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May & Baker Nig Plc RC. 558

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30th SEPTEMBER, 2023

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

		The Group				The Company			
		3 Months to Sept, 2023	9 Months Sept,2023	3 Months to Sept, 2022	9 Months Sept,2022	3 Months to Sept, 2023	9 Months Sept,2023	3 Months to Sept, 2022	9 Months Sept,2022
	Note	**₦'000**	**₦'000**	**₦'000**	**N'000**		**N'000**	**N'000**	**N'000**
Continuing operations									
Revenue	5	5,518,068	14,301,720	3,573,467	10,346,733	5,236,003	13,500,991	3,340,934	9,847,784
Cost of sales		(3,549,000)	(9,581,280)	(2,802,139)	(7,521,817)	(3,497,797)	(9,286,503)	(2,682,227)	(7,275,073)
Gross profit		**1,969,068**	**4,720,440**	**771,327**	**2,824,916**	**1,738,206**	**4,214,488**	**658,706**	**2,572,711**
Other operating income/(Loss)	7	(792,178)	**(842,140)**	1,263,733	1,459,619	(778,344)	**(755,709)**	1,259,504	1,455,353
Distribution, sales and marketing expense		(700,090)	**(1,702,053)**	(636,166)	(1,524,038)	(638,224)	**(1,556,126)**	(582,513)	(1,382,111)
Administrative expenses		(382,911)	**(1,100,598)**	(297,521)	(851,835)	(362,200)	**(1,039,053)**	(282,019)	(814,768)
Operating profit/(loss)		**93,888**	**1,075,649**	**1,101,373**	**1,908,661**	**(40,563)**	**863,600**	**1,053,678**	**1,831,184**
Interest income	8	32,586	**222,106**	41,322	87,472	32,576	**222,084**	41,322	87,472
Finance costs	10	(88,531)	**(245,769)**	(118,298)	(232,204)	(71,375)	**(219,626)**	(116,303)	(226,847)
Share of Loss of Joint Venture	17.2	2,889	**(5,180)**	(1,006)	(16,506)	-	**-**	-	-
Profit/(Loss) before tax		**40,832**	**1,046,807**	**1,023,391**	**1,747,423**	**(79,362)**	**866,059**	**978,697**	**1,691,809**
Provision for Tax	13.1	(13,066)	**(334,978)**	(85,485)	(317,175)	25,396	**(277,139)**	(71,183)	(299,379)
Profit after tax for the Period	11	**27,766**	**711,828**	**937,906**	**1,430,248**	**(53,966)**	**588,920**	**907,514**	**1,392,430**
Other comprehensive income:									
Items that will not be reclassified									
Asset revaluation gain net of tax		-	-	-	-	-		-	
Total comprehensive income		27,766	**711,828**	937,906	1,430,248	(53,966)	**588,920**	**907,514**	1,392,430
Earnings per share	14.								
Basic (kobo per share) from continuing operation		**1.61**	**41.26**	**54.36**	**82.90**	**(3.13)**	**34.14**	**52.60**	**80.71**
Diluted (kobo per share) from continuing operation		**1.61**	**41.26**	**54.36**	**82.90**	**(3.13)**	**34.14**	**52.60**	**80.71**

All the profit of the Group is attributable to Owners of the Company as there are no non-controlling interests.

The accompanying notes form an integral part of these consolidated financial statements.

MAY & BAKER NIGERIA PLC

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30th SEPTEMBER, 2023

		The Group			The Company		
		September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	Note	₦'000	N'000	₦'000	N'000	N'000	N'000
ASSETS							
Non-current assets							
Property, plant and equipment	16	**5,302,790**	5,011,612	4,303,507	**5,191,516**	4,969,007	4,265,215
Intangible assets	15	**5,913**	11,315	13,945	**5,753**	11,110	13,725
Right of use assets	17		738			738	
Investment in Joint Venture	17	**1,136,379**	1,141,559	1,150,618	**1,326,886**	1,326,886	1,326,886
Investment in subsidiaries	18	**-**	-	-	**3,000**	3,000	3,000
Asset held for sale	19	**-**	-	-	**-**	-	-
Total non-current assets		**6,445,082**	**6,165,224**	**5,468,070**	**6,527,154**	**6,310,741**	**5,608,826**
Current assets							
Inventories	20	**4,655,903**	5,342,018	4,410,760	**4,451,287**	5,228,008	4,164,595
Trade and other receivables	21	**1,340,805**	1,068,944	648,723	**1,149,893**	1,030,697	579,330
Other assets	23	**1,806,316**	2,474,626	4,407,017	**1,796,719**	2,451,557	4,374,301
Cash and cash equivalents	22	**3,453,281**	2,906,798	3,508,870	**3,289,139**	2,864,683	3,272,982
Total current assets		**11,256,305**	**11,792,386**	**12,975,370**	**10,687,038**	**11,574,945**	**12,391,209**
Total assets		**17,701,387**	**17,957,610**	**18,443,440**	**17,214,192**	**17,885,686**	**18,000,034**
Equity and Liabilities							
Share capital	24	**862,617**	862,617	862,617	**862,617**	862,617	862,617
Share premium account	25	**3,012,065**	3,012,065	3,012,065	**3,012,065**	3,012,065	3,012,065
Retained earnings	26	**4,156,088**	3,961,830	3,901,468	**3,912,240**	3,840,900	3,751,374
Asset revaluation reserve	26.1	**408,144**	408,144	408,144	**408,144**	408,144	408,144
Total equity		**8,438,915**	**8,244,656**	**8,184,294**	**8,195,066**	**8,123,726**	**8,034,201**
Non-current liabilities							
Borrowings	27	**1,724,743**	2,322,768	2,516,445	**1,724,743**	2,322,768	2,774,953
Employee benefits	29	**31,542**	37,409	36,330	**31,542**	**37,409**	36,330
Deferred Income	30	**305,555**	414,711	431,830	**305,555**	**414,711**	431,830
Deferred tax liabilities	13	**840,324**	840,320	784,980	**833,721**	833,721	781,300
Total non-current liabilities		**2,902,164**	**3,615,208**	**3,769,585**	**2,895,561**	**3,608,609**	**4,024,413**
Current liabilities							
Trade and other payables	28	**2,233,396**	2,167,360	1,060,590	**2,055,817**	2,246,667	926,719
Current tax liabilities	13	**331,953**	542,991	338,658	**292,158**	519,289	347,710
Borrowings	27	**3,648,346**	3,235,680	4,916,613	**3,628,977**	3,235,680	4,493,292
Deferred Income	30	**146,612**	151,715	173,700	**146,612**	151,715	173,700
Total current liabilities		**6,360,307**	**6,097,746**	**6,489,561**	**6,123,564**	**6,153,351**	**5,941,421**
Total liabilities		**9,262,472**	**9,712,954**	**10,259,146**	**9,019,125**	**9,761,960**	**9,965,834**
Total equity and liabilities		**17,701,386**	**17,957,610**	**18,443,440**	**17,214,192**	**17,885,686**	**18,000,034**

Mr. Ayodeji S. Aboderin
Finance Director/CFO
FRC/2014/ICAN/00000008270

Mr. Patrick Ajah
Managing Director/CEO
FRC/2021/003/00000023215

These Financial Statements were approved by the Board on 27 October, 2023 (Lagos)

MAY & BAKER NIGERIA PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	Share capital N'000	Share premium account N'000	Retained earnings N'000	Revaluation Surplus N'000	Total N'000
Equity attributable to equity holders of the Group					
At 1 January 2022	862,617	3,012,065	2,988,790	**408,144**	7,271,616
Right issue		-		-	-
Profit for the period		-	1,430,248	-	1,430,248
Dividends paid	-	-	(517,570)	-	(517,570)
	-	-	-	-	-
At 30th September, 2022	862,617	3,012,065	3,901,468	408,144	8,184,294
At 1 January 2023	**862,617**	**3,012,065**	**3,961,830**	**408,144**	**8,244,656**
Right Issue		**-**		**-**	**-**
Adjustment		**-**		**-**	**-**
Profit for the period	**-**	**-**	**711,828**	**-**	**711,828**
Dividends paid	**-**	**-**	**(517,570)**	**-**	**(517,570)**
At 30th September, 2023	**862,617**	**3,012,065**	**4,156,088**	**408,144**	**8,438,915**
			-		
Equity attributable to equity holders of the Company					
At 1 January 2022	862,617	3,012,065	2,876,514	**408,144**	7,159,340
Right issue	-	-	-	-	-
Profit for the Period	-	-	1,392,430	-	1,392,430
Dividends paid	-	-	(517,570)	-	(517,570)
				-	
As at 30th September, 2022	**862,617**	**3,012,065**	**3,751,374**	**408,144**	**8,034,201**
At 1 January 2023	**862,617**	**3,012,065**	**3,840,890**	**408,144**	**8,123,716**
Adjustment	**-**	**-**		**-**	**-**
Profit for the Period	**-**	**-**	**588,920**	**-**	**588,920**
Dividends paid	**-**	**-**	**(517,570)**	**-**	**(517,570)**
At 30th September, 2023	**862,617**	**3,012,065**	**3,912,240**	**408,144**	**8,195,066**

