



**MAY & BAKER NIGERIA PLC**



# **ANNUAL REPORT 2024**

**PHARMACEUTICALS. BEVERAGES**



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RC: 558

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## About May & Baker Nigeria Plc.

**M**ay & Baker Nigeria Plc is a leading pharmaceutical manufacturer founded on September 4, 1944, the first to be established in Nigeria. The company which started as a trading outpost to serve the West Coast of Africa began local manufacturing of pharmaceuticals in 1976 and became a publicly quoted company following its listing by introduction on the Nigerian Stock Exchange on November 10, 1994 where it has won the coveted award of Sectoral Leadership of the Healthcare sector six times.

When the foreign partners decided to divest in 2002, May & Baker Nigeria Plc became a wholly Nigerian company but retaining technical partnership with leading pharmaceutical manufacturers worldwide. These relationships gave her room to explore new investments and product development opportunities including the research, formulation and development of new products.

The company thereby began an aggressive expansion and diversification program which started with the introduction of Lily Table water in 2002. The company also invested in setting up an Anti-Retroviral (ARV) plant to produce drugs for HIV/AIDS. The plant began production in 2006 and is the first local manufacturing facility for ARV drugs. May & Baker has many registered ARV brands a couple of which have been presented and undergoing pre-qualification by the World Health Organization (WHO).

In June, 2011 May & Baker commissioned its WHO standard pharmaceutical production facility which was certified by the WHO for good manufacturing practice in 2014 (cGMP) and is currently undergoing re-certification, while specific products from the plant are being presented for WHO pre-qualification.

In 2005 May & Baker began the process of establishing West and Central Africa's first private multiple vaccines production company by going into a partnership with the Federal Government of Nigeria with May & Baker holding fifty-one percent stake. The vaccines joint venture company – Biovaccines Nigeria limited is geared towards making Nigeria self-sufficient in the making of basic human vaccines contained in the National Immunization Program while

also aiming to earn foreign exchange through the export of its products to other African Countries.

### Our Tradition

As Nigeria's first pharmaceutical company May & Baker has for over eight decades, remained a key player in the nation's healthcare industry. Generations of Nigerians have come to rely on the company for health support. The company's reputation for quality is legendary. This has been crucial in cementing partnerships with her long standing customers as well as winning new ones. Every May & Baker product picked off from the shelf has a guarantee and stamp of quality that has been the hallmark of the company in Nigeria.

This is because May & Baker has a rigorous quality assurance procedure that starts with ensuring that the right quality raw materials from suppliers are received, to continuous checking, testing and re-testing at each stage of manufacturing, employing the highest standard of current Good Manufacturing Practice (cGMP) procedures. May & Baker's quality policy is in compliance and conformity with ISO Quality management System standards and has been awarded the NIS ISO 9001:2015 by the Standards Organisation of Nigeria.

### Records and Hall of Fame

Over the years, May & Baker has continued to improve its year-end financial performance. It is one of the top performing stocks on the Nigerian Stock Exchange and is considered an investors delight.

The factors that encouraged investors in May & Baker's stocks include very strong fundamentals of the Company such as consistency in profit making, attractive projections for growth and good corporate brand name. There are also reasons of sound corporate governance practices and trusted management.

The company joined the Nigerian Stock Exchange in 1994 and in 1996, it was awarded the prestigious Nigerian Stock Exchange Annual president's Merit Award in the Healthcare/Chemicals and Paints category and in 1997, carted home the same prize in the Healthcare/Pharmaceuticals category. It has since then, won the award several times.



### About May & Baker Nigeria Plc. (contd.)

May & Baker introduced the Professional Service Award in Pharmacy in 2005, to reward hard work and excellence in the practice of the pharmacy in Nigeria. The award remains the first of its type in the pharmacy practice in Nigeria.

In 2007, May & Baker won the Lagos State Excellence Award for Occupational Health and Safety and the Federal Ministry of Health/National Council on Health Special Recognition and Excellence Award for contributions to Pharmaceutical Industry in Nigeria. In Organization for Standardization (ISO) Quality Management Certificate, in recognition of the conformity of her management system to best international standards. This was further upgraded in 2017 to NIS ISO 9001-2015. The company has won several other awards including the PMG-MAN awards for the attainment of top 100 most respected companies in Nigeria. In 2018, May & Baker also won the highly coveted National Productivity Order of Merit award.

In 2017, the company adopted a new vision statement “To be a Leading Healthcare Brand in Sub-Sahara Africa”. This vision is premised on a very ambitious but ordered quantum leap which removes all forms of restriction on growth and investments. It is a vision that allows the company to invest in all areas of human life that promotes its mission “To Improve the Quality of Life, Throughout Life, For all Lives”. With this, May & Baker can explore investment opportunities in various aspects of the healthcare space of the economy.

Other notable awards won by the company include: \_

- Business Day/Nigeria Investors Value Award
  - Most profitable company – Healthcare Sector – 2021
- Lagos State Government - Ministry of Environmental and Water Resources
  - Lagos Green Award - 2022
- Lagos State Medicine Dealers Award
  - Product Efficiency Award - 2023
- Nigerian Association of Patent and Proprietary Medicine
  - Dealers Outstanding Product quality Award - 2023
- African Brands CEOS' Award
  - Pharmaceutical Brand CEO of the Year - 2023
- Bank of Industries
  - Hall of Fame - 2024

Currently, the company is seeking expansion into Sub Saharan Africa by way of strategic alliances or setting up businesses in other countries in the sub region.

## Corporate Profile

May & Baker consciously and voluntarily makes the commitment to contribute to a better society and a cleaner environment. This requires that the Company integrates social and environmental concerns into its business operations.

The Management acts with integrity in all of its business dealings and pays due regard to the legitimate interests of all the Company's stakeholders. Our technical expertise and employee dedication are catalysts for our leadership, and Ethical conduct is the foundation of our business principles and Company culture.

The Company also endeavours to meet the expectation of Clients, the Public and Shareholders, Stakeholders and Regulatory institutions. May & Baker Nigeria Plc has, over time, consistently delivered on Clients' needs to the highest quality standards. The commitment to comprehensive Corporate Governance and Social Responsibility will continue to facilitate the achievement of that purpose. It is the Company's intention to remain a leader in the industry.

Our innovative progress is reflected in the development of the subsidiaries, contract manufacture arrangements with other companies and organisations, forward looking values, growth and expansion into a group of interdependent companies, working both together and in parallel to deliver excellence. Our shared values give us the necessary foundation for future evolution and brand integration across all companies within the May & Baker Group.

### CORPORATE SOCIAL RESPONSIBILITY

May & Baker maintained a very excellent robust and versatile Corporate Social Responsibility (CSR) culture throughout the year. We are mindful of, and feel a sense of responsibility towards our staff, as well as the society and environment in Nigeria. We continually take into account the sustainable impact of our actions and actively seek out opportunities to add value to the environment in which we operate. At May & Baker, CSR is a corporate attitude engrained in every aspect of business. Our interventions to make a difference were particularly visible in areas of education and health.

Details of donations made during the year can be found in Note 14 on page 21.

Our CSR efforts also include the training of workers and building of capacity of local suppliers, distributors and cultivating lifetime skill and knowledge. Additionally, we endeavour to create more environmentally friendly and safe workplaces.



## Corporate Information

<b>BOARD OF DIRECTORS:</b>	<p>           Senator D. E. Danjuma            Mr. P.O. Ajah            Dr. E. Abebe            Mrs G I Odumodu            Chief S.M. Onyishi (MON)            Mr. V.C. Okelu            Mr. K.O. Durojaiye HCIB, FCA            Dr. (Mrs.) Rahila Ilegbodu            Mr. A.S. Aboderin            Mr. M.C. Odumodu              Mr. Osagie Omenai         </p>	<ul style="list-style-type: none"> <li>- Chairman</li> <li>- Executive - (MD/CEO)</li> <li>- Non-Executive (Retired on 13 March, 2025)</li> <li>- Non-Executive (Retired on 27 July, 2023)</li> <li>- Non-Executive</li> <li>- Executive (Retired on 27 July, 2023)</li> <li>- Non Executive</li> <li>- Independent Non-Executive</li> <li>- Executive - (CFO)</li> <li>- Independent Non-Executive (appointed on 27 July, 2023)</li> <li>- Independent Non-Executive (appointed on 27 March, 2025)</li> </ul>
<b>SECRETARIES:</b>	<p>           Marina Nominees Limited            233 Ikorodu Road,            Ilupeju, Lagos.         </p>	
<b>REGISTRATION NO.:</b>	558	
<b>REGISTERED OFFICE:</b>	3/5 Sapara Street, Ikeja.	
<b>REGISTRAR:</b>	<p>           Veritas Registrars Limited            Plot 89A Ajose Adeogun Street,            Victoria Island Extension, Lagos.         </p>	
<b>AUDITORS:</b>	<p>           Grant Thornton Nigeria            2A Ogalade Close,            Off Ologun Agbaje Street,            Off Adeola Odeku Street,            Victoria Island, Lagos         </p>	
<b>SOLICITORS:</b>	<p>           Nnenna Ejekam &amp; Associates            70A, Itafaji Rd. off Corporation            Drive, Dolphin Estate,            Ikoyi, Lagos         </p>	
<b>BANKERS:</b>	<p>           Bank of Industry            First City Monument Bank Limited            Fidelity Bank Plc            First Bank of Nigeria Limited            Guaranty Trust Bank Limited            Zenith Bank Plc            Access Bank            Sterling Bank Limited            Providus Bank         </p>	

## Results at a Glance

### RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2024

The Directors of May & Baker Nigeria Plc. have the pleasure of announcing the group trading results for the year ended 31st December 2024 with comparative figures for the previous year as follows:

	Group 2024	Group 2023	% Change
<b>Revenue</b>	28,905,150	19,695,464	47
Profit before tax	2,572,842	1,519,536	69
Taxation	(951,875)	(436,517)	118
Profit after tax (Continuing Operations)	1,620,966	1,083,019	50
Profit after tax is (discontinued Operations)	-	-	-
<b>Other comprehensive Income:</b>			
Gain on revaluation of the asset(Net Asset)	-	-	-
<b>Total Comprehensive Income</b>	<b><u>1,620,966</u></b>	<b><u>1,083,019</u></b>	<b><u>50.</u></b>
Retained earnings	5,610,311	4,506,915	24
Total earnings per share (EPS) (kobo):			
EPS discontinued Operations	-	-	
EPS Continued Operations	93.96	62.78	50
Net Assets per share (kobo)	573	509	13
Stock Exchange price as of 31 December	9.04	5.05	79
Authorized share capital	862,617	862,617	-
Issued share capital	862,617	862,617	-
Number of employees	396	364	9

The Financial Statements were prepared in accordance with the International Financial Reporting Standards (IFRS)



## Chairman's Statement

Valued Shareholders,  
Distinguished Members of the Board,  
Ladies and Gentlemen,

It is my pleasure to welcome you once again and this time to the 74<sup>th</sup> annual general meeting (AGM) of our great company and I am most pleased to lay before you the annual report and accounts for the year ended 31<sup>st</sup> December 2024.

We thank God for His mercies and for keeping us all alive and well to gather together again one more time on this AGM of shareholders of our great company.

### The Operating Environment

The year under review was a tough and challenging one for most businesses in the country even though the World economy delivered a strong performance overall in 2024. World GDP growth came to 3.2%, US was 2.8%, Spain 3.2%, China 4.8%, sub-Saharan Africa 3.8%, India 6.5% while Nigeria was 3.1% according to IMF data. While the Nigerian economy grew from 2.45% in 2023 to 3.1% in 2024 inflation skyrocketed from 23.7% in 2023 to 33.2% in 2024 largely driven by high prices of fuel, energy, transport and food.

Exchange rate volatility continued and closed the year at ₦1615/\$ and big corporates continued to report high exchange losses on the stock exchange for the year ended 31 December 2024. So while the government no longer subsidizes the Naira and has allowed it to float freely, what the government gains by removal of the subsidy it loses by reduced taxes from the private sector as they record exchange losses.

### Our result

Despite the tough and challenging operating environment, I am pleased to inform you that our company still returned a good performance in the year under consideration. Our group revenue grew by 47% from ₦19.7billion in 2023 to ₦28.9billion in 2024 Gross Profit grew by 29% from ₦6.6billion in 2023 to ₦8.5billion in 2024.

Other operating income surged by 135% from ₦62.2million in 2023 to ₦146.1 million in 2024



coming largely from exchange gain.

Distribution, Selling and Marketing expenses grew by 26% from ₦2.6billion in 2023 to ₦3.3billion in 2024. Administrative expenses grew by 5% from ₦2.7billion in 2023 to ₦2.8billion in 2024. Finance costs grew by 27% from ₦290million in 2023 to ₦370million in 2024 while finance income went up by 6% from ₦384million in 2023 to ₦407million in 2024. Our joint venture business with the Federal Government of Nigeria – Biovaccines Nigeria Limited returned a loss of ₦27million being our share of the loss made for the year by the entity.

The group achieved a profit before tax (PBT) of ₦2.6billion – a 69% growth over prior year PBT of ₦1.5billion. Our tax grew by 115% from ₦437m in 2023 to ₦952million in 2024 on account of back duty charges and deferred tax impact. This brought our net profit after tax (PAT) to ₦1.6billion, up by 50% from ₦1.1bn in 2023. Earnings per share (EPS) grew by 50% likewise from 63 kobo in 2023 to 94 kobo in 2024 as all the profit of the group is attributable to shareholders there being no non-controlling interests.

## Chairman's Statement(contd.)

### Dividends

It is my pleasure to inform you that in view of the relatively strong performance of our company, the directors have recommended a dividend of 40 kobo for every 50 kobo share held in the company representing a total dividend payout of ₦690,093,954.80K subject to the applicable tax. This will apply to every shareholder whose name appears in the register of members as at the close of business on 20<sup>th</sup> May 2025.

### Biovaccines Nigeria Limited

The joint venture business completed supply of its first vaccines order from the National Primary Healthcare Development Agency during the year and made marginal profit thereon, however deferred tax impact resulted in a net loss after Tax for the year. A new order is being expected and the plan for the construction of its own local production facility is still in progress albeit quite slow due to regulatory requirements and compliance thereto.

### Osworth Nigeria Limited

Our operating subsidiary – Osworth Nigeria Limited achieved a revenue of ₦2.4billion, an 82% growth over 2023 revenue of ₦1.3billion and also returned profit after tax of N289million against ₦159million in the previous year – an 82% growth in net earnings.

### Future Outlook

Dear Shareholders, the future indeed looks very promising for our company as we continue to invest and position more strategically as a leading healthcare brand in Sub-Saharan Africa. The company is strengthening its production capacity in our world class Pharma Plant in Ota by bringing in more machines and line equipment. In 2024 alone, the company launched seven new products which have since entered the market to improve the quality of life for consumers.

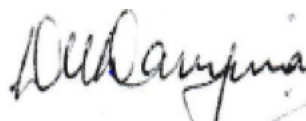
In every challenging environment also lies opportunities for the bold and we as shareholders must and shall continue to support and encourage the management to lead the company to greater heights and to take its rightful position in our

market and region.

Finally, I wish to use this opportunity to thank the staff and management for their continued dedication and contributions to the growth of our great company.

I equally thank our Board of Directors and all shareholders for your support.

God bless May & Baker Nigeria Plc and God bless Nigeria.



