Per share data:					
Basic (loss)/earnings per share	<u>(975)</u>	<u>(1,195)</u>	<u>31</u>	<u>24</u>	<u>50</u>

Cadbury's Distributors

- A.D.Basharu & Sons Nig. Ltd.
- Abubakar Adamu Integrated Services Nig. Ltd.
- Asko Kem Global Limited
- Amana Superstores
- Anazemma Global Enterprises Nig Ltd
- Aye-Tonis Stores
- Basnek Investment Nigeria Ltd
- Basrose Stores Ltd.
- BG Usman Limited
- C.I. Obioha & Sons Ltd.
- Decapolis Limited
- Chazek Company Nigeria Ltd.
- Cupa Dynamic Ventures
- Dynamic Edge Business Ventures
- E. H Okika Nigeria Limited
- Egap Glory Ventures
- Emmanuel Bakeries Limited
- Fabeto And Company
- Fatarik Business Limited
- Felicia M. Ige Nig. Ltd
- Fishmongers Ltd
- Franco International (West Africa) Limited
- Hamisu Investment Company
- Hammalat Business Ventures
- Happy Place International
- Iya Eskay Nig Ltd
- J.O. Adebisi & Sons Nig. Ltd.
- Gppo Enterprises
- Jives Nigeria Limited
- Joc-Dona Investment Limited
- Kingrich Nigeria Limited
- Lawzion Merchandise Ent.
- M. Elejire & Sons Nig. Ltd.
- Maybat Intergrated Network Nig. Ltd.
- Mazafmini Depot Limited
- Mertesacker Nigeria Limited
- Metcalf's Properties
- Mofad Store Nigeria Limited
- Mosadosu Nigeria Ltd.
- Nna-Nna & Sons Nig. Ltd.
- Nze Sam and Associates Trading Company Nigeria Ltd
- Olayiwola Stores
- Products Distribution Network Ltd.
- Ronkhalid Nig Ltd
- Roswill Enterprises Nigeria
- Rukbom Oluwakemi Nigeria Limited
- S.C. Okafor Nigeria Limited.
- Saheed Olayiwola And Sons Limited
- Sammani General Merchants Nig Ltd
- Samogy & Sons Enterprises
- Mooson's Nig. Ltd
- Superbrandz Global Distribution Ltd
- Saint Clemmy Ventures
- Tijenny Global Resources Ltd.
- Tripple Olas Unique Ventures
- Wonuola Super Store
- Total Nw
- Young Omex
- Trading & Services, France