MAY & BAKER NIGERIA PLC

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
Cash flows from operating activities						
Cash received from customers	**14,092,362**	14,844,327	10,824,208	**13,443,474**	14,029,869	10,333,542
Cash paid to suppliers and employees	**(11,202,649)**	(12,423,267)	(10,152,849)	**(10,843,787)**	(11,544,000)	(9,716,145)
Taxes paid	**(525,649)**	(359,288)	(342,498)	**(504,270)**	(298,757)	(256,769)
Net cash from operating activities	**2,364,065**	**2,061,772**	**328,862**	**2,095,417**	**2,187,112**	**360,628**
Cash flows from Investing activities						
Proceed from contract manufacturing	**71,516**	-	55,035	**71,516**	-	55,035
Rent received	**3,000**	-	3,200	**3,000**	-	3,200
Other sundry income	**30,051**	-	31,627	**30,051**	-	31,627
Proceeds from sale of fixed assets	**25,158**	1,219,586	1,211,104	**25,158**	1,218,490	1,210,754
Interest received	**222,106**	231,476	87,520	**222,084**	231,411	87,472
Purchases of Intangible assets	**(2,561)**	-	-	**(2,561)**	-	-
Purchases of property, plant and equipment	**(1,068,767)**	(1,741,610)	(985,964)	**(981,138)**	(1,706,764)	(962,692)
Net cash used in investing activities	**(719,497)**	**(290,548)**	**402,522**	**(631,890)**	**(256,863)**	**425,396**
Cash flows from financing activities						
Dividends paid	**(517,570)**	(517,570)	(517,570)	**(517,570)**	(517,570)	(517,570)
Additions to/(Repayment of) import facility	**223,311**	(198,549)	1,032,112	**256,180**	(199,472)	936,945
Loan received	**-**	-	-	**-**	-	-
Loans repaid	**(669,167)**	(677,099)	(291,667)	**(669,167)**	(677,099)	(291,667)
Pay down on overdraft	**-**	-	-	**-**		-
Unclaimed dividend returned	**-**	37,200	37,186	**-**	37,200	37,186
Net proceeds from right issue	**-**	-	-	**-**	-	-
Finance cost	**(245,769)**	(286,034)	(232,204)	**(219,626)**	(285,532)	(226,847)
Net cash used in financing activities	**(1,209,195)**	**(1,642,052)**	**27,857**	**(1,150,183)**	**(1,642,473)**	**(61,953)**
Net increase/(decrease) in cash and cash equivalents	**435,373**	**129,172**	**759,241**	**313,345**	**287,776**	**724,071**
Cash and cash equivalents at 1 January	**2,878,801**	2,749,629	2,749,629	**2,836,687**	2,548,911	2,548,911
Cash and cash equivalents at 30th Sept	**3,314,174**	**2,878,801**	**3,508,870**	**3,150,032**	**2,836,687**	**3,272,982**
Reconciliation of cash and bank balances to cash and cash equivalents						
Cash and bank balance	**3,453,281**	2,906,797	3,508,870	**3,289,139**	2,864,683	3,272,982
Bank overdrafts and commercial papers	**(139,107)**	(27,996)	-	**(139,107)**	(27,996)	-
	3,314,174	**2,878,801**	**3,508,870**	**3,150,032**	**2,836,687**	**3,272,982**

Free Float Computation

Company Name:	May & Baker Nigeria Plc
Board Listed :	Main Board
Year End:	December
Reporting Period:	Quarter 3 Ended 30 September 2023
Share Price at end of reporting period:	N5.15k (2022: N4.10K)

Shareholding Structure /Free Float Status

Description		30-Sep-23		30-Sep-22	
		Unit	Percentage	Unit	Percentage
Issued Share Capital		**1,725,234,886**	**100.00%**	**1,725,234,886**	**100%**
Substantial Shareholdings (5% and above)					
Sen.Daisy Danjuma representing T.Y.Holdings		720,878,543	41.78%	720,878,543	41.78%
Onyishi Maduka samuel		266,564,690	15.45%	257,264,668	14.91%
Total Substantial Shareholdings		**987,443,233**	**57.24%**	**978,143,211**	**56.70%**
Other Directors' Shareholdings (direct and indirect), excluding directors with substantial interest					
Senator Daisy Danjuma (Indirect)	Representing Oil Tech Nigeria Ltd	14,874,759	0.86%	14,874,759	0.86%
	Representing Osis Yukiv Ltd, Oil Tech Nigeria Ltd)	11,088,000	0.64%	11,088,000	0.64%
Mr. Patrick Ajah		-	-	-	0.00%
Dr. E. Abebe		2,012,551	0.12%	-	0.00%
Durojaiye Kolawole Olalekan		370,480	0.02%	139,570	0.01%
Mr.Michael Odumodu (Indirec	Representing Seravac Nigeria Ltd	54,134,958	3.14%	54,134,958	3.14%
	Representing J.I. Odumodu	3,617,198	0.21%	3,617,198	0.21%
Aboderin A.S		93,500	0.01%	93,500	0.01%
Dr. Rahila Ilegbodu		-	-	-	0.00%
Other Directors' Shareholdings		**86,191,446**	**5.00%**	**83,947,985**	**4.87%**
Total Directors' Shareholdings		**1,073,634,679**	**62.23%**	**1,062,091,196**	**61.56%**
Free Float in Units and Percentage		**651,600,207**	**37.77%**	**663,143,690**	**38.44%**
Free Float in Value (₦)		**3,355,741,066.05**		**2,718,889,129.00**	

Declaration:

May & Baker Nigeria Plc with a free float percentage of 37.77% as at 30th September, 2023, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

1 Description of business

May & Baker Nigeria Plc. was incorporated as a private limited liability company in Nigeria on September 4, 1944 and commenced business on the same date. It was listed on the Nigerian stock exchange in 1994. The company is involved in the manufacture, sale and distribution of human pharmaceuticals, human vaccines and consumer products. Registered business address is 3/5 Sapara street, Industrial Estate, Ikeja, Lagos, Nigeria

2. Basis of preparation

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), and in compliance with Financial Reporting Council of Nigeria Act No 6 2011. Additional information required by national regulations has been included where appropriate.

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

2.2 Going concern status

These consolidated financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as at when they fall due. There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity. Management is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing these consolidated financial statements.

2.3 Basis of measurement

These consolidated financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial assets (liabilities) which were measured at fair value. The liability for defined benefit obligations is recognized as the present value of the defined benefit obligation less the total of the plan assets, plus unrecognized actuarial gains, less unrecognized past service cost and unrecognized actuarial losses while the plan assets for defined benefit obligations are measured at fair value.

These consolidated financial statements are presented in the Nigerian Naira (NGN), which is the Company’s functional currency for presentation.

2.3.1 Functional and presentation currency

Items included in these consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The consolidated financial statements are presented in Nigerian Naira (N) which is the Group's functional currency and presentation currency.

2.4 Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates, it also requires management to exercise its judgment in the process of applying the company’s accounting policies. Changes in assumptions may have a significant impact on these consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the Group’s financial statements present the financial position and results fairly.

2.5. Summary of Standards and Interpretations effective for the first time

IFRIC 23 Uncertainty over Income Tax Treatments
The interpretation specifies how an entity should reflect the effects of uncertainties in accounting for income taxes.

2.5.1 Standards Issued and Effective on or after 1 January 2022
a) IFRS 17 Insurance Contracts
IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS. This standard replaces IFRS 4 – Insurance contracts.

The key principles in IFRS 17 are that an entity:

a) identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain, future event (the insured event) adversely affects the policyholder;

b) separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;

c) divides the contracts into groups it will recognise and measure;

d) recognises and measures groups of insurance contracts at a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all the available information about the fulfilment cash flows in a way that is consistent with observable market information plus (if this value is a liability) or minus (if this value is an asset) an amount representing the unearned profit in the group of contracts (the contractual service margin);

e) recognises the profit from a group of insurance contracts over the period the entity provides insurance coverage, and as the entity is released from risk, if a group of contracts is or becomes loss-making, an entity recognises the loss immediately;

f) presents separately insurance revenue, insurance service expenses and insurance finance income or expenses;

g) discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of the entity. To do this, an entity discloses qualitative and quantitative information about:
   • the amounts recognised in its financial statements from insurance contracts;
   • the significant judgements, and changes in those judgements, made when applying the Standard; and
   • the nature and extent of the risks from contracts within the scope of this Standard.