Senator Daisy Danjuma  
Chairman, Board of Directors

## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the seventy-fourth Annual General Meeting of the Company will be held at the Muson Centre, Onikan, Lagos on Thursday, 5<sup>th</sup> June 2025 at 11.00 a.m. for the following purposes:-

### **ORDINARY BUSINESS**

1. To lay before the meeting the financial statements for the year ended 31<sup>st</sup> December 2024 and the reports of the Directors, Auditors and the Audit Committee thereon.
2. To disclose the Remuneration of Managers.
3. To declare a Dividend.
4. To elect and re-elect Directors.
5. To authorise the Directors to fix the Remuneration of the External Auditors, Messrs. Grant Thornton Nigeria.
6. To elect members of the Audit Committee.

### **SPECIAL BUSINESS**

1. To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:

#### **REMUNERATION OF DIRECTORS**

“That the Remuneration of the Directors of the Company for the year ending 31<sup>st</sup> December 2025 in the sum of ₦1,500,000 for each Non-Executive Director, save the Chairman whose Remuneration shall be ₦1,800,000, be approved.”

### **BY ORDER OF THE BOARD**



**Abiodun Oyebanjo**  
**FRC/2013/PRO/ICSAN/002/00000003281**  
**for: MARINA NOMINEES LIMITED**  
**SECRETARIES**  
**LAGOS**  
**27<sup>th</sup> March 2025**

### **NOTES:**

#### **ELECTRONIC INFORMATION**

Relevant documents in connection with the Meeting are available to all shareholders on the Company's website, [www.may-baker.com](http://www.may-baker.com)

#### **PROXY**

Every member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in their stead. A proxy form is provided with this Annual Report and Financial Statements (AR & FS). To be valid for the purpose of the Meeting, the form must be completed and deposited at the office of the Registrars, Veritas Registrars Limited, Plot 89 Ajoye Adeogun Street, Victoria Island Extension, Lagos not later than 48 hours before the time for holding the meeting. Copies can be downloaded from either [www.may-baker.com](http://www.may-baker.com) or [www.veritasregistrars.com](http://www.veritasregistrars.com). Shareholders can also send soft copies of their duly executed proxy form via email to [veritasregistrars@veritasregistrar.com](mailto:veritasregistrars@veritasregistrar.com). A proxy need not be a member of the Company.



**Notice of Annual General Meeting (contd.)**

Each duly completed proxy form shall be counted as one and every member, present in person or by proxy shall have one vote. A proxy remains valid provided that no information in writing of death, insanity, revocation or transfer shall have been received by the Company at the registered office or office of the registrars before the commencement of the meeting or adjourned meeting at which the proxy is used. Any objection to a proxy shall be made in due time and shall be referred to the Chairman of the meeting whose decisions shall be final and conclusive.

**E-DIVIDEND**

All shareholders are encouraged to download the e-dividend mandate form from the Registrars website, execute same with their banks and send to the Registrars to update their records for automatic posting of dividends.

**DIVIDEND PAYMENT**

If the dividend recommended by the Directors is approved by the members, the dividend warrants will be paid on Thursday, 5<sup>th</sup> June 2025 to the Shareholders whose names appear in the Register of Members at the close of business on Tuesday, 20<sup>th</sup> May 2025.

**UNCLAIMED DIVIDEND**

All shareholders with “Unclaimed Dividends” should address their claims to the Registrars, Veritas Registrars Limited, Plot 89A Ajose Adeogun Street, Victoria Island, Lagos. Due to volume involved, the list of all unclaimed dividends is hosted on our website [www.may-baker.com](http://www.may-baker.com) and also on the Registrars website [www.veritasregistrars.com](http://www.veritasregistrars.com) for affected shareholders to access. All shareholders are encouraged to download the e-dividend mandate form from the Registrars' website, execute same with their banks and send to the Registrars to update their records for automatic posting of Dividends.

**CLOSURE OF REGISTER AND TRANSFER BOOKS**

The Register of Members and Transfer Books will be closed from Wednesday, 21<sup>st</sup> to Friday, 23<sup>rd</sup> May 2025, both days inclusive for the purpose of Dividend.

**AUDIT COMMITTEE**

In accordance with Section 404(6) of CAMA 2020, any member may nominate a Shareholder as a member of the Statutory Audit Committee by giving notice in writing to the Company Secretaries at least 21 days before the Annual General Meeting.

Nominees to the Statutory Audit Committee must be compliant with the laws, codes, rules and regulations guiding listed companies in Nigeria.

**RIGHT TO ASK QUESTIONS**

Members have a right to ask questions in writing prior to the meeting on their observations or concerns arising from the AR and FS 2021 provided that such questions in writing are submitted to the Company on or before Friday, 30<sup>th</sup> May 2025. For ease of submission, a dedicated email address: [financials@may-baker.com](mailto:financials@may-baker.com) has been created.

**DISCLOSURE REQUIREMENT**

CAMA has introduced “Disclosure of Remuneration of Managers” to the ordinary business of the Annual General Meeting.

The Corporate Guidelines 2021 (Guidelines) issued by the CAC has defined a Manager in relation to disclosure of remuneration at the Annual General Meeting to include any person by whatever name called occupying a position in senior management and who is vested with significant autonomy, discretion and authority in the administration and management of the affairs of a Company (whether in whole or in part). The Remuneration of Managers as defined in the Guidelines is stated on page 102 of the Annual Report.

**LIVE STREAMING OF THE AGM**

The AGM will be streamed live online to enable Shareholders and other relevant stakeholders who will not be attending the meeting physically to also be part of the proceedings. The link for live streaming will be made available on the Company's website [www.may-baker.com](http://www.may-baker.com).

## Report on Corporate Governance

In line with best practices, May & Baker Nigeria Plc has embraced the tenets of good corporate governance which are reflected in its practices, processes and structures.

May & Baker Nigeria Plc is committed to the principles contained in the Code of Corporate Governance as issued by the Securities and Exchange Commission (SEC), Nigerian Code of Corporate Governance 2018 issued by the Financial Reporting Council of Nigeria (FRCN) and to the regulations of the Companies and Allied Matters Act, 2020 (CAMA 2020), the requirements of industry regulators, provisions of its Memorandum and Articles of Association and all other applicable National and Local laws. To further protect and promote stakeholders' interests, the Board of Directors has implemented a viable compliance system.

May & Baker Nigeria Plc's business principles are valid throughout the Company and serve as guidelines in the adherence to uncompromising standards of business ethics and integrity. The core values of the Company are (amongst others): ethical and lawful conduct of business; accountability, honesty and fairness, trust and mutual respect, respect of human rights in all aspects of business transactions; shareholder satisfaction and protection of shareholder's investment.

### The Board of Directors

#### • Composition

The Board is comprised of a Non-Executive Chairman, the Managing Director/Chief Executive Officer, one Executive Director, two other Non-Executive Directors and three Independent Non-Executive Directors who are charged with the responsibility of ensuring the proper running of the Company. Profiles of the Directors are stated on pages 26 to 28 of this document.

#### • Roles and Responsibilities

- Sets the overall direction of the business.
- Designs and maintains good internal controls.
- Approves the Company's strategic plans.
- Approves the appropriation and distribution of profits.
- Approves top management's terms of employment.
- Monitors and takes decisions on major risks facing the Company.
- Reviews and considers matters reserved for the general board.

The Board met five (5) times in the financial year ended 31<sup>st</sup> December 2024 and details of the attendance of Directors are as follows:

Directors	29/01/2024	28/03/2024	06/06/2024	26/09/2024	28/11/2024
Sen. D. Danjuma (Chairman)	A	A	A	A	A
Mr. P. Ajah	A	A	A	A	A
Dr. E. Abebe	A	A	A	A	A
Mr. A.S. Aboderin	A	A	A	A	A
Chief (Dr.) S.M. Onyishi	A	A	A	A	A
Mr. K.O. Durojaiye	A	A	A	A	A
Dr. R. Ilegbodu	A	A	A	A	A
Mr. M.C. Odumodu	A	A	A	A	A

## Report on Corporate Governance

The Board reserves certain powers, duties and responsibilities and has delegated authority and responsibility for the day to day running of the Company to the Managing Director ably assisted by the Management team.

The roles of the Chairman and Managing Director are separate and clearly defined in line with global best practice.

In discharging its oversight responsibilities, the Board makes use of various Committees. Each Committee is focused on a particular area of responsibility and provides informed feedback and advice to the Board. The activities of each Committee are guided by its stated Terms of Reference. The Committees report directly to the Board on their activities, issues, recommendations and decisions. The Statutory Audit Committee is further required to report to the Shareholders on its activities.

The following Committees have been established:

- Executive Committee:** It comprises only Executive Directors and Senior Management officers. The Committee meets as often as necessary in order to take decisions on major matters as well as issues that border on labour and other matters that have to do with the day to day running of the business.
- Statutory Audit Committee:** It is comprised of three (3) representatives of the Shareholders and two (2) Non-Executive Directors. The Committee was chaired by Mrs. C. Vincent-Uwalaka in the 2024 financial year. The Committee carries out its function in accordance with the provisions of Section 404(7) CAMA 2020.  
The Statutory Audit Committee met five (5) times in the 2024 financial year as indicated hereunder, for the review and consideration of the financial statements and other matters stated in Section 404(7) of CAMA 2020.

Members	26/01/2024	26/03/2024	26/4/2024	26/07/2024	28/10/2024
Mrs. C. Vincent -Uwalaka	A	A	A	A	A
Mr. O.B. Adeleke	A	A	A	A	A
Mr. K. Kalejaiye	A	A	A	A	A
Chief (Dr.) S.M. Onyishi	A	A	A	X	X
Mr. K.O. Durojaiye	A	A	A	A	A
Mr. C.M. Odumodu	X	X	X	A	A

- Nominations, Remuneration and Governance Committee:** is comprised of only Non-Executive Directors excluding the Chairman of the Company, in line with Section 11.1 of the Code of Corporate Governance issued by the Securities and Exchange Commission (SEC CCG) and Section 2.9 of the Nigerian Code of Corporate Governance issued by the Financial Reporting Council of Nigeria (FRCN NCCG).

## Report on Corporate Governance

The Committee met four (4) times in the year ended 31<sup>st</sup> December 2024 on the following dates:

Members	25/03/2024	03/06/2024	25/9/2024	25/11/2024
Chief (Dr.) S.M. Onyishi	A	A	A	A
Dr. E. Abebe	A	A	A	A
Dr. R. Ilegbodu	A	A	A	A
Mr. M.C. Odumodu	A	A	A	A

4. **Risk Management Committee:** It is comprised of three Non-Executive Directors excluding the Chairman of the Company, the Independent Non-Executive Directors as well as the two Executive Directors of the Company in line with Sections 2.9 and 11.5.2 of the FRCN NCCG respectively. However, the Internal Auditor is always in attendance at meetings of the Committee in accordance with Section 10.4 of the SEC CCG.

The Committee met four (4) times in the year ended 31<sup>st</sup> December 2024 on the following dates:

Members	27/03/2024	04/06/2024	24/09/2024	26/11/2024
Dr. E. Abebe	A	A	A	A
Mr. K.O. Durojaiye	A	A	A	A
Mr. P. Ajah	A	A	A	A
Mr. A.S. Aboderin	A	A	A	A
Dr. R. Ilegbodu	A	A	A	A
Mr. M.C. Odumodu	A	A	X	X
Chief (Dr.) S.M. Onyishi	X	X	AB	A
Mr. G. Obiakor (Internal Auditor)	A	A	A	A

5. **Board Audit Committee:** It is comprised of one Non-Executive Director excluding the Chairman of the Company and two Independent Non-Executive Directors pursuant to Principle 11.4.1 of the Nigerian Code of Corporate Governance, and without prejudice to the provision of extant laws on the Statutory Audit Committee.

The Committee met four (4) times in the year ended 31<sup>st</sup> December 2024 on the following dates:

Members	26/04/2024	26/07/2024	28/10/2024	11/12/2024
Mr. K.O. Durojaiye	A	A	A	A
Dr. R. Ilegbodu	A	A	A	A
Mr. M.C. Odumodu	AB	A	A	A

- **Key:** A = Present  
 AB = Absent  
 N/A = Not a Director as at the date of the meeting  
 X = Not a Member as at the date of the meeting



## Report on Corporate Governance

### Internal Control

The Company employs reasonable and appropriate accounting policies in the preparation of its financial statements that ensures that a sound system of internal control that safeguards its assets and Shareholders' wealth is maintained. This is enhanced by the activities of the Internal Audit Department whose function includes that of monitoring compliance with laid down Company's policies as well as verification of certain categories of invoices ahead of settlement.

### Code of Conduct

The Company's operations are governed by a Code of Conduct which comprises the core values held as a bond with all stakeholders and these include INTEGRITY which ensures that the Company maintains the highest level of honesty and principles, and subscribe to the highest standard of ethical conduct, which is overall governed by faith in God.

### Securities Trading Policy

In line with Section 14 of the Nigerian Exchange Group's amended rules, the Company has developed a Securities Trading Policy which has been reviewed and approved by the Board. This policy provides guidance to all related parties on trading in the shares of the Company. This policy can be accessed and downloaded from the Company's website –

[www.may-baker.com](http://www.may-baker.com)

### Complaints Management Policy

The Company has a Complaint Management Policy and Framework in place in accordance with Securities and Exchange Commission's directives on resolution of shareholders and investors complaints. This policy is available on the Company's above mentioned website for public access.

### Whistle Blowing Policy

The Company has a Whistle Blowing Policy. This policy has been reviewed and approved by the Board and covers, among other things, the procedures for the receiving, retention and treatment of information from whistle blowers. This policy is also available on the Company's above-mentioned website for public access.

### Quality System Policy

The Company is committed to the manufacture, distribution and delivery of quality healthcare products and services that constantly meet the needs of customers. It is also committed to the proper implementation, maintenance and continual improvement of processes according to the requirements of NIS ISO 9001: 2015 Quality Management System Standard.

### Infringement of Regulation

The Group complied with all regulatory requirements of the Nigerian Exchange Group, Securities and Exchange Commission and the Financial Reporting Council of Nigeria during the year and was not penalised or fined for any infringement.

### BY ORDER OF THE BOARD



I .....N/002/00000003281

for: MARINA NOMINEES LIMITED

Secretaries

LAGOS, NIGERIA

27<sup>th</sup> March 2025

### Report of the Directors for the year ended December 31st, 2024.

#### 1. ACCOUNTS

The Directors submit their report together with the audited financial statements of the Company for the year ended 31<sup>st</sup> December 2024.

#### 2. RESULT

	2024 ₦'000
The group revenue for the year was	28,905,150
The group profit for the year after taxation was	<u>1,620,966</u>

#### 3. LEGAL STATUS

The Company commenced operations in Nigeria in 1944 after it was incorporated as a private limited liability company and was converted to a public company in 1979. The Company was listed on The Nigerian Stock Exchange on 10<sup>th</sup> November 1994.

#### 4. PRINCIPAL ACTIVITIES

The Company manufactures and distributes pharmaceutical products, diagnostic equipment, reagents, consumer products and human vaccines. The Company also engages as contract manufacturers for other companies and organisations. The Company has three subsidiaries, Osworth Nigeria Limited, Tydipacks Nigeria Limited and Servisure Nigeria Limited and has the majority shareholding in Biovaccines Nigeria Limited, a collaboration with the Federal Government for the supply of vaccines. The principal activities of the subsidiaries and the related company are as follows: -

Subsidiary	Principal Activities	Date of Incorporation	Percentage Holding
Tydipacks Nigeria Limited	Healthcare and Industrial Packaging	14 <sup>th</sup> December 2009	100%
Osworth Nigeria Limited	Distribution and sales of personal care and pharmaceutical products	1 <sup>st</sup> September 2008	100%
Servisure Nigeria Limited	Distribution and sales of pharmaceutical products	17 <sup>th</sup> December 2009	100%

The financial results of all the subsidiaries have been consolidated in these financial statements.

#### Related Company

Biovaccines Nigeria Limited	Production and sales of vaccines	1 <sup>st</sup> September 2005	51%
-----------------------------	----------------------------------	--------------------------------	-----

## Report of the Directors for the year ended December 31st, 2024.

### 5. **REVIEW OF BUSINESS DEVELOPMENT**

The Company has continued to review its corporate strategy towards ensuring that it is better positioned to take a leadership position in the regional healthcare space in the coming years in line with its mission statement of becoming the leading healthcare Company in Sub-Saharan Africa.

In the year under review, despite the challenging economic environment, the Group, in the opinion of the Directors performed satisfactorily and in accordance with planning.

Save as herein disclosed, no other events have occurred since the year ended 31<sup>st</sup> December 2024 which would affect the Financial Statements.

### 6. **DIVIDEND**

The Directors have recommended a dividend of 40 Kobo per share amounting ₦690,093,954.80K (subject to applicable withholding tax) for the year (2023 - ₦517,570,465.80k).

### 7. **UNCLAIMED SHARE CERTIFICATES OR DIVIDENDS**

Shareholders who have either unclaimed share certificates or dividends should contact the Registrars, Veritas Registrars Limited, Plot 89 Ajose Adeogun Street, Victoria Island, Lagos.

### 8. **DIRECTORS AND DIRECTORS' INTERESTS**

The names of the Directors of the Company are listed on page 7

1. Dr. Edugie Abebe retired from the Board of the Company on 13<sup>th</sup> March 2025 having served for 12 years in line with the policy of the Company.
2. Mr. Osagie Omenai was appointed a Director of the Company on 27<sup>th</sup> March 2025 and, being eligible, his appointment will be ratified at the 2025 Annual General Meeting of the Company.
3. Biological Information on newly appointed Director, Mr. Osagie Omenai:
  - Age – 45 years
  - Nationality – Nigerian, British & Italian
  - LLB, University College, London
  - LLM (Merit) Banking & Finance Law, University College, London
  - Master MEDEA, Management & Economics of Energy & the Environment, Scuola Enrico Mattei
  - MBA (Distinction), Oxford University
4. In accordance with the Company's Articles of Association and Section 285(2) of Companies and Allied Matters Act, 2020 (CAMA 2020), Chief (Dr.) S.M. Onyishi and Dr. Rahila Ilegbodu retire by rotation and, being eligible, offer themselves for re-election.
5. In compliance with Section 284(2) of CAMA 2020, the Record of Directors' attendance at Board meetings is exhibited for inspection at this meeting.

### Report of the Directors for the year ended December 31st, 2024.

Interests of the Directors in the shares of the Company are:

	28 <sup>th</sup> March 2025 Number	31 <sup>st</sup> December 2024 Number	31 <sup>st</sup> December 2023 Number
Senator D. Danjuma ( <i>INDIRECT</i> )	746,841,302	746,841,302	746,841,302
Mr. P.O. Ajah	2000	2000	NIL
Dr. E. Abebe	909,373	909,373	909,373
Chief S.M. Onyishi (MON)	266,564,690	266,564,690	266,564,690
Mr. K.O. Durojaiye HCIB, FCA	139,570	139,570	139,570
Dr. (Mrs.) Rahila Ilegbodu ( <i>INDIRECT</i> )	61,632,695	61,632,695	61,632,695
Mr. A.S. Aboderin	93,500	93,500	93,500
Mr. M.C. Odumodu ( <i>INDIRECT</i> )	57,752,156	57,752,156	57,752,156
Mr. Osagie Omenai	-	-	-

Indirect shareholders represented by Directors on the Board are as follows:

- Senator D. Danjuma representing: T.Y. Holdings Limited, Oil Tech Nigeria Limited and Osis Yukiv Limited.
- Dr. R. Ilegbodu representing: Maydav Multi Resources Limited
- Mr. M.C. Odumodu representing: Seravac Nigeria Limited.

For the purposes of Sections 301, 302 and 303 of CAMA 2020 and in accordance with the Listing Requirements of the NGX some Directors gave notices of interest direct or indirect in some contracts or activities of the Group.

#### 9. SHARE CAPITAL AND SHARE HOLDING

1. The Company did not purchase its own shares during the year.
2. The Share Capital of the Company is N862,617,443 divided into 1,725,234,886 ordinary shares of 50 Kobo each.
3. The Share Capital of the Company has been fully issued to the tune of N862,617,443 divided into 1,725,234,886 ordinary shares of 50 Kobo each.

#### 10. SUBSTANTIAL INTEREST IN SHARES

List of shareholding of 5% and above (Section 95 of CAMA)

Director	Representing	28 <sup>th</sup> Mar. 2025	%	31 Dec. 2024	%	31 <sup>st</sup> Dec 2023	%
		No. of Units		No of Units		No. of Units	
Senator Daisy Danjuma	>T.Y. Holdings Ltd.	720,878,543	41.78	720,878,543	41.78	720,878,543	41.78
	>Oil Tech Nig. Ltd.	14,874,759	0.86	14,874,759	0.86	14,874,759	0.86
	>Osis Yukiv Ltd.	11,088,000	0.64	11,088,000	0.64	11,088,000	0.64
Chief Samuel Onyishi (MON)	>Onyishi S.M.	266,564,690	15.45	266,564,690	15.45	266,564,690	15.45

No individual shareholder other than as stated above held more than 5% of the issued share capital of the Company as at 31<sup>st</sup> December 2024.



### Report of the Directors for the year ended December 31st, 2024.

#### 11. FREE FLOAT

The Free Float analysis of the issued and paid-up share capital of the Company as at 31<sup>st</sup> December 2024 and 27<sup>th</sup> March 2025 when the Financial Statements were approved, were as follows:

	No. of Ordinary Shares held as at 27 <sup>th</sup> March 2025	% holding as at 27 <sup>th</sup> March 2025	No. of Ordinary Shares held as at 31 <sup>st</sup> Dec. 2024	% holdings as at 31 <sup>st</sup> Dec. 2024
Strategic Shareholding	846,050,124	49.04	846,050,124	49.04
Directors' direct shareholding	294,665,905	17.08	294,665,905	17.08
Staff Schemes	NIL	NIL	NIL	NIL
Free Float	584,518,857	33.88	584,518,857	33.88
<b>TOTAL</b>	<b>1,725,234,886</b>	<b>100.00</b>	<b>1,725,234,886</b>	<b>100.00</b>

#### 12. SHARE RANGE ANALYSIS AS AT 31<sup>ST</sup> DECEMBER 2024

<u>Share Range</u>	<u>No. of Shareholders</u>	<u>% of Shareholders</u>	<u>No. of Units held</u>	<u>% of Shareholding</u>
1 – 1000	5,387	11.90	2,251,610	0.13
1001 – 10,000	33,498	74.00	99,953,453	5.79
10,001 – 50,000	4,842	10.70	97,753,588	5.6
50,001 – 100,000	695	1.54	49,822,947	2.89
100,001 – 500,000	688	1.52	135,568,835	7.86
500,001 – 1,000,000	87	0.19	61,005,948	3.54
1,000,001 – 5,000,000	62	0.14	110,131,506	6.38
5,000,001 – 10,000,000	2	0.00	15,541,314	0.90
10,000,001 – 50,000,000	6	0.01	111,627,494	6.47
50,000,001 – 100,000,000	1	0.00	54,134,958	3.14
100,000,001 – 1,725,234,886	2	0.00	987,443,233	57.24

#### 13. FIXED ASSETS

Movements in fixed assets during the year are shown in Note 12 on page 80. In the opinion of the Directors, the market values of the Company's properties are not less than the values shown in the financial statements.

#### 14. DONATIONS AND CSR INITIATIVES

The Company was alive to its Corporate Social Responsibility during the year. Donations to charitable organizations during the year amounted to ₦14,755,209.00

(2023 – ₦9,242,057,72).

**Report of the Directors for the year ended December 31st, 2024.**

The details are:

₦

PSN Professional Service Award	665,000.00
Wellness & Selfcare Summit	1,180,000.00
2024 World Malaria Day	500,000.00
University of Ibadan- Research Award	1,100,000.00
Adoption of sweeping route (Oba -Akran Road)	2,676,000.00
Financial support for widows/Needy downtrodden disease patients	300,000.00
Support for end stage kidney disease patient	1,000,000.00
Construction of Borehole for a host community in Ogun State	2,505,000.00
Product and promotional items gifts to orphanages, Widows etc.	4,829,209.00
	<b><u>14,755,209.00</u></b>

In accordance with section 43(2) of the CAMA 2020, the Company did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review.

15. **RESEARCH AND DEVELOPMENT**

In order to maintain and enhance its skills and abilities, the Company's policy of continuously researching new products and services was maintained. The Company incurred ₦ 15,126,250 (2023 – ₦ 21,644,325) on various research projects during the year.

16. **TECHNICAL SERVICES AND KNOW-HOW AGREEMENT**

The Company did not enter any Technical Services Agreement with any organization which is registerable with the National Office for Technology Acquisition and Promotion (NOTAP).

17. **COMPANY'S DISTRIBUTORS**

The Company's major distributors are:

Chufil Pharmacy  
Audion Nigeria Limited  
Csc Pharma Limited  
Onyema Pharmacy  
Dimatts Pharm. Limited

Daruchi Products Limited  
Fulfilled Dream Pharmacy  
Canez Healthcare Limited  
Fiolu Pharm Limited  
Ogbuagu Pharm. Coy.

### Report of the Directors for the year ended December 31st, 2024.

#### 18. **SUPPLIERS**

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

SN	LOCAL	FOREIGN
1	ENGEE PET Manufacturing Company Nigeria LTD	Meghamani LLP
2	Unikem Industries Limited	Front Pharmaceutical Plc
3	AA Propack Nigeria LTD	Transmare Chemie NV
4	HK Printing & Packaging Limited	Belco Pharma
5	Wahum Packaging Limited	Inventia Healthcare Ltd
6	Gracehill Printing & Packaging Co.	Ruian Hualian Imp & Exp
7	Golden Sugar Company Limited	Bectochem Loedige Process Technology Pvt Ltd
8	Jackpak Industries Nig. LTD	ACG Pharma Technologies Pvt Ltd

The Company is not related to any of its suppliers.

#### 19. **EMPLOYMENT AND EMPLOYEES**

##### 1. **Employment of disabled persons**

It is the policy of the Company that there is no discrimination in considering applications for employment including those from disabled persons. All employees whether or not disabled are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 31<sup>st</sup> December 2024 there was 1 disabled person in the employment of the Company.

##### 2. **Health, safety at work and welfare of employees**

Health and safety regulation are in force within the premises of the Company. The Company provides subsidy in transportation, housing, meal and medical expenses to all employees.

##### 3. **Employee involvement and training**

The Company is committed to keeping employees fully informed regarding its performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees.

Management, professional and technical expertise are the Company's major assets and investment to develop such skills, continues.

The Company's expanding skill's base has been extended by the provision of training which has broadened opportunities for career development within the organization.

Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.

### Report of the Directors for the year ended December 31st, 2024.

#### 20. **AUDIT COMMITTEE**

The members of the Statutory Audit Committee appointed at the Annual General Meeting held on 6<sup>th</sup> June 2024 in accordance with Section 404(3) of CAMA 2020 were:-

	<u>Designation</u>
Mrs. C. Vincent-Uwalaka	Chairman
Mr. O.B. Adeleke	Member
Mr. K. Kalejaiye	Member
Mr. K.O. Durojaiye	Director/Member
Mr. M.C. Odumodu	Director/Member

The Committee met in accordance with the provisions of Section 404 of CAMA 2020 and will present its report.

#### 21. **COMPLIANCE WITH REGULATORY REQUIREMENTS**

The Directors confirm to the best of their knowledge that the Company had substantially complied with the provision of the Companies and Allied Matters Act 2020, Code of Corporate Governance of the Securities and Exchange Commission, the Nigerian Code of Corporate Governance 2018 as well as the regulations of Nigerian Exchange Group and the Securities and Exchange Commission and other regulatory requirements.

The Directors further confirm that the Company had adopted the IFRS and had complied with the provisions thereof.

#### 22. **EFFECTIVENESS OF INTERNAL CONTROL SYSTEM**

As the Company operates in a dynamic environment, it continuously monitors its internal controls system to ensure its continued effectiveness. In doing this, the Company employs both high level and preventive controls which will ensure maximum opportunity for prevention of misleading or inaccurate financial statement, properly safeguard its assets and ensure achievement of its corporate goals while complying with relevant laws and regulations. See page 48 for independent attestation and page 55 for management assessment.

#### 23. **POST BALANCE SHEET EVENTS**

There were no post balance sheet events that would have had an effect on these financial statements.

#### 24. **HUMAN CAPITAL MANAGEMENT**

Employee relations were stable and cordial in the year under review.

#### 25. **AUDITORS**

The Auditors, Messrs. Grant Thornton Nigeria, have indicated their willingness to continue in office as the Company's Auditors in accordance with Section 401(2) of CAMA 2020. A resolution will be proposed authorising the Directors to fix their remuneration.

#### BY ORDER OF THE BOARD



Abiodun Oyeбанjo  
 FRC/2013/PRO/ICSAN/002/00000003281  
 for: MARINA NOMINEES LIMITED  
 Secretaries  
 LAGOS NIGERIA  
 27<sup>th</sup> March 2025



**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

The Directors are responsible for the preparation of the Financial Statements that give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss for that year and comply with the Companies and Allied Matters Act, 2020 (CAMA).

The Directors are required by the provisions of the Code of Corporate Governance issued by the Securities and Exchange Commission (SEC) in April 2011 to issue this statement in connection with the preparation of the Financial Statements for the year ended 31<sup>st</sup> December 2024.

In doing so, they must ensure that:

- adequate control procedures are instituted which, as far as is reasonably possible, safeguard the assets and prevent and detect fraud and other irregularities;
- ethical standards are maintained and that the Company complies with the laws of Nigeria and the Code of Corporate Governance;
- the terms of reference and procedures of all Board Committees are determined;
- proper accounting records are maintained;
- applicable accounting standards are adhered to;
- suitable accounting policies are adopted and consistently applied;
- judgments and estimates made are reasonable and prudent;
- the going concern basis is adopted, unless it is inappropriate to presume that the Company will continue in business.

The Directors accept responsibility for the preparation of these Financial Statements, which have been prepared in compliance with:

- The provisions of the International Financial Reporting Standard;
- The provisions of CAMA;
- The provisions of the Financial Reporting Council of Nigeria, Act No. 6, of 2011;
- The published Accounting and Financial Reporting Standards issued by the Financial Reporting Council of Nigeria; and
- The regulations of the Securities and Exchange Commission and the Nigerian Exchange Group.

The Directors have made an assessment of the Company's ability to continue as a going concern based on the supporting assumptions stated in the Financial Statements, and have every reason to hold that the Company will remain a going concern in the financial year ahead.