2.5.2 Narrow Scope Amendments deferred until further notice
a) IFRS 10 consolidated financial statements
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

b) IAS 28 Investments in Associates and Joint Ventures
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

2.5.3 New standards, amendments and interpretations issued but without an effective date
At the date of authorisation of these financial statements the following standards, amendments to

Amendments to IFRS 10 and IAS 28 consolidated financial statements and Investments in
Amends IFRS 10 consolidated financial statements and IAS 28 Investments in Associates and Joint
- Require full recognition in the investor's financial statements of gains and losses arising on the
- Require the partial recognition of gains and losses where the assets do not constitute a

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or
3 Significant accounting policies
The principal accounting policies adopted are set out below.

3.1 Foreign currency translation
Foreign currency transactions are booked in the functional currency of the Group (naira) at the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities are retranslated into the functional currency at rates of exchange ruling at the reporting period. Exchange differences are included in the Statement of profit or loss and other comprehensive income. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.2 Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities

The results of subsidiary acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3.3 Business combinations
Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquire. Acquisition-related costs are recognised in profit or loss as incurred.

Where a business combination is achieved in stages, the Group’s previously-held interests in the acquired entity are re-measured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for

recognition under IFRS 3(2008) are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

a) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

i the Group has transferred to the buyer the significant risks and rewards of ownership of the

ii the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

iii the amount of revenue can be measured reliably;

iv it is probable that the economic benefits associated with the transaction will flow to the Group;

v the costs incurred or to be incurred in respect of the transaction can be measured reliably;

vi the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

b) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.5 Expenditure

Expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms. Provision is made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated. Manufacturing start-up costs between validation and the achievement of normal production are expensed as incurred. Advertising and promotion expenditure is charged to profit or loss as incurred. Shipment costs on inter-company transfers are charged to cost of sales; distribution costs on sales to customers are included in distribution expenditure. Restructuring costs are recognised and provided for, where appropriate, in respect of the direct expenditure of a business reorganisation where the plans are sufficiently detailed and well advanced, and where appropriate communication to those affected has been undertaken.

3.6 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sal
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.7 Legal and other dispute
Provision is made for the anticipated settlement costs of legal or other disputes against the Group where an outflow of resources is considered probable and a reliable estimate can be made of the likely outcome. In addition, provision is made for legal or other expenses arising from claims received or other disputes. In respect of product liability claims related to certain products, there is sufficient history of claims made and settlements to enable management to make a reliable estimate of the provision required to cover un-asserted claims. The Group may become involved in legal proceedings, in respect of which it is not possible to make a reliable estimate of the expected financial effect, if any, that could result from ultimate resolution of the proceedings. In these cases, appropriate disclosure about such cases would be included but no provision would be made. Costs associated with claims made by the Group against third parties are charged to profit or loss as they are incurred. When the group is virtually certain of receiving reimbursement from a third party (in the form of insurance, a shared liability agreement etc.) to compensate for any lost financial benefit from such disputes, they should recognise a receivable as an asset.

3.8 Pensions and other post-employment benefits
Defined contribution scheme
The Group operates a defined contribution based retirement benefit scheme for its staff, In accordance with the provisions of the amended Pension Reform Act, 2014 the Company has instituted a Contributory Pension Scheme for its employees, where both the employees and the company contribute 7% and 11% of the employee total emoluments. The company's contribution under the scheme is charged to the profit and loss while employee contributions are funded through payroll deductions.

In addition to the pension scheme, the Company operates a gratuity scheme payable to employees that have served a minimum of five years of service. The benefits are calculated based on employees salary for each qualifying year. The Company discharges its obligation to employees once payment is made to the fund managers.

3.9 Property plant and equipment
Property, plant and equipment is carried in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment.

The cost of acquisition comprises the acquisition price plus ancillary and subsequent acquisition costs, less any reduction received on the acquisition price. The cost of self-constructed property, plant and equipment comprises the direct cost of materials, direct manufacturing expenses, and appropriate allocations of material and manufacturing overheads. Where an obligation exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the related future payments is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

If the construction phase of property, plant or equipment extends over a long period, the interest incurred on borrowed capital up to the date of completion is capitalized as part of the cost of acquisition or construction in accordance with IAS 23 (Borrowing Costs).

Expenses for the repair of property, plant and equipment, such as on-going maintenance costs, are normally recognized in profit or loss. The cost of acquisition or construction is capitalized if a repair (such as a complete overhaul of technical equipment) will result in future economic benefits.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. Freehold land is not depreciated. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The following depreciation periods, based on the estimated useful lives of the respective assets, are applied throughout the Group:

Class	**Useful life (range)**
Buildings	50 years
Plant, machinery and fittings	5 - 10 years
Office equipment and furniture	4 - 10 years
Trucks and motor vehicles	3 - 8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.10 Financial instruments

a. Classification and measurement of financial assets

Financial assets, which include both debt and equity securities are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortised cost. Subsequent classification and measurement for debt securities is based on our business model for managing the financial instruments and the contractual cash flow characteristics of the instruments.
Debt instruments are measured at amortised cost if both of the following conditions are met and the

b. Business model assessment

The Group determines the business models at the level that best reflects how portfolios of financial assets are managed to achieve the its business objectives. Judgment is used in determining the business models, which is supported by relevant, objective evidence including:

- How the economic activities of the group's businesses generate benefits and how such economic activities are evaluated and reported to key management personnel;
- The significant risks affecting the performance of the group's businesses, for example, market risk, credit risk, or other risks and the activities undertaken to manage those risks; and
- Historical and future expectations of sales of the loans or securities portfolios managed as part of a business model.

The Group's business models fall into three categories, which are indicative of the key strategies used to generate returns:

- Hold-to-Collect (HTC): The objective of this business model is to hold loans and securities to collect contractual principal and interest cash flows. Sales are incidental to this objective and are expected to be insignificant or infrequent.

- Hold-to-Collect-and-Sell (HTC&S): Both collecting contractual cash flows and sales are integral to achieving the objective of the business model.
- Other fair value business models: These business models are neither HTC nor HTC&S, and primarily represent business models where assets are held-for-trading or managed on a fair value basis.

c. SPPI assessment
Instruments held within a HTC or HTC&S business model are assessed to evaluate if their contractual cash flows are comprised of solely payments of principal and interest. SPPI payments are those which would typically be expected from basic lending arrangements. Principal amounts include par repayments from lending and financing arrangements, and interest primarily relates to basic lending returns, including compensation for credit risk and the time value of money associated with the principal amount outstanding over a period of time.

Interest can also include other basic lending risks and costs (for example, liquidity risk, servicing or administrative costs) associated with holding the financial asset for a period of time, and a profit margin.
Where the contractual terms introduce exposure to risk or variability of cash flows that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

e. Investment securities
All investment securities are initially recorded at fair value and subsequently measured according to the respective classification. Prior to our adoption of IFRS 9, Investment securities were comprised of available-for sale securities and held-for-trading securities.

3.11 Financial liabilities
Initial recognition and measurements
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

3.12 Cash and cash equivalents
Cash and cash equivalents comprise cash and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term. Cash and cash equivalents form part of the company's financial assets.

3.13 Trade and other receivables
Trade receivables are stated at fair value and subsequently measured at fair value through profit or loss, less provision for impairment. Impairment thereon are computed using the simplified IFRS 9

3.14 Trade and other payables
Trade and other payables are stated at their original invoiced value. The Directors consider the carrying amount of other payables to approximate their fair value.

3.13 Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:
• significant financial difficulty of the issuer or counterparty; or
• breach of contract, such as a default or delinquency in interest or principal payments; or
• it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
• the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3.14 Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.15 Financial liabilities

Financial liabilities are recognised when the Group becomes party to the contractual provisions of an instrument and are initially recognised at fair value adding transaction costs.

Financial liabilities (including borrowings and trade payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.15 Financial liabilities (continued)

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.16 Other receivables and liabilities

Accrued items and other non-financial assets and liabilities are carried at cost. They are charged/credited to profit or loss according to performance of the underlying transaction.

3.17 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants relating to property, plant and equipment are treated as deferred revenue and released to profit or loss over the expected useful lives of the assets concerned.

3.18 Inventories

In accordance with IAS 2 (Inventories), inventories encompass assets held for sale in the ordinary course of business (finished goods and goods purchased for resale), in the process of production for such sale (work in process) or in the form of materials or supplies to be consumed in the production process or in the rendering of services (raw materials and supplies). Inventories are stated at the lower of cost and net realizable value. The net realizable value is the achievable sale proceeds under normal business conditions less estimated cost to complete and selling expenses. Costs of inventories are determined on a first-in-first-out basis.

3.19 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.19.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.19.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other han in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. For any temporary differences arising on business combinations where the Group can control the reversal of the temporary difference and it is not expected to reverse in the near future, the deferred tax aset/liability is not recognised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.19.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.20 Discounting

Where the effect of the time value of money is material, balances are discounted to present values using appropriate rates of interest. The unwinding of the discounts is recorded in finance income and finance costs.