Signed on behalf of the Board of Directors by:



.....  
**Senator Daisy Danjuma**  
 Chairman  
 FRC/2020/003/00000020890



.....  
**Mr. P.O. Ajah**  
 Managing Director  
 FRC/2021/003/00000023215

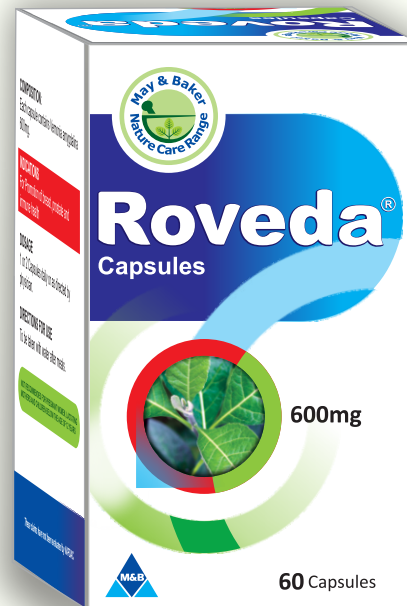
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**Board of Directors****Senator Daisy Danjuma**  
Chairman

**Appointed a Director 30th May, 2019**

- Graduate of Law, Ahmadu Bello Uni. - 1976
- Called to Bar - 1977
- Alumnus of Lagos Business School
- Trustee of HID Awolowo Foundation
- Chairman, Board of Trustees of Lagos Public Interest Law Partnership
- Vice Chairman, South Atlantic Petroleum Limited
- Member of the International Bar Association and the International Federation of Female Lawyers

**Date of birth: August 6, 1952**

**Mr. Patrick Ajah**  
Managing Director

**Appointed a Director 1st December, 2020**  
**Appointed Managing Director/CEO 1st January, 2021**

- B. Pharm. University of Ibadan (1988-1994)
- MBA Obafemi Awolowo University (2002- 2005)
- Member, Chartered Institute of Directors (M,CIoD)
- Vast Professional experience with several awards for outstanding performance
- Has Attended several professional and leadership courses

**Date of birth: Jan 10, 1967**



## Board of Directors

### Dr. Edugie Abebe



**Appointed 14th March, 2013**

- MBBS, College of Med; University of Lagos, 1969 - 1974
- M.Sc. Community Health, London School of Hygiene & Tropical Medicine, 1978 - 1979
- Retired Permanent Secretary, Fed. Govt. of Nigeria.
- Fellow, Nigerian Institute of Management.
- Member, Nigerian Medical Association.
- Member, Chartered Institute of Directors (M,CIoD)
- Has several International awards/honours

**Date of birth: October 17, 1950**



### Mr. Kolawole O. Durojaiye FCA, HCIB

**Appointed 4th June, 2021**

- Holds a Masters in Banking and Finance (MBF) from University of Lagos.
- Director, CBN, April - July, 2017
- Fellow, Institute of Chartered Accountant of Nigeria (FCA).
- Member, Chartered Institute of Directors (M,CIoD)
- Has vast training and exposure in strategy formulation, development and implementation of core business functions.
- Vast experience in various capacities on research, training, auditing, accounting and banking supervision & other special assignments

**Date of birth: August 3, 1960**

### Chief Samuel M. Onyishi (MON)



**Appointed Non-Executive Director, 21st March, 2019.**

- MBA in Entrepreneurship. Diploma and B. Sc. In Social Work and Community Development from University of Nigeria, Nsukka – 1995 and 1999.
- Fellow, Nigerian Institute of Science and Technology, Federal Polytechnic, Unwana Afikpo.
- Prestigious Key Man Award for Business Excellence and Integrity
- Chairman, Peace Mass Transit Limited.
- Philanthropist, social entrepreneur and business mentor.

**Date of birth: November 23, 1963**



## Board of Directors

### Dr. (Mrs.) Rahila Ilegbodu

**Appointed 30th June, 2022**

- MBBS – Lagos University Teaching Hospital
- BA Biology – Taylor University, Upland Indiana, USA
- Has a wealth of experience in medical administration and practice

**Date of birth: October 18, 1963**



### Mr. Ayodeji S. Aboderin

**Appointed Executive Director, 1st March. 2017**

- Obtained Higher National Diploma in Accountancy from The Polytechnic, Ibadan, 1993
- Holds an Executive Masters in Business Admin. EMBA from NOUN/COL, Canada
- Associate, Chartered Institute of Management Accountants (CIMA) UK
- Fellow, the Institute of Chartered Accountants of Nigeria (FCA)
- Member, Chartered Institute of Directors (M,CIoD)
- Member, AICPA-(CGMA/ACMA)
- Diverse trainings & vast professional experience in core business areas/functions.

**Date of birth: October 20, 1968**



### Mr. Michael C. Odumodu

**Appointed 27th of July 2023.**

- Holds a Bachelor's Degree in Economics from the University of Kent, UK
- Holds a Masters Degree in Economics and Strategy from Imperial College Business School, UK - 2017
- An experienced Investment professional analyst
- Accomplished project management expert.

**Date of birth: August 2, 1991**



### Mr. Osagie Omenai

**Appointed 27th March 2025**

Nationality – Nigerian, British & Italian

-LLB, University College, London

-LLM (Merit) Banking & Finance Law, University College, London

-Master MEDEA, Management & Economics of Energy & the Environment, Scuola Enrico Mattei

-MBA (Distinction), Oxford University

-Managing Director, Shamballa Free Zone Enterprise (SFZE)

-Vast experience in Oil & Gas, Project Management and Business Negotiations

**Date of birth – 8th February 1980**

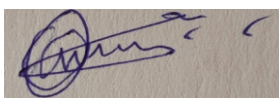


## Report of the Audit Committee

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act, 2020 (CAMA 2020) and Section 30 of the Code of Corporate Governance in Nigeria issued by the Securities and Exchange Commission, we have received and considered the Consolidated Group Financial Statements of the Company for the year ended 31<sup>st</sup> December 2024 and the reports thereon and confirm:

- i. That the accounting and reported policies of the Company are in accordance with legal requirements and agreed ethical practices;
- ii. That we have reviewed the Scope and Planning of the audit for the year ended 31<sup>st</sup> December 2024;
- iii. That we have reviewed the findings on management matters/letters issued by the External Auditors and Management's responses thereto;
- iv. That we have ensured the development of a comprehensive Internal Control Framework for the Company and obtained assurance on the operating effectiveness of the Internal Control Framework;
- v. That we have seen Management's procedure for the identification of significant fraud risks in the Company and ensure that adequate prevention, detection and reporting mechanisms are in place;
- vi. That in the course of the year, we have reviewed various reports by the Internal Auditor describing the strength and quality of Internal Control including issues and recommendations for improvements, raised during the most recent internal control review by the Company.

In our opinion, the Scope and Planning of the Group audit for the year to 31<sup>st</sup> December 2024 are adequate and we have made the recommendations required in respect of the External Auditors.



**Mrs. C. Vincent-Uwalaka**  
(Audit Committee Chairman)  
FRC/

Dated 25<sup>th</sup> March 2025

### Members of the Statutory Audit Committee

Mrs. C.O. Vincent-Uwalaka (Chairman)  
Mr. B.O. Adeleke  
Mr. K. Kalejaiye  
Mr. K.O. Durojaiye  
Mr. M.C. Odumodu

## Sustainability Report

### THEME: FOSTERING SUSTAINABLE PHARMACEUTICAL MANUFACTURING DURING CHALLENGING ECONOMIC TIMES.

## INTRODUCTION

May & Baker Nigeria Plc has integrated sustainable development as part of its long term strategy and is committed to reporting on the company's impacts in an accurate, balanced and verifiable manner. The Company is committed to ensuring that its activities and business relationships have positive impacts on the economy, environment, or people, including human rights.

This report, our third integrated report, covers the company's sustainability activities between January 1, 2024, and December 31, 2024, and it communicates our performance against our sustainability goals.

This report also discloses our commitment to the Nigerian Stock Exchange (NGX) Sustainability Disclosure Guidelines and the sustainability principles contained in the Nigerian Code of Corporate Governance (NCCG) 2018.

## MATERIALITY ASSESSMENT

Our stakeholders play a key role in our sustainability reporting. They are involved in the process of determining the material topics, which represent our company's significant impacts on the economy, environment and people and which form the basis for our reporting. We engage with our stakeholders, through various channels to identify and prioritise areas of interest to our stakeholders and our business. These identified material topics form the foundation of our sustainability focus for the year, on which we set targets and report on progress made in achieving these objectives.

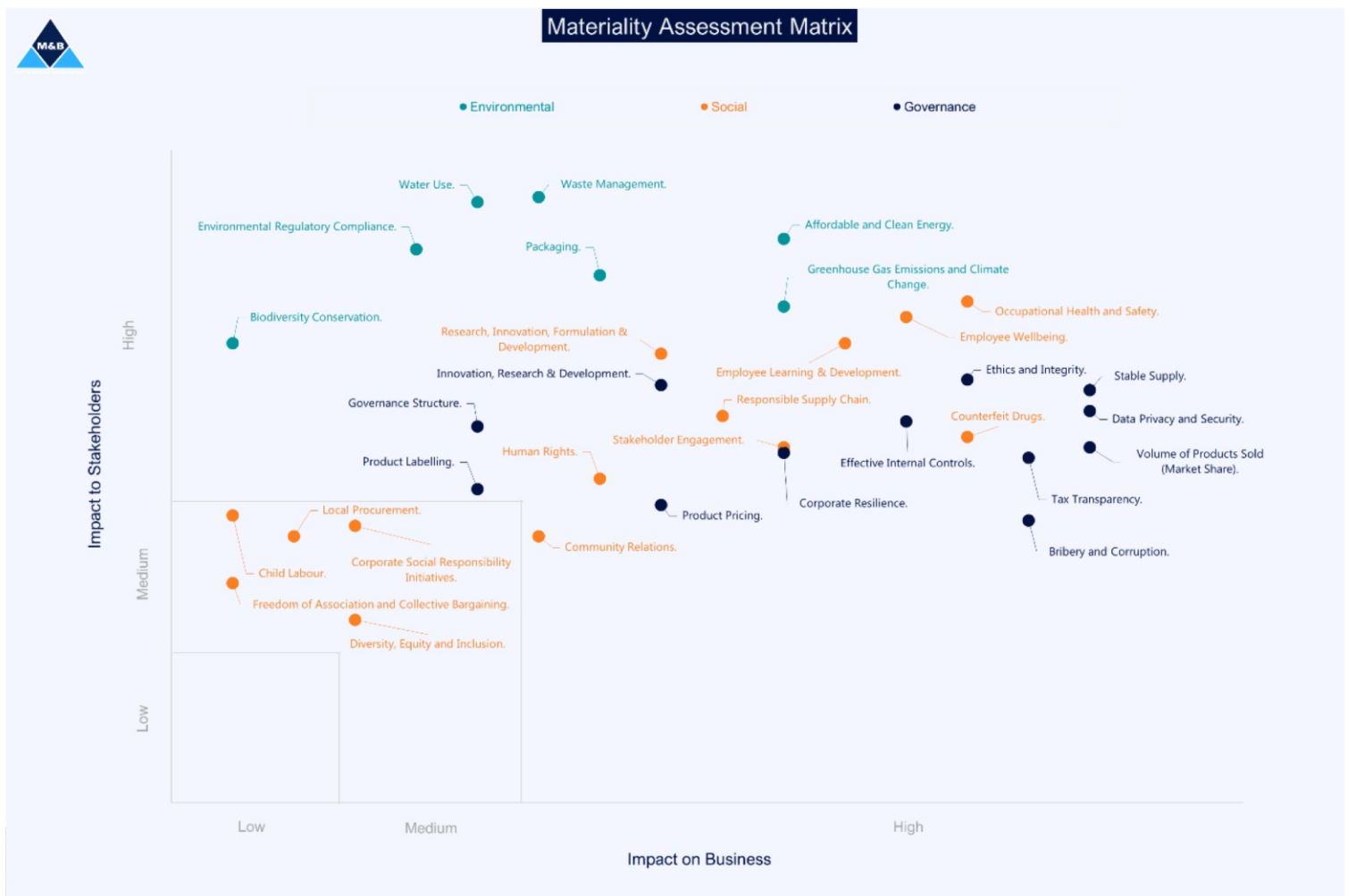
### MATERIALITY ASSESSMENT PROCESS



## Sustainability Report

A survey was deployed using the Google Form survey platform, which was administered to employees, customers, media, shareholders, community partners and investors. The survey assessed and ranked various environmental, social and governance (ESG) metrics according to their importance to the stakeholders. The responses were collected anonymously to ensure confidentiality and transparency.

The insights from the engagement with our stakeholders are represented in the materiality matrix below:





## Sustainability Report

Below is a table showing the high-ranking sustainability indicators based on responses gathered from the questionnaire across all stakeholders.



## COMMITMENT TO SUSTAINABLE PHARMACEUTICAL MANUFACTURING

In Nigeria's challenging economic and business landscape, May & Baker Nigeria Plc stands resolute in its commitment to sustainable pharmaceutical manufacturing practices. Despite the complex market dynamics and resource constraints, we have invested in innovative green technologies and eco-efficient processes that minimize environmental impact while ensuring high-quality drug production.

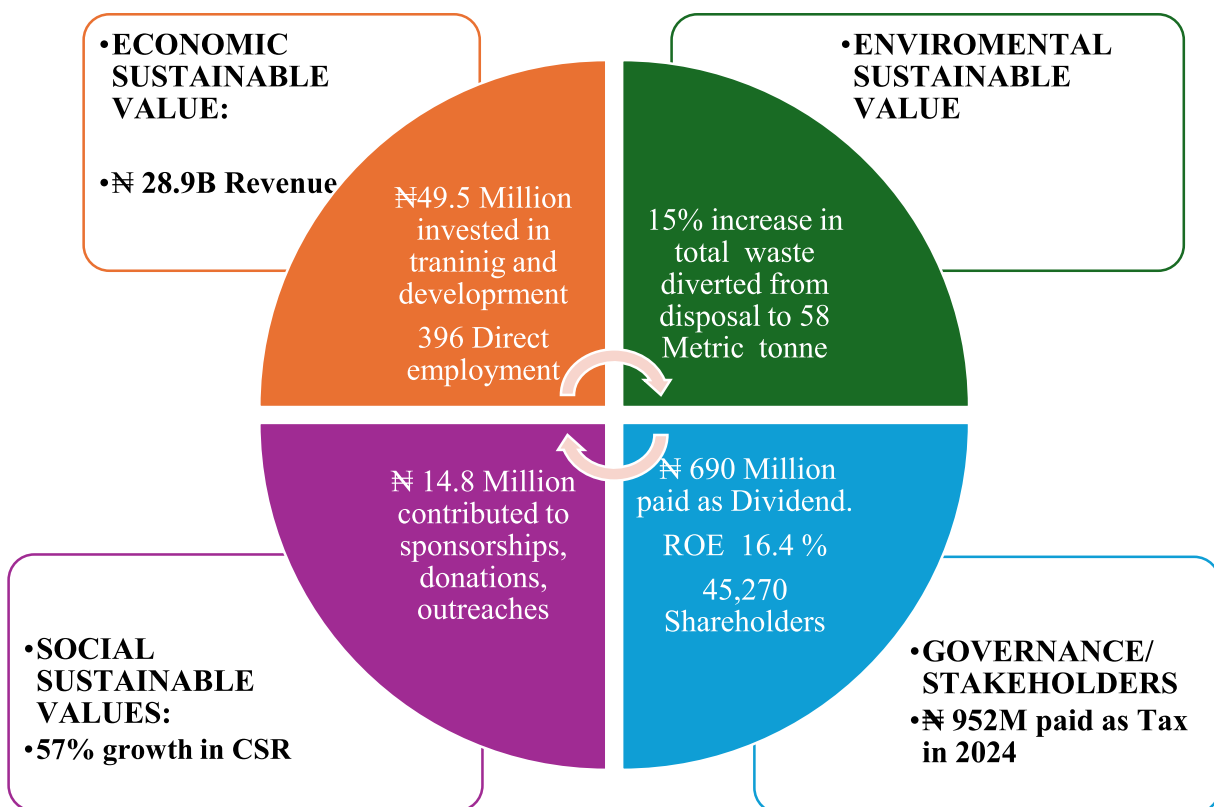
By integrating renewable energy solutions, we not only enhance our operational resilience but also contribute to the broader goal of environmental stewardship. This unwavering commitment reflects our belief that sustainable practices are not just a regulatory obligation but a strategic imperative for ensuring long-term growth and community well-being.

## Sustainability Report

### DELIVERING SUSTAINABLE VALUE

Our approach to delivering sustainable value is built on the principle of integrating environmental stewardship with the economic and social fabric off our operations. By fostering a culture of innovation and responsibility, we aim to enrich our employee's professional growth, protect and enhance our natural surroundings, and cultivate enduring partnerships with suppliers.

We engage proactively with government bodies to ensure regulatory excellence while delivering consistent returns to shareholders, moreover, our commitment to the local community where we operate underpins every decision, ensuring that our sustainability efforts translate into tangible benefits for all stakeholders.



## Sustainability Report

### ENVIRONMENT

May & Baker Nigeria Plc recognizes the need to minimize our environmental impact, and we continue to implement initiatives that promote sustainable manufacturing practices.



#### **CO2 Emissions (SDGs 7, 11, 12, 13)**

At May & Baker Nigeria Plc, we continuously seek ways to reduce our carbon footprint. Following regular assessment to monitor the level of CO2 emissions from our operations, we augmented our CO2 emission reduction initiatives to further reduce our current output. These initiatives included

- **Tree planting and reforestation:** Invest in afforestation projects and promote annual tree planting.
- **Solar PV installation:** Installation solar panels for our directors as a replacement of Generator
- **LED lighting:** Replace conventional lighting with LED bulbs across the facility.
- **Local sourcing:** Partner with local suppliers to cut transportation emissions.

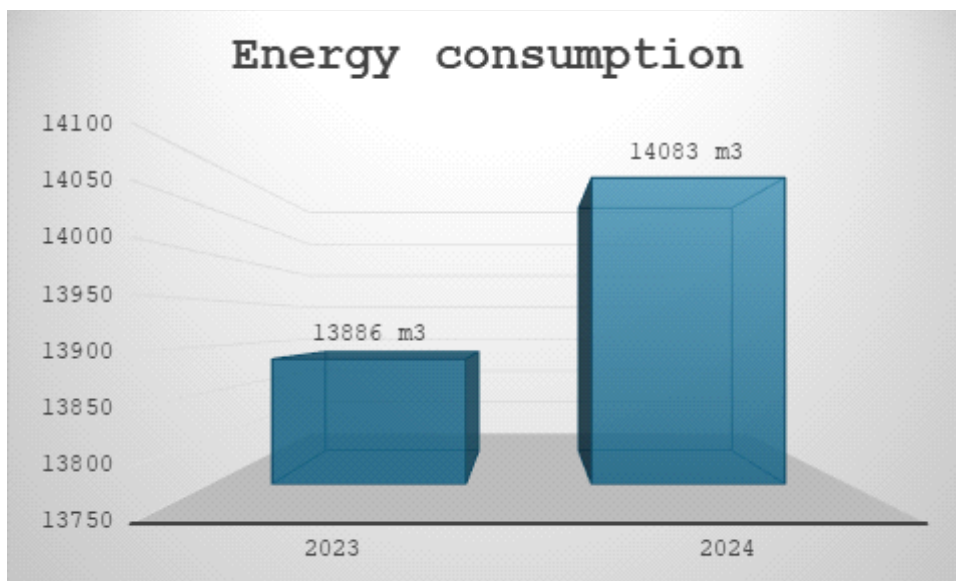
. We are committed to implementing our CO2 emission reduction initiatives and strategies continuously.

#### **Energy Consumption & Efficiency (SDGs 7, 11, 12, 13)**

We recognize that our operations are energy-intensive, and we monitor our energy consumption regularly to ensure that we meet our target of achieving a 30% reduction in our energy consumption by 2030. While our total energy consumption increased from 13,886.82 Cubic meters (m3) in 2023 to 14,083 cubic Meters (m3) in 2024 despite efforts to ensure a year-on-year reduction.

We will continue to seek and implement new initiatives to achieve our energy consumption reduction target.

## Sustainability Report



### **Waste Management (SDGs 3,8,10,12,13,14,15)**

May & Baker Nigeria Plc is committed to reducing, reusing and recycling the waste we generate from our operations. Our waste management plan addresses the management of both hazardous and non-hazardous waste produced as a result of our operational activities across all our facilities.

In 2024, the total waste generated, both hazardous and non-hazardous was 1,138 tonnes.

Total waste recycled/reused was 58 tonnes

We remain committed to ensuring safe disposal of waste generated from our facilities in accordance with environmental laws and best practices. We plan to implement initiatives to increase the capacity of recycled waste and contribute positively to the circular economy

### **Environmental Compliance**

Our company remains fully committed to environmental compliance as a core aspect of our sustainability strategy. We strictly adhere to all relevant laws, regulations and industry standards ensuring that our operations minimize harm to the environment. From responsible waste management to safe handling of chemicals and emissions monitoring, we continuously invest in processes that promote environmental safety.

Beyond compliance, actively pursue initiatives that exceed regulatory requirements reflecting our dedication to environmental stewardship. We regularly train our people on best practices in environmental management and collaborate with regulatory bodies to stay ahead of evolving standards. This proactive approach not only safeguards the environment but also strengthens our reputation as a responsible and forward-thinking pharmaceutical company.



## Sustainability Report

### **SOCIAL PILLAR**

At May & Baker Nigeria Plc, our mission as a business is to improve the quality of life throughout life for all lives. In line with this ethos, we are committed to the well-being of the community in which it operates and support the United Nations Sustainable Development Goals (SDG) SDG 3 (Good Health and Well-being).

### **Sustainable Local Communities:**

Our approach to community social investment in 2024 was anchored on two (2) thematic areas, namely; Health and Environment. As the pioneer pharmaceutical company in Nigeria, May & Baker Nigeria Plc has always understood the importance of corporate social responsibility in shaping a better world. In 2024, we made a significant impact through a series of initiatives that highlight our commitment to the communities we serve, the environment, and the betterment of society at large. In 2024, the number of community stakeholder engagements increased to eight (8) compared with five (5) such engagement in 2023. This demonstrates our company's commitment to continuous improvement and engagement. In line with our vision, we will continue to support our local community, ensuring positive environmental and social impacts.

Our social investment spending grew from ₦9.4m in 2023 to ₦14.8M in 2024, representing 57% growth.

### **CASE STUDY 1: Partnering with Lagos State Government on Environmental Sustainability**

Environmental sustainability remains a priority for us, as we continue our partnership with LAWMA under the Lagos State Government's THEMES agenda, which has been running since 2021. As part of this partnership, we took a proactive step in supporting the cleanliness of the city by adopting sweepers to clean specific routes. Recognizing the importance of maintaining a clean and healthy environment, we contributed to reducing waste and improving the general public health of Lagos residents.



*LAWMA sweepers sponsored by May & Baker Nigeria Plc*

## Sustainability Report

### CASE STUDY 2: Refurbishment of Modupe Cole Child Care and Treatment Home, Lagos

At May & Baker Nigeria Plc, we believe in the power of giving back, particularly to those in vulnerable circumstances. In 2024, we turned our attention to the Modupe Cole Child Care and Treatment Home, an institution that provides care and support to children with disabilities and special needs. As part of our CSR initiative, we undertook the refurbishment of part of the building and pavement, creating a safer and more comfortable environment for the children.

Our renovation efforts included the painting of part of the building to brighten up the space, as well as the repair and improvement of the pavements, ensuring safe accessibility for children and caregivers alike.



*Refurbished Modupe Cole Child Care and Treatment Home*

### CASE STUDY 3: Providing Clean Water to Aina Egushi Community, Ota, Ogun State

Access to clean water is a fundamental human right and an issue of paramount importance for communities across Nigeria. In 2024, we extended our CSR efforts to the Aina Egushi community of Ota in Ogun State, where we provided a borehole to help address the long-standing challenge of access to safe drinking water.



## Sustainability Report



*Clean drinking water from the newly installed borehole*

By drilling the borehole and installing the necessary infrastructure, we provided the community with easy access to clean, potable water. This project is part of our broader mission to contribute to the health and welfare of communities in Nigeria and ensure that people have the resources they need for a better quality of life.

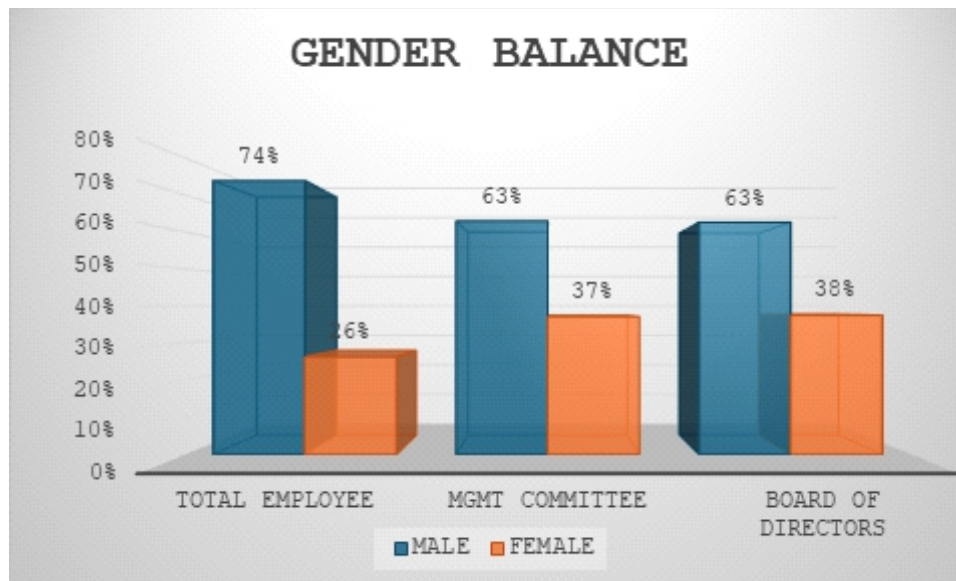
### **Our People**

Our employees are the lifeblood of May & Baker Nigeria Plc, fuelling our drive for excellence and innovation. Their dedication and diverse talents empower us to overcome challenges and continuously improve sustainable practices in our operations. Recognizing that every employee's contribution is crucial, we invest in their growth and well-being, ensuring that our people not only thrive professionally but also inspire our mission to create a positive impact on our local community, the environment and the economy. In 2024 there was a 61 per cent (61%) increase in the spend on employee training and development compared with 2023 from ₦30.8m to ₦49.8m demonstrating our commitment to our people's professional development.

### **Diversity, Equity, and Inclusion**

We are committed to ensuring and maintaining a diverse and inclusive workforce. This commitment to diversity, equity and inclusion permeates every decision of the company.. Our policy on diversity, equality and inclusion sets out the company's goals in achieving a diverse and inclusive environment. We are committed to increasing the number of women at all levels of the organisation.

## Sustainability Report



*Celebrating our diversity*

### **Employee Well-being**

Employee well-being is a major priority area for management. We are committed to cultivating a supportive work environment that prioritizes mental and physical health. By investing in HMO plans, health awareness sessions and continuous development opportunities, we ensure our employees feel valued and maintain a great level of physical and mental health to thrive both at work and beyond.

Despite prevailing difficult economic situation in the country, the company has maintained the 30% economic relief package to support employees in the face of rising costs of food, transportation and housing.

### **Employee Engagement**

Employee Engagement is at the heart of our operational strategy, and we implement a diverse range of activities designed to foster a vibrant, inclusive and motivated work environment. Our employee engagement initiatives in 2024 included End of year gifts to all employees including outsourced staff, health awareness sessions, International Women's Day celebration, workers day celebration, international men's day celebration and a walk for life to raise local community awareness on World Hypertension Day.

## Sustainability Report

In addition to formal programs, we cultivate a culture of continuous feedback and appreciation by organizing regular town hall meetings such as the Staff Briefing, Internal Customer Forum and appreciation events such as the Core Value Awards. These opportunities enable employees to share insights and concerns and celebrate achievements, reinforcing their integral role in the Company's success. Through these varied activities, we aim to create a workplace where every team member feels valued, connected and committed to our shared goals.

### **Human Rights**

As a responsible corporate citizen, we integrate human rights principles into our core operations ensuring that our policies, practices and decision-making processes reflect a steadfast commitment to fairness, dignity and equality. Guided by international frameworks and standards such as the United Nations Guiding Principles on Business and the United Nations Global Compact, we actively work to prevent discrimination, protect employee rights and maintain ethical labour practices across our supply chain. We also hold our business partners to the same human right standards that we commit to uphold.

Our commitment to human rights is not just a policy – it is a core value that drives every aspect of our business ensuring long term sustainable growth for all.

In 2024, there were no reported cases of human rights breaches in the company.

### **Health and Safety (SDG 8, 11, 17)**

In 2024, we continued to prioritize the safety and well-being of all our stakeholders by implementing strict health and safety protocols in our operations.

Through our health and safety policy we strive to promote safe working environment and minimize undue exposure to hazards our workers and other stakeholders. We regularly conduct trainings for all staff on health and safety matters and update our health and safety policies, procedures and guidelines in line with global best practices.

In 2024, there was a hundred percent (100)% achievement in reducing the number of staff that received medical treatment, a testament to our commitment to health and safety.

### **ECONOMIC PILLAR**

#### **VALUE CREATION THROUGH OUR BUSINESS**

At May & Baker Nigeria Plc, we are committed to creating value for our stakeholders and contributing to the economic growth of the nation.

Notwithstanding the economic challenges and difficult operating environment of 2024, we achieved significant growth. Key to the achievement of our 2024 financial targets were the implementation of various strategic results by management to lower production costs, improve resource planning and utilization and achieve greater efficiencies across all segments of our business.

- In 2024, our sales revenue increased by **47%** to **₦28.9B** year on year
- In 2024, our profit before tax increased by **50%** to **₦1.62B** year on year

**Value to Shareholders** In 2024, the total dividend paid is **₦690m**, the Return on equity is **16.4%**, Total No. of Shareholders is **45,270**.

**Value to Customers** As the pioneer pharmaceutical company in Nigeria renowned for quality, our customers are confident in the high-quality products we produce. We constantly develop new innovative products to improve the quality of life of our people. We are 100% compliant with all product labelling laws.

**Value to Government** A total of **₦952M** was paid as taxes by May & Baker Nigeria Plc to the government, used for meeting societal needs concerning healthcare, infrastructure, etc. May & Baker Nigeria Plc created over 396 direct and indirect jobs in 2024, contributing positively to the Nigerian economy.



## Sustainability Report

**Value to Suppliers** At May & Baker Nigeria Plc, 34% of our procurement budget was spent on local Purchases in 2024.

### **Product Quality and Safety**

At May & Baker, we pride ourselves in the quality of our products, which sets us apart from the competition. We are committed to the manufacture, distribution and delivery of quality healthcare products that constantly meet the needs of our customers.

Because we value the trust which society has in our products, we follow rigorous quality assurance and control procedures to ensure a consistent level of quality. We are committed to the proper implementation, maintenance, and continual improvement of the effectiveness of **ISO 9001:2015** Quality Management System.

We ensure transparent labelling information on all our products in compliance with laws, regulations and global best practices. We conduct regular engagement sessions with stakeholders on our products and conduct regular pharmacovigilance as part of our commitment to product safety.

### **Sustainable Supply Chain**

Our suppliers are key to our business operations, and we work closely with them to ensure continuous improvement in performance and quality.