3.21 Noncurrent asset held for sale

Non-current assets are classified as assets held for sale and stated at the lower of their previous carrying amount and fair value less costs to sell if their carrying value is to be recovered principally through a sale transaction rather than through continuing use. The condition of being recovered through sale is only met when: "the sale is highly probable, the non-current asset is available for immediate sale in its present condition, management is committed to the sale and the sale is expected to qualify for recognition as a completed sale within one year from the date of classification."

3.22 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.23 Dividends

Dividends are recognised as a liability in the financial statement in the year in which the dividend is approved by the shareholders.

3.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

3.25 Earnings per share

Earnings per share are calculated by dividing profit for the year by the number of ordinary shares outstanding during the period. Diluted earnings per share are calculated by dividing profit for the year by the fully-diluted number of ordinary shares outstanding during the period.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical accounting judgement

The following are the critical judgements and estimates that the directors have made in the process of applying the Company’s accounting policies and that have the most significant effect on the amounts recognised in financial statements.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

4.1.1 Revenue recognition

In the application of the Group's policy that states that revenues are recognized when significant risks and rewards has been transferred to the buyer, Management has ensured that revenues are recognised when goods are delivered to Customers. When goods remain in the Company's facility as a result of delayed transportation arrangement by the Customer, the Customers are aware based on practice and signed contract notes that the risks and reward of such goods remain with them.

4.1.2 Indefinite useful life of Intangible assets

During the year, the directors reconsidered the recoverability of the Group's intangible asset (trade mark) and assessed if the useful life is still indefinite,the trademark conveys an irrevocable right of use to the Company. Management's assessment for recoverability includes active sales from the products, competition and current market share of the products, it is believed that the asset is fully recoverable.

4.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.2.1 Useful life of Property, Plant and Equipment

Property plant and equipment represent the most significant proportion of the asset base of the Company, accounting for over 60 % of the Company's total assets. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance and have been properly done.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or it's residual value would result in the reduced depreciation charge in the profit or loss.

The useful lives and residual values of the of property, plant and equipment are determined by management.

4.2.2 Allowance for doubtful receivables

Judgment is exercised to make allowance for trade receivables doubtful of recovery by reference to the financial and other circumstances of the debtor in question. Based on the credit terms and experience regarding trade receivables, the Company makes full impairment allowance for doubtful debt of over 360 days

4.2.3 Allowance for obsolete inventory

Management continously assesses inventory items for obsolescence based on the standard operating practice of the Company.

4.2.4 Fair valuation of loan

To obtain the fair value of a loan obtained at below market interest rate, the Group used a valuation technique that include inputs that are based on observable market data Management believes that the key assumptions used in the determination of the fair value are appropriate.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	₦'000	N'000	₦'000	N'000	N'000	N'000
5. Revenue						
An analysis of the Group's revenue is as follows:						
Sale of Goods	**14,301,720**	14,328,266	10,346,733	**13,500,991**	13,582,890	9,847,784
Total revenue	**14,301,720**	**14,328,266**	**10,346,733**	**13,500,991**	**13,582,890**	**9,847,784**

6. Segment information

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on both the types of goods or services delivered or provided and the market where the goods or services are delivered or provided. The Group's reportable segments under IFRS 8 are therefore as follows.

i Pharmeceuticals - This segment is involved in the production and sale of human pharmaceuticals and human vaccines.

ii Beverage - This segment is involved in the production of beverage drinks including bottled water.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	₦'000	₦'000	₦'000	N'000	₦'000	N'000
6.1 Segment revenue						
Pharmaceuticals	**14,288,266**	14,301,724	10,323,597	**13,487,537**	13,556,348	9,824,648
Beverage	**13,454**	26,542	23,136	**13,454**	26,542	23,136
	14,301,720	**14,328,266**	**10,346,733**	**13,500,991**	**13,582,890**	**9,847,784**

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	₦'000	N'000	₦'000	N'000	N'000	N'000
6.2 Segment Profit						
Pharmaceuticals	**4,717,417**	3,872,457	2,818,973	**4,211,465**	3,480,810	2,566,768
Beverage	**3,023**	2,824	5,943	**3,023**	2,824	5,943
Total segment profit	**4,720,440**	3,875,281	**2,824,916**	**4,214,488**	**3,483,634**	**2,572,711**
Other operating income (Note 7)	**(842,140)**	1,673,747	1,459,619	**(755,709)**	1,670,494	1,455,353
Interest Income (Note 8)	**222,106**	231,476	87,472	**222,084**	231,411	87,472
Selling, marketing, Distribution and Admin costs	**(2,802,651)**	(3,384,653)	(2,375,874)	**(2,595,179)**	(3,052,685)	(2,196,880)
Finance costs	**(245,769)**	(286,034)	(232,204)	**(219,626)**	(285,532)	(226,847)
Share of loss of joint venture	**(5,180)**	(25,565)	(16,506)	**-**	-	-
Profit before tax	**1,046,807**	**2,084,252**	**1,747,423**	**866,059**	**2,047,322**	**1,691,809**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

6.3 Segment accounting policies

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the gross profit earned by each segment without allocation of central administration costs and directors' salaries, selling, marketing and distribution expenses, other operating income, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

6.4 Segment assets and liabilities

The Chief Executive Officer does not assess segment performance based on reports on segment assets and liabilities.

6.5 Information about major customers

There are no customers that represent more than 10% of the total revenue of any of the reported segments.

Geographical information

The Group operates in Lagos and West, East and North principal geographical areas. The Group's revenue from continuing operations from external customers by location of operations are as follows:

	The Group			The Company		
	Revenue from External Customers	Revenue from External Customers	Revenue from External Customers	Revenue from External Customers	Revenue from External Customers	Revenue from External Customers
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
East	**4,704,300**	4,599,141	3,297,778	**4,405,869**	4,315,220	3,108,502
West	**3,295,581**	3,102,570	2,227,639	**3,154,756**	2,996,017	2,141,692
Lagos	**4,518,317**	4,925,521	3,633,788	**4,208,394**	4,613,695	3,449,316
North	**1,783,522**	1,701,034	1,187,528	**1,731,972**	1,657,958	1,148,274
Total	**14,301,720**	**14,328,266**	**10,346,733**	**13,500,991**	**13,582,890**	**9,847,784**

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
7. Other operating income						
Income on contract manufacturing	**(10,765)**	64,273	1,961	(10,765)	64,273	1,961
Miscelaneous Income (Note 7.1)	**30,051**	4,084	35,893	30,051	4,084	31,627
Rental Income	**3,000**	3,200	3,200	3,000	3,200	3,200
Exchange gain/(Loss)	**(886,231)**	416,752	236,996	(799,800)	413,849	236,996
Profit/(loss) on disposal of PPE (Note 7.2)	**21,805**	1,185,438	1,181,568	21,805	1,185,088	1,181,568
	(842,140)	**1,673,747**	**1,459,619**	**(755,709)**	**1,670,494**	**1,455,353**

7.1 Miscelaneous Income

Miscelaneous income is earned on insurance claim received from NEM insurance broker and others. These also includes income received from sales of waste box, waste sugar cartons, flour bags waste sacks, pallets, woods, etc

7.2 Profit/Loss on disposal of PPE

This includes profit made from the sales of old Ikeja factory/Finance building and other non-critical PPE

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
8. Interest Income						
Bank interest	**222,106**	**231,476**	**87,472**	**222,084**	**231,411**	87,472
	222,106	**231,476**	**87,472**	**222,084**	**231,411**	**87,472**

8.1 The interest income is earned on short term investments (fixed deposits) with various commercial banks in Nigeria. The investments are not designated at fair value through profit or loss, rather they are carried at amortised cost.

	The Group			The Company		
10. Finance cost						
Interest on bank loans and overdrafts	**360,027**	455,072	361,747	**333,884**	454,570	356,390
Deffered Income realised	**(114,258)**	(169,038)	(129,543)	**(114,258)**	(169,038)	(129,543)
Net Finance cost	**245,769**	**286,034**	**232,204**	**219,626**	**285,532**	**226,847**
11. Profit for the year is attributed to:						
Owners of the bussiness	**711,828**	1,490,610	1,430,248	**588,920**	1,481,955	1,392,430
	711,828	1,490,610	1,430,248	588,920	1,481,955	1,392,430

All profit is attributable to owners of the parent as all the subsidiaries are wholly owned.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

		The Group			The Company	
	September 2023 Number	December 2022 Number	September 2022 Number	September 2023 Number	December 2022 Number	September 2022 Number
12a Employees remunerated at higher rates						
The number of employees excluding Directors in respect of emoluments excluding provident fund contributions and allowances:						
N — **N**						
100,000 200,000	**1**	1	1	**1**	1	**1**
250,001 - 300,000	-	0	-	-	0	-
300,001 - 350,000	-	0	-	-	0	-
350,001 - 400,000	-	0	-	-	0	-
400,001 - 450,000	27	27	27	27	27	27
450,001 - 500,000	24	24	24	24	24	24
500,001 - 550,000	3	4	4	3	3	3
550,001 - 600,000	-	0	-	-	0	-
600,001 - 650,000	-	0	-	-	0	-
650,001 - 700,000	15	13	15	6	6	6
700,001 and above	280	289	286	264	272	270
	350	358	**357**	**325**	333	**331**
The average number of persons employed in the financial year are as follows:						
Managerial	22	24	24	22	23	23
Senior staff	189	194	193	164	170	168
Junior staff	139	140	140	139	140	140
	350	358	**357**	**325**	333	**331**

13. Taxation	N'000	N'000	N'000	N'000	N'000	N'000
13.1 Current tax liabilities						
At 1 January	**522,624**	363,981	363,980	**519,289**	305,100	**305,100**
Charge for the year (see note below)	**334,978**	538,298	317,175	**277,139**	512,946	**299,379**
	857,602	**902,279**	**681,155**	**796,428**	**818,046**	**604,479**
Payment during the year	**(525,649)**	**(359,288)**	**(342,498)**	**(504,270)**	**(298,757)**	**(256,769)**
Closing Balance	**331,953**	**542,991**	**338,658**	**292,158**	**519,289**	**347,710**

The charge for taxation in these financial statements was based on the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended, the Education Tax Act, CAPE 4, LFN 2004 and Finance Act 2021.