Adherence to our Code of conduct and Business Ethics is a pre-requisite for all suppliers and contractors and it guides our engagement with them to ensure compliance with applicable laws and regulations and global best practices.

We continue to intensify efforts to support local industries by switching to local suppliers wherever possible. In spite of the fact that the pharmaceutical manufacturing industry is import dependent, we champion local procurement in our operations to positively impact small and medium indigenous businesses. In 2024, 34% of our procurement budget was spent on local suppliers.

## **SUSTAINABLE GOVERNANCE**

At May & Baker Nigeria Plc, we adhere to the highest corporate governance standards, which are consistent with our company's values, and this is reflected in our leadership. We maintain a strong corporate governance framework by applying local laws and guidelines, such as the Companies and Allied Matters Act 2020, the Nigerian Code of Corporate Governance 2018, the Securities and Exchange Commission (SEC) Corporate Governance Guidelines, and other international best practices on corporate governance.

### **Code of Business Conduct**

May & Baker Nigeria Plc is committed to transparency and accountability to our stakeholders. To encourage ethical behaviour in our business, we are guided by our code of business conduct and ethics which reinforces our commitment to operating with integrity and by relevant local and international laws. At May & Baker Nigeria Plc, there is zero tolerance for violations of applicable laws and regulations which is strictly enforced. Our Code of Business Conduct ensures that our directors, officers, and employees comply with May & Baker Nigeria Plc's standards for ethical business. Our zero-tolerance policy for bribery and corruption is communicated to our customers, suppliers, and other stakeholders.

## Sustainability Report

### Stakeholder Engagement

We are committed to continuous engagement with all our stakeholders in an open and accountable manner. We hold frequent engagements with stakeholders to obtain valuable feedback on our products, our operations and areas of improvement.. Feedback from such engagements feed into our sustainability strategy, new product development and improving accountability.

The table below shows how we engaged with our various stakeholder groups in 2024:

Stakeholder	Engagement Method	Frequency
Investors/Shareholders	Annual General Meeting Annual Reports	Annually
Employees	MD/CEO 's New Year Message, noticeboard, emails, one -on-one engagements, Staff Briefing, Team Meetings	Quarterly Weekly
Customers	In-person meetings, customers feedback, emails, one -on-one engagements, meetings, customer service week, Customer Satisfaction Survey Market Activations	Frequently
Suppliers/Contractors,	Annual Forum Emails	Frequently
Local Communities	Town Hall Meetings Courtesy Visits	Frequently
Government and Regulators,	Meetings, Letters / Courtesy Visits, Official letters/mails, periodic assessments, compliance filing and reporting, annual financial report, meetings	Frequently

### CONCLUSION

Our 2024 sustainability report reflects a deep and unwavering commitment to sustainable pharmaceutical manufacturing. Throughout this report, we have demonstrated our dedication to implementing innovative and environmentally responsible practices that not only enhance our operational resilience but also protect the environment. By reducing waste, ensuring strict compliance with environmental standards and maintaining product quality and safety, we are building a robust foundation for a healthier future - one where pharmaceutical advancements are achieved through sustainable means.

We recognize that true sustainability is achieved when economic growth, environmental accountability and social responsibility intersect. May & Baker Nigeria Plc remains steadfast in its mission to lead the way in sustainable pharmaceutical manufacturing, ensuring that every step we take contributes to a more resilient and responsible industry for generations to come.



**IoD Centre for Corporate Governance**

**REPORT OF EXTERNAL CONSULTANTS ON THE BOARD PERFORMANCE  
EVALUATION OF MAY AND BAKER NIGERIA PLC (Valid for 3 years)**

The IoD Centre for Corporate Governance performed the evaluation of the Board and Corporate Governance of May and Baker Nigeria Plc for the year ended 31st December 2023 in accordance with the guidelines of provisions of Section 15 (2) of SEC Code of Corporate Governance for Public Companies in Nigeria 2014 as well as principle 15.1 of the Nigerian Code of Corporate Governance 2018. Subsection 15.3 of NCCG states that the summary of the report of the evaluation should be included in the annual report and on the investors' portal of the Company.

In carrying out the Board and Corporate Governance Evaluation, we assessed eight key focus areas and their subsets. The key areas are Board Structure and Composition; Strategy and Planning; Board Functioning and Effectiveness; Monitoring, Measuring, and Reporting Performance; Risk Management, Audit, and Compliance; Sustainability and Good Corporate Citizenship; Transparency and Disclosure; and Individual Directors Assessment, among others. These focus areas are all derived from the 28 principles relevant to Board Evaluation as contained in NCCG and OECD's framework which have been adjudged satisfactory in our ratings.

May and Baker Nigeria Plc has a stated commitment to high standards of Corporate Governance. The governance practices of the company are guided by the Nigerian Code of Corporate Governance 2018, (NCCG); the, the SEC Corporate Governance Guideline 2020 (SCGG), the Companies and Allied Matters Act 2020 (CAMA 2020), as well as Organisation for Economic Cooperation and Development (OECD) and International Finance Corporation (IFC)-related guidelines and other global "best practice" on Corporate Governance and Boards' Performance.

Our approach included the review of May and Baker Nigeria Plc Corporate Governance framework and all relevant policies and procedures. We obtained written representation from all Board members through questionnaires, and had one-on-one interviews with all Directors and key governance personnel.

The findings of our exercise reveal that the Board is responsive and effective. It takes full responsibility for the performance of the company and strives to unlock value for its shareholders, whilst maintaining good corporate citizenship standing and being socially responsible. The Board also exercised its oversight responsibilities over the Executive Management through the Board committees', workings in accordance with the charters, and other frameworks.

On the basis of our work, the Board of May and Baker Nigeria Plc has complied with the requirements of the Nigerian Code of Corporate Governance during the year ended 31<sup>st</sup> December 2023. The outcome of the evaluation and our recommendations for improvement have been articulated and included in our full Board and Corporate Governance Evaluation report to the Board for consideration and implementation.

**For: IoD Centre for Corporate Governance**

**Nerus Ekezie, MBA, MNIM,, FIMC, FIMS (UK)**  
**Chief Executive Officer**  
**FRC/2024/PRO/NIM/002/560573**

## Report on Risk Management

### REPORT ON RISK MANAGEMENT

In the course of its business activities, May & Baker Nigeria Plc creates opportunities and takes risks, both of which are thoroughly weighed and considered. Business success depends on the principle that the risks taken are managed and that they are outweighed by the benefits.

For timely identification, evaluation and responsible handling of risks, effective detection management, control and audit systems must be in place, which together form May & Baker's Integrated Risk Management System. This system has been set to identify issues which could have a significant negative impact on our business. Further, it establishes a framework to evaluate and counteract such risks through various control and monitoring mechanisms.

The risks identified within our specific business are market risk, operational risk, legal risk, environmental and reputational risk, for which clear structures in terms of areas of responsibility and management are applied.

#### Market Risk

The business of our Company is dependent on the general economic situation and developments in Nigeria, which is an emerging market and also affected by both the macro-economic and global economic situations. Furthermore, we are exposed to political and social risk in the region.

Moreover, growing competition in the pharmaceutical sector, along with the developing legal framework of industry specific legislation, ordinances and regulations are risks that must be addressed with special focus.

In order to mitigate these risks we have put in place a strategy that identifies opportunities which are passed through the Company's risk assessment and approval system.

#### Operational Risk

Efficiency, in terms of materials and machinery, logistics and human resources, as well as environmental factors, must be identified and assessed. Production controlling means that productions are continuously subjected to a thorough commercial and efficiency evaluation. Technical aspects are analyzed separately by experts in each respective area.

#### Legal & Compliance Risks

Legal and compliance risks relates to risks arising from the Government statutory or regulatory environmental action legal proceedings and compliance with quality and integrity policies and procedures including those relating to financial reporting, environmental health and safety. The Company has established an Enterprise Risk Management System to ensure that all risks are identified, assessed and mitigated regarding the impact on the business.

#### Strategy & Risk Management

Strategic risk relates to the future business plans and strategies, including the risks associated with the global macro-environment in which entities operate; mergers and acquisitions and restructuring activities; intellectual property; and other risks, including demand for products and services, competitive threats, technology and product innovation, and public policy.

The Company has a Risk Management Committee that is responsible for assisting the Board to determine the risk appetite, profile and risk management framework.

**Certification Pursuant to  
Section 7 (2) of the FRCN Act 2011**

We the undersigned hereby certify with regards to the Annual Report and Financial Statements of May & Baker Nigeria Plc and its subsidiaries for the year ended 31<sup>st</sup> December 2024 that:

- (a) We have reviewed the report;
- (b) To the best of our knowledge, the report does not:
  - i. contain 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) We have examined the report to ascertain whether or not there were significant changes 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;
- (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 including the subsidiaries is made known to such officers and others within those entities particularly during the period in which the Annual 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 the internal controls based on our evaluation as of that date;
- (e) To the best of our knowledge, the Financial Statements 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 at 31<sup>st</sup> December 2024 and for the periods presented in the report.



.....  
**Managing Director/CEO**  
**FRC/2021/003/00000023215**



.....  
**Finance Director**  
**FRC/2014/ICAN/00000008270**





**EMBRACE  
PURITY  
IN EVERY SINGLE DROP!**



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## Independent Auditor's Report


**INDEPENDENT ATTESTATION REPORT ON MANAGEMENT ASSESSMENT  
OF THE EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL  
REPORTING**

To the Shareholders of May and Baker Plc

**Opinion**

We have performed a limited assurance on the effectiveness of May and Baker Plc Internal Control Over Financial Reporting as of 31 December 2024, based on FRC Guidance on assurance engagement on Internal Control Over Financial Reporting and International standards on Assurance Engagement (ISAE 3000 Revised), to report on May and Baker Plc assessment on the effectiveness of Internal control over financial reporting (ICFR).

The management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report on the assessment of Internal Control over Financial Reporting. Our responsibility is to express an opinion on the accompanying internal control over financial reporting based on our assurance engagement.

In our opinion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2024, based on the Securities and Exchange Commission Guidance on the Implementation of Section 60 – 63 of The Investments and Securities Act 2007 and FRC Guidance on Management Report on Internal Control Over Financial Reporting.

**Scope of procedures performed**

We conducted our audit in accordance with FRC Guidance on Assurance Engagement Report and the International Standard on Assurance Engagement (ISAE 3000 Revised). Both the Guidance and the standard require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

**Chartered Accountants**
**Grant Thornton Nigeria**

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Tayo Adedokun

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## Independent Auditor's Report



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(3) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Limitations

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

### Management Responsibilities

Management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying May and Baker Plc management's assessment of the Internal Control over Financial reporting as of 31 December 2024 as contained in the accompanying report.

### Auditor's Responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of Internal Control over Financial Reporting based on our Assurance engagement. We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

### Our Approach

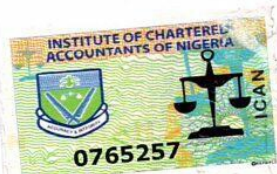
The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

### Report on Other Matters

We also have audited, in accordance with the International Standards on Auditing, the consolidated and separate financial statements of May and Baker Plc for the year ended 31 December 2024. Our report dated **28 March 2025** expressed an unmodified opinion.

Kingsley Opara, FCA  
FRC/2014/PRO/ICAN/004/00000005881  
FOR: GRANT THORNTON (CHARTERED ACCOUNTANTS)  
LAGOS, NIGERIA.

Date: 28 March 2025





## Independent Auditor's Report



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### REPORT OF THE INDEPENDENT AUDITORS

To the Shareholders of May and Baker Nigeria Plc

#### Report on the Audit of the Consolidated and Separate Financial Statements

##### Opinion

We have audited the consolidated and separate financial statements of **May and Baker Nigeria Plc (the "Company")**, and its subsidiaries (**Together "the Group"**), which comprise of the consolidated and separate statement of financial position as at **31 December 2024**, consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and the Company as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Financial Reporting Council of Nigeria (Amendment) Act 2023 and the provision of the Companies and Allied Matters Act 2020.

##### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report.

We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For the matter reported below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statement.

##### Chartered Accountants

##### Grant Thornton Nigeria

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Tayo Adedokun

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## Independent Auditor's Report



Grant Thornton

Key Audit Matter	Our Responses
<p><b>Inventory Valuation</b></p> <p><i>(Refer to note 17 of the financial statements.)</i></p> <p>As of 31 December 2024, the directors recognized a total value of inventory amounting to N8.24billion (2023: N6.430billion) at net realizable value.</p> <p>Given the significant inventory balance and the level of management judgment and estimates involved in determining the standard cost of inventory, we have identified the valuation of inventory as a key audit matter.</p> <p>This includes assessing the appropriateness of standard costing methods, evaluating net realizable values, and considering potential inventory obsolescence or slow-moving stock.</p>	<p>Our audit procedures in response to the key auditmatter included, among others:</p> <ul style="list-style-type: none"> <li>• <b>Testing Internal Controls:</b> Evaluated the design, implementation, and operating effectiveness of key controls established by management to ensure accurate inventory pricing and valuation.</li> <li>• <b>Verification of Standard Costs:</b> Assessed the methodology used to determine standard costs and tested its consistency with prior periods and industry practices.</li> <li>• <b>Inventory Price Accuracy:</b> Conducted substantive testing on inventory pricing by comparing a sample of recorded inventory costs to supplier invoices and cost build-ups.</li> <li>• <b>Net Realizable Value Assessment:</b> Reviewed management's assessment of net realizable values by evaluating sales trends, market prices, and subsequent selling prices of selected inventory items.</li> <li>• <b>Obsolescence and Slow-Moving Stock Analysis:</b> Analyzed inventory aging reports and inquired with management regarding provisions for obsolete or slow-moving items to determine adequacy.</li> <li>• <b>Physical Inventory Verification:</b> Observed year-end inventory counts at selected locations and reconciled count results with recorded inventory balances.</li> <li>• <b>Cut-off Testing:</b> Verified that inventory purchases and sales were recorded in the correct accounting periods to prevent misstatement.</li> </ul> <p><b>Conclusion</b></p> <p>Based on the procedures performed, we found that management's approach to inventory valuation was reasonable and consistent with applicable accounting standards.</p>



## Independent Auditor's Report



### Other information

The directors are responsible for the other information. The other information comprises of the Report of the Directors, Corporate Governance Report, Statement of Directors' Responsibilities, Statutory Audit Committee Report, which is expected to be made available to us prior to that date. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

We have nothing to report in this regard. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated and separate financial statements, management is responsible for assessing the Group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of our audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



## Independent Auditor's Report



v) Evaluate the overall presentation, structure, and content of the consolidated and separate financial statements, including the disclosures, and whether the Consolidated and Separate financial statements represent the underlying transaction and events in a manner that achieves fair presentation.

vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

The "Fifth Schedule" Companies and Allied Matters Act, 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion, proper books of account have been kept by the company; and
- iii) The Group's and Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income are in agreement with the books of account.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report on pages 2-3 dated 28 March 2025.

Kingsley Opara, FCA  
FRC/2014/PRO/ICAN/004/00000005881  
For: GRANT THORNTON  
(Chartered Accountants)  
Lagos, Nigeria

Date: 28 March. 2025



## MANAGEMENT'S REPORT ON THE ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

We are pleased to report that May and Baker Nigeria Plc has completed the management assessment of the internal control over financial reporting for the financial year ended December 31, 2024.

Internal control over financial reporting (ICFR) refers to the systems, policies, and procedures implemented by an organization to ensure the accuracy, reliability, and integrity of its financial statements. These controls are designed to safeguard assets, prevent fraud, and ensure compliance with laws and regulations. They provide reasonable assurance that financial information is complete and accurate, allowing stakeholders to make informed decisions.

We utilized the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework to evaluate the effectiveness of our internal control over financial reporting. This internationally recognized framework provides a comprehensive approach to assessing internal controls, ensuring reliability and integrity in financial reporting processes.

Our assessment was concluded 90 days before the issuance of our financial report, aligning with regulatory requirements and demonstrating our commitment to timely reporting.

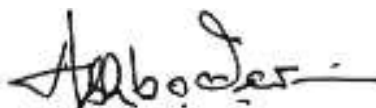
However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate because of changes in conditions,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

Based on the assessment performed, the management of May and Baker Nigeria Plc is pleased to confirm that our assessment shows that our internal control over financial reporting is effective. There were no material weaknesses identified as of December 31, 2024.



.....  
**Daisy Danjuma**  
**Chairman.**  
**FRC/2020/003/00000020890**

**Dated: 27 March 2025**



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

**Dated: 27 March 2025**

## STATEMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING (ICoFR)

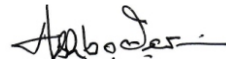
## CERTIFICATION

We, Mr Patrick Ajah (The Group Managing Director) and Mr Ayodeji, S. Aboderin (The Group CFO) of May and Baker Nigeria Plc certify that:

- (a) We have reviewed this consolidated financial report for May and Baker Nigeria Plc.
- (b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading concerning the period covered by this report.
- (c) Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report
- (d) We:
  1. are responsible for establishing and maintaining internal controls.
  2. have designed such internal controls to ensure that material information relating to the Company including the subsidiaries is made known to such officers and others within those entities particularly during the period in which the annual reports are being prepared;
  3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes by generally accepted accounting principles;
  4. have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days before the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- (e) We have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- (f) We have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls after the date of their evaluation including any corrective actions about significant deficiencies and material weaknesses.



.....  
**Mr. Patrick Ajah**  
**Managing Director/CEO**  
**FRC/2021/003/00000023215**  
**Dated: 27 March 2025**



.....  
**Mr. Aboderin Ayodeji S.**  
**Finance Director**  
**FRC/2014/ICAN/00000008270**  
**Dated: 27 March 2025**



**CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	The Group		The Company	
		2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Continuing operations</b>					
Revenue	5.1	28,905,150	19,695,464	26,492,519	18,370,206
Cost of sales	5.2	(20,391,697)	(13,114,231)	(18,875,987)	(12,590,269)
<b>Gross profit</b>		<b>8,513,453</b>	<b>6,581,233</b>	<b>7,616,532</b>	<b>5,779,937</b>
Other operating income	6	146,099	62,209	108,293	62,209
Distribution, sales and marketing expenses	7.1	(3,249,627)	(2,566,660)	(2,863,066)	(2,281,081)
Administrative expenses	7	(2,847,271)	(2,707,420)	(2,693,884)	(2,458,396)
<b>Operating profit</b>		<b>2,562,654</b>	<b>1,369,362</b>	<b>2,167,875</b>	<b>1,102,669</b>
Finance income	8.1	407,490	383,552	367,214	375,834
Finance costs	8.2	(370,115)	(290,374)	(370,115)	(254,074)
Share of (loss)/Profit in joint ventures	16.2	(27,187)	56,996	-	-
<b>Profit before income tax</b>		<b>2,572,842</b>	<b>1,519,536</b>	<b>2,164,974</b>	<b>1,224,429</b>
Income tax expense	9	(951,875)	(436,517)	(803,719)	(355,566)
<b>Profit from continuing operations</b>		<b>1,620,966</b>	<b>1,083,019</b>	<b>1,361,255</b>	<b>868,863</b>
<b>Attributable to:</b>					
Equity shareholders		<u>1,620,966</u>	<u>1,083,019</u>	<u>1,361,255</u>	<u>868,863</u>
<b>Other Comprehensive income:</b>					
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
<b>Total comprehensive income for the year</b>		<u>1,620,966</u>	<u>1,083,019</u>	<u>1,361,255</u>	<u>868,863</u>
<b>Attributable to:</b>					
Equity shareholders		1,620,966	1,083,019	1,361,255	868,863
Basic and diluted earnings per share (Kobo) - <b>From continuing operations</b>	10	<b>93.96</b>	<b>62.78</b>	<b>78.90</b>	<b>50.36</b>

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

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2024

	Notes	The Group		The Company	
		2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Assets</b>					
<b>Non current assets</b>					
Property, plant and equipment	12	5,964,013	5,421,064	5,903,245	5,321,048
Intangible assets	13	13,234	7,288	13,149	7,143
Investment in subsidiaries	14	-	-	3,000	3,000
Investment in Joint Venture	16	1,171,368	1,198,555	1,326,886	1,326,886
		<u>7,148,616</u>	<u>6,626,908</u>	<u>7,246,280</u>	<u>6,658,077</u>
<b>Current assets</b>					
Inventories	17	8,243,687	6,508,090	7,538,884	6,430,497
Trade and other receivables	18	1,531,973	1,025,410	1,289,880	894,773
Other assets	20	2,219,988	2,771,064	1,976,620	2,625,601
Due from related party	19.1-2	88,354	67,501	123,406	121,961
Cash and cash equivalents	21	3,223,020	3,383,363	3,126,678	2,997,678
		<u>15,307,022</u>	<u>13,755,428</u>	<u>14,055,468</u>	<u>13,070,510</u>
<b>Total assets</b>		<u>22,455,638</u>	<u>20,382,336</u>	<u>21,301,748</u>	<u>19,728,587</u>
<b>Equity and liabilities</b>					
Ordinary shares	22	862,617	862,617	862,617	862,617
Share premium	22.2	3,012,065	3,012,065	3,012,065	3,012,065
Retained earnings	23	5,610,311	4,506,915	5,035,878	4,192,193
Asset revaluation reserve	23.2	408,144	408,144	408,144	408,144
		<u>9,893,137</u>	<u>8,789,741</u>	<u>9,318,704</u>	<u>8,475,019</u>
<b>Non-current liabilities</b>					
Loans and borrowings	24.3	1,199,390	1,519,334	1,199,390	1,519,334
Post employment benefits	25.1	32,834	32,587	32,834	32,587
Deferred tax liabilities	9.3	1,148,418	986,482	1,139,069	971,688
Deferred fair value gain on loan	27.2	186,491	257,110	186,491	257,110
		<u>2,567,132</u>	<u>2,795,513</u>	<u>2,557,783</u>	<u>2,780,719</u>
<b>Current liabilities</b>					
Loans and borrowings	24.3	3,548,806	5,139,783	3,216,793	5,066,362
Trade and other payables	26	5,557,266	3,200,657	5,457,468	3,023,118
Due to related party	19.2	-	-	16,024	-
Current tax liabilities	9.2	805,841	299,042	651,520	225,769
Deferred fair value gain on loan	27.1	83,456	157,600	83,456	157,600
		<u>9,995,369</u>	<u>8,797,082</u>	<u>9,425,261</u>	<u>8,472,849</u>
<b>Total liabilities</b>		<u>12,562,501</u>	<u>11,592,595</u>	<u>11,983,044</u>	<u>11,253,568</u>
<b>Total equity and liabilities</b>		<u>22,455,638</u>	<u>20,382,336</u>	<u>21,301,748</u>	<u>19,728,587</u>

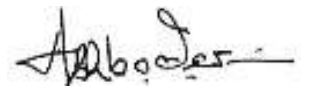
These consolidated financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf on 27 March 2025.



**Daisy Danjuma**  
Chairman  
FRC/2020/003/00000020890



**Patrick Ajah**  
Managing Director (MD-CEO)  
FRC/2021/003/00000023215



**Ayodeji Aboderin**  
Finance Director/ CFO  
FRC/2014/ICAN/00000008270

The accompanying explanatory notes and statement of significant accounting policies form an integral part of these consolidated

## CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital N'000	Share premium N'000	Retained earnings N'000	Asset revaluation reserve N'000	Total N'000
<b>Equity attributable to equity holders - the Group</b>					
<b>At 1 January 2023</b>	<u>862,617</u>	<u>3,012,065</u>	<u>3,941,466</u>	<u>408,144</u>	<u>8,203,928</u>
<b>Changes in equity for 2023:</b>					
Profit for the year	-	-	1,083,019	-	1,083,019
Right issue in the year	-	-	-	-	-
Dividend declared and paid	-	-	(517,570)	-	(517,570)
	<u>-</u>	<u>-</u>	<u>565,449</u>	<u>-</u>	<u>565,449</u>
<b>At 31 December 2023</b>	<u>862,617</u>	<u>3,012,065</u>	<u>4,506,915</u>	<u>408,144</u>	<u>8,769,377</u>
<b>At 1 January 2024</b>	<u>862,617</u>	<u>3,012,065</u>	<u>4,506,915</u>	<u>408,144</u>	<u>8,789,741</u>
<b>Changes in equity for 2024:</b>					
Profit for the year	-	-	1,620,966	-	1,620,966
Dividend declared and paid	-	-	(517,570)	-	(517,570)
	<u>-</u>	<u>-</u>	<u>1,103,396</u>	<u>-</u>	<u>1,103,396</u>
<b>At 31 December 2024</b>	<u>862,617</u>	<u>3,012,065</u>	<u>5,610,311</u>	<u>408,144</u>	<u>9,893,137</u>
<b>Equity attributable to equity holders - the Company</b>					
<b>At 1 January 2023</b>	<u>862,617</u>	<u>3,012,065</u>	<u>3,840,900</u>	<u>408,144</u>	<u>8,123,726</u>
<b>Changes in equity for 2023:</b>					
Profit for the year	-	-	868,863	-	868,863
Dividend declared and paid	-	-	(517,570)	-	(517,570)
	<u>-</u>	<u>-</u>	<u>351,293</u>	<u>-</u>	<u>351,293</u>
<b>At 31 December 2023</b>	<u>862,617</u>	<u>3,012,065</u>	<u>4,192,193</u>	<u>408,144</u>	<u>8,475,019</u>
<b>At 1 January 2024</b>	<u>862,617</u>	<u>3,012,065</u>	<u>4,192,193</u>	<u>408,144</u>	<u>8,475,019</u>
<b>Changes in equity for 2024:</b>					
Profit for the year	-	-	1,361,255	-	1,361,255
Dividend declared and paid	-	-	(517,570)	-	(517,570)
	<u>-</u>	<u>-</u>	<u>843,685</u>	<u>-</u>	<u>843,685</u>
<b>At 31 December 2024</b>	<u>862,617</u>	<u>3,012,065</u>	<u>5,035,877</u>	<u>408,144</u>	<u>9,318,704</u>

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.

## CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	The Group		The Company	
		2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Cash flows from operating activities</b>					
Profit for the year		<u>1,620,966</u>	1,083,019	<u>1,361,255</u>	868,863
<b>Adjustment for:</b>					
Depreciation expenses	12	728,264	592,565	686,350	562,585
Amortisation of intangible assets	13	3,487	10,938	3,427	10,878
Finance income	8.1	(407,490)	(383,552)	(367,214)	(375,834)
Finance costs	8.2	370,115	290,374	370,115	254,074
Share of loss in joint ventures	16.2	27,187	(56,996)	-	-
Employment benefit charged	25.1	14,488	22,544	14,488	20,512
Income tax expense	9	789,939	290,355	636,338	217,599
(Profit)/loss on disposal of property, plant and equipment	6	(2,133)	(16,943)	(1,147)	(16,943)
Impairment on trade and other receivable	18	(4,070)	15,855	(6,314)	8,471
		<u>3,140,754</u>	1,848,159	<u>2,697,298</u>	1,550,205
<b>Changes in:</b>					
(Increase)/Decrease in Inventories	17	(1,735,597)	(1,172,984)	(1,108,387)	(1,209,400)
Decrease (Increase) in trade and other receivables	18	(502,493)	(24,753)	(388,793)	44,922
(Increase)/Decrease in other assets	20	551,076	(296,438)	648,981	(174,044)
(Increase)/decrease in due from related party	19.1-2	(20,853)	(15,069)	(1,445)	(39,430)
Right of use of assets	0	-	738	-	738
Increase (Decrease) in trade and other payables	26	2,343,755	991,804	2,421,496	951,869
(Decrease)/increase in due to related party	19.2	-	(10,161)	16,024	(207,052)
Deferred fair value gain	27.2	(144,763)	(151,716)	(144,763)	(151,716)
Increase in deferred tax	9.3	161,936	146,162	167,381	137,967
		<u>3,793,815</u>	1,315,742	<u>4,307,792</u>	904,059
<b>Cash generated from/(used in) operating activities</b>					
Tax paid	9.4	(279,703)	(534,305)	(210,587)	(511,119)
Employee benefit paid	25.1	(14,241)	(27,366)	(14,241)	(25,334)
		<u>3,499,871</u>	754,071	<u>4,082,963</u>	367,606
<b>Net cash from/(used in) operating activities</b>					
<b>Cash flows from investing activities:</b>					
Purchase of property, plant and equipment	12	(1,271,186)	(1,042,261)	(1,268,519)	(954,530)
Purchase of intangible		-	-	-	-
Proceeds on sale of property plant and equipment		2,133	56,847	1,147	56,847
Finance income		407,490	383,552	367,214	375,834
		<u>(861,563)</u>	(601,862)	<u>(900,158)</u>	(521,849)
<b>Net cash used in investing activities</b>					
<b>Cash flows from financing activities:</b>					
Repayment of loans and borrowings other than overdraft	24.3	(814,567)	(767,593)	(814,567)	(767,593)
(Repayment)/additions to Import Finance Facility	24.3	(941,236)	1,689,506	(1,196,391)	1,616,086
Additions to term loans		-	-	-	-
Unclaimed dividend received		12,854	31,634	12,854	31,634
Dividend paid	22	(517,570)	(517,570)	(517,570)	(517,570)
Finance costs	8.2	(370,115)	(290,374)	(370,115)	(254,074)
		<u>(2,630,634)</u>	145,603	<u>(2,885,789)</u>	108,483
<b>Net cash (used in)/from financing activities</b>					
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>7,673</u>	297,811	<u>297,016</u>	(45,760)
Cash and cash equivalents at 1 January		<u>3,176,612</u>	2,878,801	<u>2,790,927</u>	2,836,687
<b>Cash and cash equivalents at 31 December</b>	21.1	<u><u>3,184,285</u></u>	<u>3,176,612</u>	<u><u>3,087,943</u></u>	<u>2,790,927</u>
<b>Reconciliation of cash and bank balances to cash and cash equivalents</b>					
Cash and bank balance		3,223,020	3,383,363	3,126,678	2,997,678
Bank overdrafts and commercial papers		(38,735)	(206,751)	(38,735)	(206,751)
		<u>3,184,285</u>	<u>3,176,612</u>	<u>3,087,943</u>	<u>2,790,927</u>

The accompanying notes and statement of significant accounting policies form an integral part of these consolidated financial statements.



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 1. General Information

#### 1.1 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.

#### 1.2 Basis of preparation

##### 1.2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements comprise:

- Statement of financial position
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements.

##### 1.2.2 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 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.

##### 1.2.3 Basis of preparation

The Company maintains the accounting records in accordance with the laws, accounting and reporting regulations of the jurisdictions in which they are incorporated and registered, namely Nigeria.

The consolidated financial statements of the Company are presented in accordance with IFRS.

These consolidated financial statements have been prepared on the historical cost basis except for the revaluation of Land and fair valuation of financial instruments.

##### 1.2.4 Functional and presentation currency

These consolidated financial statements are presented in Nigeria Naira (NGN), which is the Company's functional currency. All financial information presented in NGN has been rounded to the nearest thousand unless otherwise stated.