		The Group			The Company	
	September 2023 N'000	December 2022 N'000	September 2022 N'000	September 2023 N'000	December 2022 N'000	September 2022 N'000
13.2 Deferred taxation						
At 1 January	**840,324**	784,980	784,980	**833,721**	781,300	781,300
Adjustment to opening bal		-			-	
Charge for the year		55,344	-	**-**	52,421	-
As At 30th September	**840,324**	840,324	**784,980**	**833,721**	833,721	**781,300**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	**December 2022**	**September** 2022	**September 2023**	**December 2022**	**September** 2022
	N'000	**N'000**	N'000	**N'000**	**N'000**	N'000
14. Earnings per share						
The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows.						
Earnings						
Earnings for the purpose of basic earnings per share being net profit attributable to equity holders of the Company	**711,828**	937,906	**1,430,248**	**588,920**	907,514	**1,392,430**
Number of shares						
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,725,235**	1,725,235	1,725,235	**1,725,235**	1,725,235	1,725,235
Earnings per 50k share (kobo) - basic	41.26	54.36	82.90	34.14	52.60	80.71
Weighted average number of ordinary shares for the purpose of dilutive earnings per share	**1,725,235**	1,725,235	1,725,235	**1,725,235**	1,725,235	1,725,235
Earnings per 50k share (kobo) - diluted	41.26	54.36	82.90	**34.14**	52.60	80.71
15. Intangible assets						
Software	5,913	11,315	**13,945**	5,753	11,110	**13,725**

Software represents the cost of acquisition of accounting software -Microsoft Navision. Management estimates that the benefit of this intangible will accrue over a period of five years commencing from January 2019.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

16. Fixed asset schedule

GROUP - FIXED ASSETS SCHEDULE AT 30th September 2023

	LAND	Building	Plant & Machinery	TRUCK	Motor Vehicle	CUMPUTER/OFFICE EQUPMENT	FACTORY EQUIPMENT	FURNITURE &FITTING	**SUB TOTAL**	Capital Work-In-Progress	**TOTAL**
	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	**=N='000**	=N='000	**=N='000**
Cost											
At 1 January 2023	334,667	2,616,270	3,678,979	148,903	1,042,960	453,162	39,705	106,810	**8,421,456**	773,605	**9,195,061**
Additions	-	697,383	580,592	-	339,808	94,936	-	20,263.75	**1,732,982**	594,964	**2,327,947**
Disposals	-	-	(89,734.57)	-	(134,525)	(868)	-	-	**(225,128)**	-	**(225,128)**
Transfers		-							-	(1,259,179)	**(1,259,179)**
At 30th Sept, 2023	**334,667**	**3,313,653**	**4,169,836**	**148,903**	**1,248,242**	**547,230**	**39,705**	**127,074**	**9,929,310**	**1,368,569**	**10,038,700**
Depreciation											
At 1 January 2023	-	688,626	2,748,186	55,815	595,983	331,852	38,738	71,901	**4,531,101**		**4,531,101**
Charge for the year		36,981	126,053	12,507	200,105	43,013	732	4,454	**423,846**		**423,846**
Disposals	-	-	(88,076.18)	-	(130,553.44)	(408.36)	-	-	**(219,038)**		**(219,038)**
Transfers									-		-
At 30th Sept, 2023	**-**	**725,607**	**2,786,164**	**68,322**	**665,535**	**374,456**	**39,470**	**76,354**	**4,735,909**	**-**	**4,735,909**
Net book value											
At 30th Sept, 2023	**334,667**	**2,588,046**	**1,383,672**	**80,581**	**582,707**	**172,774**	**235**	**50,719**	**5,193,401**	**1,368,569**	**5,302,791**

COMPANY- FIXED ASSETS SCHEDULE AS AT 30th Sept, 2023

	LAND	Building	Plant & Machinery	TRUCK	Motor Vehicle	CUMPUTER/OFFICE EQUPMENT	FACTORY EQUIPMENT	FURNITURE &FITTING	**SUB TOTAL**	Capital Work-In-Progress	**TOTAL**
	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	=N='000	**=N='000**	=N='000	**=N='000**
Cost											
At 1 January 2023	334,667	2,616,270	3,667,810	148,903	956,284	451,289	39,705	104,942	**8,319,870**	773,605	**9,093,475**
Additions	-	697,383	580,592	-	253,378	94,382	-	19,619	**1,645,353**	594,964	**2,240,318**
Transfers from Capital WIP	-	-	-	-	-	-		-	-	(1,259,179)	**(1,259,179)**
Disposals	-	-	(89,734.57)	-	(134,525.17)	(868.20)	-	-	**(225,128)**	-	**(225,128)**
At 30th Sept, 2023	**334,667**	**3,313,653**	**4,158,667**	**148,903**	**1,075,136**	**544,803**	**39,705**	**124,561**	**9,740,095**	**109,390**	**9,849,485**
Depreciation											
At 1 January 2023		688,626	2,747,685	55,815	539,761	330,534	38,738	70,965	**4,472,124**		**4,472,124**
Charge for the year		36,981	124,861	12,507	182,886	42,576	732	4,340	**404,884**		**404,884**
Transfers from Capital WIP		-	-	-	-	-		-	-		-
Disposals		-	(88,076)	-	(130,553)	(408)	-	-	**(219,038)**		**(219,038)**
At 30th Sept, 2023	**-**	**725,607**	**2,784,471**	**68,322**	**592,094**	**372,701**	**39,470**	**75,304**	**4,657,970**	**-**	**4,657,970**
Net book value											
At 30th Sept, 2023	**334,667**	**2,588,046**	**1,374,196**	**80,581**	**483,042**	**172,102**	**235**	**49,256**	**5,082,125**	**109,390**	**5,191,515**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

16.1 The following depreciation rates were used in the computation of depreciation charge during the year:

Class	**Useful lives**
Buildings	50years
Plant, machinery and fittings	5-10 years
Office equipment and furniture	4-10 years
Trucks and motor vehicles	3-8 years

16.2 Impairment of property, plant and equipment

There are no indicators of impairment at the end of the reporting period. Thus, the directors are of the opinion that allowance for impairment is not required.

		The Group			The Company		
		September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
		N'000	N'000	N'000	N'000	N'000	N'000
16.4	**Depreciation charged for the year is included in:**						
	Cost of sales	**187,887**	233,907	175,418	**187,887**	233,907	**175,418**
	Administrative expenses	**88,646**	96,029	74,312	**86,857**	92,434	**71,836**
	Distribution, sales and marketing expenses	**155,276**	236,631	190,074	**138,057**	221,426	**179,619**
		431,809	566,567	**439,804**	**412,801**	547,767	**426,873**
17.	**Investment in Joint Venture**						
	Opening Balance	**1,141,559**	1,167,124	1,167,124	1,326,886	1,326,886	1,326,886
	Movement during the year(share of Profit/(loss))	(5,180)	(25,565)	**(16,506)**	-	-	-
	Transfer to investment in JV	-	-	**-**	-	-	-
		1,136,379	1,141,559	1,150,618	**1,326,886**	1,326,886	**1,326,886**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
18. Investment in subsidiaries						
Carrying amount (at cost)				**3,000**	3,000	3,000

Name of subsidiary	Proportion of ownership	Place of incorporation	Principal activity
Osworth Nigeria Limited	100%	Nigeria	Distribution and sales of healthcare and pharamaceutical products.
Tydipack Nigeria Limited	100%	Nigeria	Healthcare and industrial packaging
Servisure Nigeria Limited	100%	Nigeria	Distribution and sales of pharamaceutical products

The Company has control over the three subsidiaries and has consolidated them in the current year.

The investment is represented by one million ordinary shares of N1 each in Osworth Nigeria Limited, Tydipack Nigeria Limited and Servisure Nigeria Limited. The investment is carried at cost.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
20. Inventories						
Raw/packaging materials	**2,494,400**	3,567,859	**2,715,131**	**2,494,400**	3,568,778	2,715,131
Work-in-progress	**274,885**	190,405	**212,866**	**274,885**	190,405	212,866
Finished goods	**1,539,993**	983,958	**1,028,220**	**1,348,988**	869,196	809,005
Spare parts/consumables	**346,625**	599,796	**454,543**	**333,014**	599,629	427,593
	4,655,903	**5,342,018**	**4,410,760**	**4,451,287**	**5,228,008**	**4,164,595**
Stock write down	**-**	-	-		-	
	4,655,903	**5,342,018**	**4,410,760**	**4,451,287**	**5,228,008**	**4,164,595**

20.1 There are no inventories pledged as security for liabilities.

20.2 The amount charged to profit or loss in respect of write down of inventory to net realisable value is Nil (Sept 2022 : Nil).

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
21. Trade and other receivables						
21.1 Trade receivables						
Trade receivables	**1,591,235**	1,381,877	1,036,590	**1,369,549**	1,312,032	889,379
Less: allowance for doubtful debts	**(481,741)**	(476,206)	(464,428)	**(453,512)**	(453,512)	(446,800)
	1,109,493	**905,671**	**572,163**	**916,036**	**858,520**	**442,580**
21.2 Other receivables:				**-**		-
Staff loans and advances	**67,685**	205,004	53,516	**42,891**	182,721	30,415
Sundry Receivables	**232,279**	21,587	134,744	**232,190**	21,587	134,744
Witholding tax recoverable	**108,581**	102,112	88,790	**91,188**	84,961	71,639
Due from related companies	**42,479**	-		**67,210**	-	82,203
	451,024	**328,703**	**277,050**	**433,479**	**289,269**	**319,001**
Less: allowance for doubtful debt	**(219,712)**	(217,862)	(200,490)	**(199,623)**	(199,623)	(182,251)
	231,312	**110,841**	**76,560**	**233,856**	**89,646**	**136,750**
Total trade and other receivables	**1,340,805**	**1,016,512**	**648,723**	**1,149,893**	**948,166**	**579,330**

21.3 Trade receivables

Trade and other receivables disclosed above are carried at cost less allowance for doubtful debts.

The average credit period taken on sales of goods is between 30-45 days. No interest is charged on the overdue receivables. The Group has recognised an allowance for doubtful debts of 100% against all receivables over 360 days(excluding public sector and Institutions) because historical experience has been that receivables that are past due beyond 360 days may be doubtful of recovery. In most cases these debts are recovered.

Before accepting any new customer, the company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. The internal credit scoring system are constantly reviewed.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
21. Trade and other receivables (Cont'd)						
Ageing of past due but not impaired receivables:						
0-30 days	**559,381**	**440,012**	58,878	439,413	457,621	32,479
31-60 days	**291,790**	224,450	256,440	254,790	197,822	192,306
61-90 days	**82,333**	84,815	101,456	75,620	71,471	68,280
91-360 days	**276,545**	260,845	225,235	218,540	213,363	209,927
Over 360 days	**381,186**	371,755	409,732	381,186	371,755	386,387
Total	**1,591,235**	**1,381,877**	**1,051,741**	**1,369,549**	**1,312,032**	**889,379**

In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
Movement in the allowance for doubtful debts						
At 1 January	**694,069**	612,524	612,524	**653,135**	594,896	594,896
Impairment losses recognised /(write back)	**7,384**	81,545	228,962	**-**	58,239	210,723
Bad debt written off in the year	**-**		(176,568)			(176,568)
Amounts recovered during the year	**-**	-	-	**-**	-	-
Total	**701,453**	**694,069**	664,918	**653,135**	653,135	629,051

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
22. Cash and cash equivalents						
Cash in hand & Cheques not deposited	**67,051**	110	168,334	**67,051**	110	168,334
Cash at bank	**2,024,532**	673,875	1,360,029	**1,860,390**	631,761	1,124,141
Short term deposits	**1,361,698**	2,232,812	1,980,508	**1,361,698**	2,232,812	1,980,508
As per consolidated statement of Financial Position	**3,453,281**	**2,906,797**	**3,508,870**	**3,289,139**	**2,864,683**	**3,272,982**

Restricted cash
The short term deposits above is in respect of the unclaimed dividend balance that has been invested in a demand deposit account and short term deposit with other banks

Reconciliation of cash and bank balance to cash and equivalents
For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdraft and commercial acceptances. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

Cash and cash equivalents

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
Cash in hand, bank &Short term deposit	**3,453,281**	**2,906,797**	**3,508,870**	**3,289,139**	**2,864,683**	**3,272,982**
Bank overdrafts and commercial papers (Note 27)	**(139,107)**	**(27,996)**	-	**(139,107)**	-27,996	-
As per consolidated statement of cash flows	**3,314,174**	**2,878,801**	**3,508,870**	**3,150,032**	2,836,687	3,272,982
23. Other assets						
Advance payment to vendors	**1,662,142**	2,086,493	4,276,680	**1,660,947**	2,079,347	4,255,685
Prepayments	**143,490**	356,916	129,771	**135,775**	341,916	118,478
Refundable deposits	**684**	31,217	566	**(3)**	30,294	138
	1,806,316	**2,474,626**	**4,407,017**	**1,796,719**	**2,451,557**	**4,374,301**
24. Share capital						
Authorised:						
1,725,234,886 ordinary shares of 50 kobo each	**862,617**	**862,617**	**3,000,000**	**862,617**	**862,617**	**3,000,000**
Issued and fully paid:						
1,725,234,886 ordinary shares of 50 kobo each	**862,617**	**862,617**	**862,617**	**862,617**	**862,617**	**862,617**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	**December** 2022	**September** 2022	**September** 2023	**December** 2022	**September** 2022
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
25. Share premium account						
At 1 January	3,012,065	3,012,065	3,012,065	3,012,065	**3,012,065**	3,012,065
Premium on right issue	-	-	-	-	**-**	-
Share issue expenses	-	**-**	**-**	**-**	**-**	-
At 30 June2023	**3,012,065**	**3,012,065**	3,012,065	**3,012,065**	**3,012,065**	3,012,065
26. Retained earnings						
At 1 January	**3,961,830**	2,988,790	2,988,790	**3,840,890**	2,876,515	2,876,514
Retained profit for the Period	**711,828**	1,490,610	1,430,248	**588,920**	1,481,955	1,392,430
Dividend paid	**(517,570)**	(517,570)	(517,570)	(517,570)	(517,570)	(517,570)
At 30 June2023	**4,156,088**	**3,961,830**	**3,901,468**	3,912,240	3,840,900	3,751,374
27. Borrowings						
Borrowing at amortised cost						
Overdraft and commercial papers						
Bank overdrafts	**139,107**	27,996	-	**139,107**	131,070	-
Commercial papers	**-**	-	-	**-**	-	-
		27,996			**131,070**	
	139,107	-	-	**139,107**	-	-
Loan						
CBN Intervention fund - Term loan	**2,519,009**	3,119,024	3,164,675	**2,519,009**	3,119,024	3,164,675
Short term import facility	**2,714,973**	2,439,425	4,268,383	**2,695,604**	2,439,425	4,103,570
	5,233,983	**5,558,449**	**7,433,058**	**5,214,614**	**5,558,449**	**7,268,245**
Total borrowings	**5,373,090**	**5,558,449**	**7,433,058**	**5,353,721**	**5,558,449**	**7,268,245**
Analysis of loan balance to current and non-current portion.						
Bank overdraft	**139,107**	27,996	-	**139,107**	27,996	-
CBN Intervention fund - Term loan	**-**	665	-		665	
Term loan - -CBN 1BN	**475,915**	137,865	328,340	**475,915**	137,865	-
Short term import facility	**2,714,973**	2,439,425	4,268,383	**2,695,604**	2,439,425	4,103,570
Term loan - CBN-2.5BN	**176,208**	457,178	171,587	**176,208**	457,178	347,222
Term loan - BOI-850BN	**142,143**	172,552	148,303	**142,143**	172,552	42,500
Current Portion	**3,648,346**	**3,235,681**	**4,916,613**	**3,628,977**	**3,235,681**	**4,493,292**
Term loan - -CBN 1BN	**0**	482,466	1,270,606	**0**	482,466	1,529,114
BOI Loan	**0**	576,501	-	**0**	576,501	-
CBN Intervention fund - Term loan	**1,724,743**	1,263,801	1,245,839	**1,724,743**	1,263,801	1,245,839.00
	-	-	-	**-**	-	-
	-	-	-	**-**	-	-
Non-current Portion	**1,724,743**	**2,322,768**	**2,516,445**	**1,724,743**	**2,322,768**	**2,774,953**
Total borrowings Reconciled	**5,373,090**	**5,558,449**	**7,433,058**	**5,353,721**	**5,558,449**	**7,268,245**

All the borrowings were obtained in naira, the functional currency of the Group.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

27. Borrowings (continued)

CBN Intervention Fund

The Central Bank of Nigeria (CBN) Intervention fund to Manufacturers in the sum of N1B , N2.5B and N850M BOI/CBN Loans were received in FEB 2020,July 2020 and FEB 2021 respectively at 5%-9% interest per annum. The CBN intervention facility of N2.5B is in two parts i.e N2B and N500 million working capital . The facilities are covered by a negative pledge on the assets of the Company.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
28. Trade and other payables						
Trade creditors	**1,574,049**	**1,139,958**	**586,262**	**1,426,686**	**1,057,740**	**477,887**
	-		-			
Other payables:	-		-	-		-
Accruals	**201,063**	551,630	47,805	**180,997**	520,049	40,496
Witholding tax payable	**50,083**	68,065	52,193	**48,034**	66,673	49,695
Dividend payable (Note 28.1)	**244,447**	244,455	244,461	**244,447**	244,455	244,461
Due to related Party	**-**	-	7,395	**-**	-	7,395
Statutory and other Payables	**163,754**	153,091	122,474	**155,653**	150,697	106,785
	659,346	**1,017,241**	**474,328**	**629,130**	**981,874**	**448,832**
	2,233,396	**2,157,199**	**1,060,590**	**2,055,817**	**2,039,614**	**926,719**

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 45 days. For most suppliers no interest is charged on the trade payables from the date of the invoice. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade payables approximates to their fair value.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
28.1 Dividend payable						
At 1 January	**244,455**	207,304	207,304	**244,455**	207,304	207,304
Declared	**517,570**	517,570	517,570	**517,570**	517,570	517,570
Refund	**-**	37,186	37,186	**-**	37,186	37,186
Paid	**(517,578)**	(517,605)	(517,599)	**(517,578)**	(517,605)	(517,599)
At 31 March	244,447	244,455	244,461	244,447	244,455	244,461

The balance at year end represents the amount that are yet to be received by shareholders.

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
29. Employee benefit payable						
At 1 January	**37,409**	**40,506**	**40,506**	**37,409**	**40,506**	40,506
Charge for the year	**-**	**17,579**	**-**	**-**	**17,184**	-
Payment during the year	**(5,867)**	**(20,676)**	**(4,176)**	**(5,867)**	**(20,281)**	(4,176)
At 31 March	**31,542**	**37,409**	**36,330**	**31,542**	**37,409**	**36,330**

The Employee benefit payable relates to the gratuity scheme operated for its employees called sweetner. The scheme requires the Company to calculate the gratuity entitlements of the employees each month which is 4% of Basic, Housing and transport. This is payable monthly to FBN quest, the fund administrators.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
30. Other liabilities						
Deferred income	**452,168**	753,613	605,530	**452,168**	753,613	605,530
	452,168	**753,613**	**605,530**	**452,168**	**753,613**	**605,530**

The deferred revenue represents the grant element of CBN loans, after the loans were re-measured using the effective interest rate(Fair value). The government grant has been recognised as deferred income that will be recognised in the profit or loss on a systematic basis over the tenure of the loan in accordance with IAS 40. Also the advance N1B paid for the sale of ikeja office block and warehouse

31. Related party information

31.1 Identify related parties

The related parties to the Company include:

Osworth Nigeria Limited - An wholly owned subsidiary of the Company involved in the distribution of pharmaceutical products.

Tydipacks Nigeria Limited- An wholly owned subsidiary of the Company involved in healthcare and industrial packaging.

Servisure Nigeria Limited- An wholly owned subsidiary of the Company involved in the distribution of pharmaceutical products.
Ty Holdings Limited- A Company owned by the Chairman, Board of Directors.
Biovaccines Limited - (see note 17)
Biovaccines Nigeria Limited is yet to commence commercial operations. Transactions on its behalf are mainly in respect of expenses incurred in maintaining its assets and personnel at its old site at Harvey Road, Yaba, Lagos. May & Baker Nigeria Plc therefore maintains an inter-company account with it for such transactions, including disbursements also made by Biovaccines Nigeria Limited on behalf of May & Baker Nigeria Plc.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

Key Management personnel

The Key management personnels of the Group include its directors (both executive and non-executive) and other identified key management staff.

Senator Daisy E. Danjuma	Non-executive Director
Mr Patrick Ajah	Executive Director
Mr. Aboderin S. A.	Executive Director
Dr. Rahila Ilegbodu	Non-executive Director
Mr. Kolawole Olalekan Durojaiye	Non-executive Director
Mr. Michael Odumodu	Non-executive Director
Dr. E. Abebe	Non-executive Director
Chief S. M. Onyishi	Non-executive Director
Mr.Godwin Obiakor	Head, Internal Control & Compliance
Mrs.E.Essien	Head, Human Capital Development
Mr.S. Ajalaye	Head, Pharma Plant/Manufacturing
Mr. O.Emeribe	Head, Pharma Sales & Marketing

31.2 Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Sales of goods to related parties were made at the Group's usual price list. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties.

The amounts due from and to related companies arose from sale and purchase of goods and services and other payments made for the related companies

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

	The Group			The Company		
	September 2023	**December** 2022	**September** 2022	**September** 2023	**December** 2022	**September** 2022
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
		Due (from)/to related company				**Due from/(to) related company**
31.3 Related party transactions						
Osworth Nigeria Limited	**-**		-	**(6,761)**	140,804.0	52,544
Biovaccines Nigeria Limited	**-**			**42,479**	(121,460)	**(7,395)**
Otsuka Nigeria Limited				**-**	1,260	**20**
Servisure	**-**		-	**20,616**	18,747	**19,708**
Tydipacks Nigeria Limited	**-**		-	**10,876**	8,519	9,930
	-		-	**67,210**	**47,870**	**74,808**

31.4 Loans to related parties

No loan was granted to any related entity or key management personnel or entities controlled by them.

31.6 Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the Company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	The Group			The Company		
	September 2023	December 2022	September 2022	September 2023	December 2022	September 2022
	N'000	N'000	N'000	N'000	N'000	N'000
Director's remuneration						
Director's fees	**-**	**7,750**	-	**-**	**7,750**	-
Salaries and allowances	**115,823**	120,134	97,733	**115,823**	120,134	97,733
	115,823	127,884	**97,733**	**115,823**	127,884	**97,733**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

32.3 Financial risk management objectives

The company's Corporate Treasury function provides services to the business, co-ordinates foreign exchage transactions, monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

Market risk

The Company's exposure to variations in foreign exchange rate and interest rates are minimal and the Company is not expected to be exposed to these risks at a higher than minimal level.

32.4 Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates is minimal as the Group's borrowing activities are in local currency and trade customers are billed in Naira. Exposure to foreign exchange risk only relates to purchase of operating materials (e.g. raw materials and specialised products) abroad, this is minimised by restricting imports to circumstance where no local alternative exist. The Group makes use of letter of credit facilities to transact with foreign suppliers.

	September 2023	DEC 2022	September 2022
Exposure to foreign currency			
Bank account			
In US Dollars	751,288	995,661	94,027
In Euros	2,772	2,772	5,365
In GBP	752	752	752

The Group is not materially exposed to foreign currency changes as most of trading transactions and borrowing activities are denominated in Naira.

32.5 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

	The Group			The Company		
	September 2023	**December** 2022	**September** 2022	**September** 2023	**December** 2022	**September** 2022
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Exposure to credit risk						
Trade receivables	**1,109,493**	1,381,877	572,163	**1,369,549**	1,312,032	889,379
Other receivables	**451,024**	328,703	277,050	**433,479**	289,269	319,001
Bank balances	**3,453,281**	2,906,797	3,508,870	**3,289,139**	2,864,683	3,272,982
	5,013,798	**4,617,377**	**4,358,083**	**5,092,167**	**4,465,984**	**4,481,363**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

32. Financial Instruments

32.1 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the

The capital structure of the Group is made up of debts (bank overdrafts, commercial papers and term loans) and equity comprising issued capital, retained earnings and

The Group is not subject to any externally imposed capital requirements.

The Group's risk management team reviews the capital structure periodically. As part of this review, the committee considers the cost of capital and the risks

The risk management team monitors the gearing ratio to ensure its within the Group's targeted level. The current gearing ratio of the Group and Company is as

	September 2023 N'000	DECEMBER 2022 N'000	September 2022 N'000
Gearing ratio			
The gearing ratio is as follows:			
Net debt			
Debt	**5,373,090**	**5,558,448**	**7,433,058**
Cash and cash equivalents	**(3,453,281)**	**(2,906,797)**	**(3,508,870)**
Net Debt	**1,919,809**	**2,651,651**	**3,924,188**
Equity			
Ordinary shares	**862,617**	**862,617**	**862,617**
Share premium	**3,012,065**	**3,012,065**	**3,012,065**
Retained earnings	**4,156,088**	**3,961,830**	**3,901,468**
Revaluation reserve	**408,144**	**408,144**	**408,144**
	8,438,915	**8,244,656**	**8,184,294**
Net debt to equity ratio	0.23	0.32	0.48

i. Debt is defined as current- and non current borrowings (as described in note 27).
ii. Equity includes all capital and reserves of the Group that are managed as capital.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

32.2 Categories of financial instruments

The Group's financial assets and financial liabilities as at the reporting date is tabulated below:

Group 2023

	Loans and receivables	Non financial assets	September '2023 TOTAL
	N'000	N'000	N'000
Assets			
Intangible assets		**5,913**	5,913
Property, plant and equipment	**-**	**5,302,790**	5,302,790
Investment in Joint Venture	**-**	**1,136,379**	1,136,379
Investment in subsidiaries	**-**	**-**	-
Inventories	**-**	**4,655,903**	4,655,903
Trade and other receivables	**1,340,805**	**-**	1,340,805
Cash and bank balances	**3,453,281**	**-**	3,453,281
Other assets	**-**	**1,806,316**	1,806,316
	4,794,086	**12,907,301**	**17,701,387**

	Amortised cost	Non-financial liabilities	Total
Liabilities	N'000	N'000	N'000
Borrowings	**5,373,090**	**-**	5,373,090
Deferred tax liabilities	**-**	**840,324**	840,324
Other liabilities	**-**	**-**	-
Employee benefit	**31,542**		31,542
Trade and other payables	**2,233,396**	**-**	2,233,396
Current tax liabilities	**-**	**331,953**	331,953
	7,638,027	**1,172,277**	**8,810,305**

The Group's financial assets and financial liabilities at the reporting date is tabulated below:

GROUP 2022

	Loans and receivables N'000	Non financial assets N'000	September '2022 TOTAL
Assets			
Intangible assets		**13,945**	13,945
Property, plant and equipment	**-**	**4,303,507**	4,303,507
Investment in Joint Venture	**-**	**1,150,618**	1,150,618
Inventories	**-**	**4,410,760**	4,410,760
Trade and other receivables	**648,723**	**-**	648,723
Cash and bank balances	**3,508,870**	**-**	3,508,870
Other assets	**-**	**4,407,017**	4,407,017
Short term investment	**-**	**-**	-
	-	**-**	-
	4,157,593	**14,285,847**	**18,443,440**

	Amortised cost	Non-financial liabilities	Total
Liabilities	N'000	N'000	N'000
Borrowings	**7,433,058**	**-**	7,433,058
Deferred tax liabilities	**-**	**784,980**	784,980
Other liabilities	**-**	**-**	-
employee benefits	**36,330**		36,330
Trade and other payat	**1,060,590**	**-**	1,060,590
Current tax liabilities	**-**	**338,658**	338,658
	8,529,978	**1,123,638**	**9,653,616**

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED 31st MARCH, 2023.

Categories of financial instruments (Cont'd)
The Company's financial assets and financial liabilities as at the reporting date is tabulated below:

Company 2023	**Loans and receivables**	**Non financial assets**	**September 2023 Total**
	N'000	**N'000**	**N'000**
Assets			
Intangible assets	**-**	**5,753**	**5,753**
Property, plant and equipment	**-**	**5,191,516**	**5,191,516**
Investment in Joint Ventu	-	**1,326,886**	**1,326,886**
Investment in subsidiaries	-	**3,000**	**3,000**
Inventories	**-**	**4,451,287**	**4,451,287**
Trade and other receivables	**1,149,893**	**-**	**1,149,893**
Cash and bank balances	**3,289,139**	**-**	**3,289,139**
Other assets	**-**	**1,796,719**	**1,796,719**
	4,439,031	**12,775,160**	**17,214,192**

Liabilities	**Amortised cost**	**Non-financial liabilities**	**Total**
	N'000	**N'000**	**N'000**
Borrowings	**5,353,721**		**5,353,721**
Deferred tax liabilities	**-**	**833,721**	**833,721**
Employee benefit	**31,542**		**31,542**
Trade and other payables	**2,055,817**		**2,055,817**
Current tax liabilities	**-**	**292,158**	**292,158**
	7,441,079	**1,125,879**	**8,566,958**

Company 2022	**Loans and receivables**	**Non financial assets**	**September 2022 Total**
Assets			
Intangible assets		13,725	**13,725**
Property, plant and equipment	-	4,265,215	**4,265,215**
Investment in Joint Venture	-	1,326,886	**1,326,886**
Investment in subsidiaries	-	3,000	**3,000**
Inventories	-	4,164,595	**4,164,595**
Trade and other receivables	579,330	-	**579,330**
Cash and bank balances	3,272,982	-	**3,272,982**
Other assets	-	4,374,301	**4,374,301**
	3,852,312	14,147,722	**18,000,034**

Liabilities	**Amortised cost**	**Non-financial liabilities**	**Total**
	N'000	**N'000**	**N'000**
Borrowings	7,268,245	-	**7,268,245**
Deferred tax liabilities	-	781,300	**781,300**
Other liabilities	-	-	**-**
employee benefits	36,330	-	**36,330**
Trade and other payables	926,719	-	**926,719**
Current tax liabilities	-	347,710	**347,710**
	8,231,294	1,129,010	**9,360,303**

32.5.1 Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. A sales representative is attached to each customer and outstanding customer receivables are regularly monitored by the representative. The requirement for an impairment is analysed at each reporting date on an individual basis for major customers, additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Collateral and other credit enhancements

The Group does not hold any collateral or other credit enhancements from customers. On a case by case basis the group creates a legal right of offset against any amount owed by the group to the counter party.

Concentration risk

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

There are no customers during the current reporting period that represents more than 5% of the total trade receivables.

32.5.2 Other receivables

This is mainly from due from related companies. The Group's financial controller continously monitors and reviews the receivables.

32.5.3 Deposits with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's financial controller periodically and may be updated throughout the year subject to approval of the Group's Chief Exceutive Officer. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The Group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

32.6 Liquidity risk management

The Group monitors its risk to a shortage of funds by maintaining a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. It also ensures that short term funds are used strictly for working capital purposes while capital projects are funded from long tenored borrowings. Access to sources of funding is sufficiently available.

MAY & BAKER NIGERIA PLC

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30TH SEPTEMBER, 2023.

33. Guarantees and other Financial Commitments

Charges on assets
The bank loans and overdrafts are secured by a negative pledge on the Company's assets.

Capital expenditure
Capital expenditure authorised by the Directors but not contracted was nil (September 2022 : nil).
The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of the financial statement.

34. Contingent liabilities

There were no contingent liabilities resulting from litigations at 30 September 2023 (Sept. 2022 Nil)

35. Events after the reporting date

The Directors are of the opinion that there were no significant events after the balance sheet date which would have had any material effect on the accounts which have not been adequately provided for or disclosed in the financial statement.

36. Major suppliers

The Company's suppliers are both local and foreign. Some of the Companies major suppliers include:

LOCAL SUPPLIERS

1. Poly Products Nigeria Limited
2. The Papilon Plastics Company Ltd
3. Mapleleaf Press Limited
4. Jaro Industries Limited
5. Sankil Pharmaceutical Limited
6. Golden Sugar Company Limited
7. Sagar Oversea Limited
8. Jackpak Industries Nig. Ltd.
9. Boden Industries Limited

FOREIGN SUPPLIERS

1. Meghmani LLP
2. AAPL Solutions Pvt. Ltd.
3. ACG Pam Pharma Technologies Pvt. Ltd.
4. Shanghai Chengxiang Machinery Co. Ltd.
5. Front Pharmaceutical Plc
6. Inventia Healthcare Ltd
7. Belco Pharma
8. Ruian Hualian Imp.&Exp. Trading Co. Ltd.

May & Baker Nig Plc RC. 558

CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES ACT NO. 29 OF 2007 – QUARTERLY REPORT

We the undersigned hereby certify the following with regards to our third quarter financial report for the period ended 30 September, 2023 that:

(a) We have reviewed the report;
(b) To the best of our knowledge, the report does not contain:

  (i) Any untrue statement of a material fact, or

  (ii) Omit to state a material fact, which would make the statements, misleading in the light of the circumstances under which such statements were made;

(c) To the best of our knowledge, the financial statement and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the company as of, and for the periods presented in the report.

(d) We:
  (i) Are responsible for establishing and maintaining internal controls.

  (ii) Have designed such internal controls to ensure that material information relating to the company is made known to such officers and others within those entities particularly during the period in which the periodic reports are being prepared;

  (iii) Have evaluated the effectiveness of the company's internal controls as of date and within 90 days prior to the report;

  (iv) Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;

(e) Although these reports have not been audited, we have taken care to review:

  (i) All significant deficiency in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data;

  (ii) Any fraud, whether or not material, that involves management or other employees who have significant role in the company's internal controls;

(f) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Ayodeji S. Aboderin	**Mr. Patrick O. Ajah**
Finance Director/CFO	**Managing Director/CEO**
FRC/2014/ICAN/00000008270	**FRC/2021/003/00000023215**