### 2.1 New or revised standards or interpretations

New standards, amendments and interpretations issued effective from 01 January 2024.

The Company adopted the following standards and amendments that are effective for the first time in 1 January 2024:

- IFRS 17 'Insurance Contracts'
- Amendments to IFRS 17 Insurance Contracts (Amendments to IFRS 17 and IFRS 4)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- International Tax Reform-Pillar Two Model Rules (Amendments to IAS 12)

These amendments do not have significant impact on these financial Statements and therefore, the disclosures have not been made.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

At the date of authorisation of these financial statements, certain new IFRS standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the company. Management anticipates that all of the relevant pronouncements will be adopted in the company's accounting policies for the first period beginning after the effective date of the pronouncement.

Information on new standards, amendments and interpretations that are expected to be relevant to the company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the company's financial statements.

Other Standards and amendments that are not yet effective and have not been adopted early by the company include:

#### 2.2.1 Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Effective on or after January 1, 2026.

New guidance has been added to IFRS 9 to specifically address when a financial liability should be derecognised when it is settled by electronic payment. Previously, an entity was required to wait until the settlement date of the transaction to discharge the liability, but the new guidance allows for the liability to be discharged before the settlement date if:

- the payment cannot be withdrawn, stopped or cancelled
- the entity no longer has the practical ability to access the cash, and
- settlement risk associated with the electronic payment system is insignificant.

#### 2.2.2 IFRS 18 Presentation and Disclosure in Financial Statement Effective for on or after 1 January 2027.

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured'

- nature
- function; or
- using a mixed presentation

If any operating expenses are presented by function, then new disclosures apply.

IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management-defined Performance Measures ("MPMs"), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount.

#### 2.2.3 IFRS 19 Subsidiaries without Public Accountability Disclosures effective 1 January 2027

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability
- its parent produces consolidated financial statements under IFRS Accounting Standards available for public use.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 2.2.4 Lack of Exchangeability (Amendments to IAS 21) Effective from 01 January 2025

In August 2023, the IASB amended IAS 21 'The Effects of Changes in Foreign Exchange Rates' to clarify the approach that should be taken by preparers of financial statements when they are reporting foreign currency transactions, translating foreign operations, or presenting financial statements in a different currency, and there is a long-term lack of exchangeability between the relevant currencies.

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements. The amendments:

- introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability.
- provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable.
- require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.
- liquidity risk information.

The additional disclosure requirements provide useful information about the additional level of estimation uncertainty, and risks arising for the entity due to the lack of exchangeability.

### Annual Improvements to IFRS Standards 2018 - 2024 - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The Annual Improvements include amendments to four Standards.

#### IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

#### IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

#### IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, ie. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with earlier application permitted

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

### Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies.

The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four- step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

### Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty.

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

### **Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:

- Right-of-use assets and lease liabilities;

- Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

### **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.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 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

Acquisition 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 acquire 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. 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 goods;
- 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; and
- 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.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 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 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 sale;
- 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 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.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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 Right of use assets

#### 3.7.1 IFRS 16 Leases

New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

A lessee measures right-of-use asset similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. Therefore, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 Statement of Cash Flows.

The company has adopted IFRS 16. However, the company does not have lease liabilities in respect of the leased assets to be treated under this new IFRS. The Company made full payment to the lessor; therefore, the leased assets has been reclassified to right of use to be amortised for the entire period of the lease.

IFRS 16 contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the lessee.

IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.

IFRS 16 supersedes the following Standards and Interpretations:

- a. IAS 17 Leases;
- b. IFRIC 4 Determining whether an Arrangement contains a Lease;
- c. SIC-15 Operating Leases - Incentives; and
- d. SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

### 3.8 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.

### 3.9 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 8% and 10% 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.



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3.10 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	10 - 5 years
Office equipment and furnitures	10 - 4 years
Trucks and motor vehicles	8 - 3 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.

### 3.11 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 asset is not.

#### 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.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3.12 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.

### 3.13 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.

### 3.14 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 Expected Credit Loss (ECL) Model, where the receivables are aged and probability of default applied on each aged bracket. Trade receivables meet the definition of financial assets and the carrying amount of the trade receivables approximates their fair value.

### 3.15 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.

### 3.16 Deferred fair value gain on loans

Deferred fair value gain on loans are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the gains will be received. Deferred fair value gain on loans are recognised in profit or loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the gains are intended to compensate.

Specifically, deferred fair value gain on loans whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Deferred fair value gain on loans that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the year in which they become receivable.

The benefit of a deferred fair value gain on loans at a below-market rate of interest is treated as a deferred fair value gain on loans, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The amount recognised as deferred fair value gain on loan is recognised in profit or loss over the year the related expenditure is incurred.

### 3.17 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 using Standard cost.

### 3.18 Taxation

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

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3.18.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated and separate 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.

### 3.18.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated and separate 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 than 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 asset/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.

### 3.18.3 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.

### 3.19 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.

### 3.20 Non-current assets 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."

### 3.21 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a 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.

### 3.22 Dividends

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

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3.23 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.

### 3.24 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 judgments 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.

##### 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

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting year.

##### 4.2.2 Allowance for doubtful receivables

Judgement is exercised to make allowance for trade receivables doubtful of recovery by reference to the financial and other circumstances of the debtor in question. The Group makes provision after considering credit terms and historical experience regarding the customers.

##### 4.2.3 Allowance for obsolete inventory

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



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 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.

## 5. Revenue and costs of sales

### 5.1 Revenue

The following is an analysis of the Company's and Group's revenue for the year from continuing operations.

	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>The Group's revenue comprises sale of goods as analysed below:</b>				
Pharmaceuticals	28,704,314	19,656,484	26,291,683	18,331,226
Beverage	200,836	38,980	200,836	38,980
<b>Total revenue</b>	<b>28,905,150</b>	<b>19,695,464</b>	<b>26,492,519</b>	<b>18,370,206</b>
<b>5.2 Costs of sales</b>				
Total direct material costs	16,370,660	10,478,457	14,854,949	9,954,495
Total direct labour costs	528,656	462,885	528,657	462,885
Total direct expenses	3,367,517	2,021,051	3,367,517	2,021,051
Total factory overhead expenses	124,865	151,838	124,865	151,838
<b>Total costs of sales</b>	<b>20,391,697</b>	<b>13,114,231</b>	<b>18,875,987</b>	<b>12,590,269</b>
<b>Gross profit</b>	<b>8,513,453</b>	<b>6,581,233</b>	<b>7,616,532</b>	<b>5,779,937</b>
<b>Gross margin</b>	<b>29%</b>	<b>33%</b>	<b>29%</b>	<b>31%</b>

### 5.3 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.

- Pharmaceuticals - This segment is involved in the production and sale of human pharmaceuticals.
- Beverage - This segment is involved in the production of bottled water.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	₹'000	₹'000	₹'000	₹'000
<b>5.3.1 Segment revenue</b>				
Pharmaceuticals	28,704,314	19,656,484	26,291,683	18,331,226
Beverage	200,836	38,980	200,836	38,980
	<u>28,905,150</u>	<u>19,695,464</u>	<u>26,492,519</u>	<u>18,370,206</u>
<b>5.3.1.1</b> Segment revenue reported above represents revenue generated from external customers.				
<b>5.3.2 Segment profit</b>				
Pharmaceuticals	8,490,100	6,575,670	7,593,179	5,774,374
Beverage	23,353	5,563	23,353	5,563
<b>Total segment profit</b>	<b>8,513,453</b>	<b>6,581,233</b>	<b>7,616,532</b>	<b>5,779,937</b>
Other operating income (Note 6)	146,099	62,209	108,293	62,209
General administration costs, selling and distribution expenses	(6,096,898)	(5,274,080)	(5,556,950)	(4,739,477)
Finance income	407,490	383,552	367,214	375,834
Finance costs	(370,115)	(290,374)	(370,115)	(254,074)
Share of (loss)/Profit in joint venture	(27,187)	56,996	-	-
<b>Profit before tax</b>	<b>2,572,842</b>	<b>1,519,536</b>	<b>2,164,974</b>	<b>1,224,429</b>

### 5.3.3 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.

### 5.3.4 Segment assets and liabilities

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

### 5.3.5 Information about major customers

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

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 5.3.6 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	
	2024	2023	2024	2023
	Revenue from external customers	Revenue from external customers	Revenue from external customers	Revenue from external customers
	₦'000	₦'000	₦'000	₦'000
East	9,438,569	6,310,473	8,718,922	5,873,994
West	6,158,298	4,426,036	5,812,454	4,241,536
Lagos	9,457,562	6,318,386	8,333,855	5,684,657
North	3,850,722	2,640,571	3,627,290	2,570,020
	<b>28,905,151</b>	<b>19,695,466</b>	<b>26,492,521</b>	<b>18,370,207</b>
	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>6. Other operating income</b>				
Insurance indemnity (Note 6.1)	84,936	44,796	84,899	44,796
Income on contract manufacturing	4,247	(3,780)	4,247	(3,780)
Rental income(Note 6.2)	18,000	4,250	18,000	4,250
Exchange gain	36,783	-	-	-
Profit on disposal of property, plant and equipment	2,133	16,943	1,147	16,943
	<b>146,099</b>	<b>62,209</b>	<b>108,293</b>	<b>62,209</b>

6.1 Income earned on insurance claim received from HOGG Robinson and BCN insurance broker and other insurance

6.2 The rental income is earned on warehouse located at Kano and Abuja owned by the Company, which is leased out to other Company

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>7. Expenses by nature</b>				
Personnel expenses	881,945	567,217	872,611	551,085
Depreciation and amortisation	173,038	127,621	170,259	124,083
Repairs and maintenances	326,344	93,864	323,010	93,118
Transport and travelling expenses	174,792	130,570	170,009	114,816
Insurance expenses	109,807	67,378	109,710	66,945
Licensing/registration	68,999	51,176	63,888	40,192
Director's emolument and expenses	134,835	133,167	134,835	133,167
Director's fees	9,300	7,750	9,300	7,750
Public relations, promotions and advertisements	33,884	17,369	31,940	11,968
Subscriptions and dues	86,860	31,706	86,860	31,706
Audit fees	16,084	10,989	14,824	10,000
Legal and professional charges	53,681	91,917	29,139	76,870
Printing, stationery and promotional material	8,684	6,698	8,050	5,167
Security expenses	33,778	31,885	33,778	31,885
Obsolete stock written off	175	869	-	-
Telephone and postages expenses	11,008	12,529	10,815	11,414
Company Secretary and AGM expenses	21,479	15,480	18,771	13,234
Admin and Management expense (7b)	12,968	30,086	12,968	30,086
Electricity and generator expenses	107,114	48,123	106,638	48,008
Bank charges and commissions	174,182	56,951	83,868	34,445
Exchange loss	234,885	1,083,107	234,885	937,217
IT expenses	135,466	65,932	135,466	65,932
Office and quarters expenses	37,963	25,036	32,260	19,308
	<b>2,847,271</b>	<b>2,707,420</b>	<b>2,693,884</b>	<b>2,458,396</b>
7b: Admin and Management expense				
These are costs incurred in the general operations of the company that are necessary for the company's management and administration.				
<b>7.1 Expenses by function</b>				
Costs of sales (Note 5.2)	20,391,697	13,114,231	18,875,987	12,590,269
	3,249,627	2,566,660	2,863,066	2,281,081
Distribution, Sales and marketing expenses				
Administrative expenses (Note 7)	2,847,271	2,707,420	2,693,884	2,458,396
	<b>26,488,595</b>	<b>18,388,311</b>	<b>24,432,937</b>	<b>17,329,746</b>



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>8. Net finance costs</b>				
<b>8.1 Finance income</b>				
Interest income	<u>(407,490)</u>	<u>(383,552)</u>	<u>(367,214)</u>	<u>(375,834)</u>
<b>8.2 Finance cost</b>				
Deferred income realised (Note 8.1)	(144,764)	(151,715)	(144,764)	(151,715)
Interest on loans and overdraft	<u>514,879</u>	<u>442,089</u>	<u>514,879</u>	<u>405,789</u>
	<u><b>370,115</b></u>	<u><b>290,374</b></u>	<u><b>370,115</b></u>	<u><b>254,074</b></u>
<b>8.1</b> This relates to the fair value gain on the CBN and Bank of Industry loan account now realised.				
<b>8.3</b> Included in the amount was Nil (Dec 2022 : Nil) representing interest on loans from related party.				
<b>9. Taxation</b>				
<b>9.1 Income tax expense</b>				
<b>Back duty assessment charge:</b>				
Income tax	85,010	-	85,010	-
Education tax	4,030	-	4,030	-
Capital Gains tax	<u>3,439</u>	<u>-</u>	<u>3,439</u>	<u>-</u>
	<b>92,478</b>	<b>-</b>	<b>92,478</b>	<b>-</b>
<b>Current year charge:</b>				
Income tax	599,719	229,455	460,606	165,071
Education tax	97,612	60,827	83,146	52,467
Policy fund levy	130	73	108	61
Capital Gains tax	-	-	-	-
NASENI levy	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>789,939</b>	<b>290,355</b>	<b>636,338</b>	<b>217,599</b>
<b>Deferred tax charged (Note 9.3)</b>	<u><b>161,936</b></u>	<u><b>146,162</b></u>	<u><b>167,381</b></u>	<u><b>137,967</b></u>
<b>Total current tax expense</b>	<u><b>951,875</b></u>	<u><b>436,517</b></u>	<u><b>803,719</b></u>	<u><b>355,566</b></u>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>9.2 Deferred tax on origination and reversal of temporary differences:</b>				
Deferred tax charged (Note 9.3)	161,936	146,162	167,381	137,967
Total deferred tax charge	161,936	146,162	167,381	137,967
<b>Total income tax expense</b>	<b>951,875</b>	<b>436,517</b>	<b>803,719</b>	<b>355,566</b>
<b>Factors affecting tax expenses for the year</b>				
Profit before tax as shown in the consolidated and separate income statement	2,572,842	1,519,536	2,164,974	1,224,429
Expected income tax expense on profit at statutory tax rate (30%)	771,853	455,861	649,492	367,329
Effect of portion of income taxed on a different basis - education tax	97,612	60,827	83,146	52,467
Capital allowance effect/Adjusting items	82,410	(80,171)	(96,300)	73,737
Effect of minimum taxation	-	-	-	-
Deferred tax effect	161,936	(146,162)	167,381	(137,967)
	951,875	436,517	803,719	355,566
<b>Effective tax rate</b>	<b>37%</b>	<b>29%</b>	<b>37%</b>	<b>29%</b>
No income tax was recognised directly in equity.				
No income tax was recognised in other comprehensive income.				
<b>9.2 Current tax liabilities</b>				
Income tax payable (Note 9.4)	805,841	299,043	651,520	225,769
<b>9.3 Deferred tax balances</b>				
The following is the analysis of the deferred tax assets presented in the consolidated and separate statements of financial position:				
<b>Deferred tax liabilities</b>	<b>1,148,418</b>	<b>986,482</b>	<b>1,139,069</b>	<b>971,688</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group				Company			
	Opening balance N'000	Recognised in profit or loss N'000	Other Compreh ensive income N'000	Closing balance N'000	Opening balance N'000	Recognised in profit or loss N'000	Other Comprehensive income N'000	Closing balance N'000
<b>9.3.1 2024</b>								
<b>Deferred tax liabilities/ (assets)</b>								
<b>in relation to:</b>								
Property, plant and equipment	899,127	135,788	-	1,034,915	891,119	141,233	-	1,032,352
Retirement benefit obligations	(211,061)	626	-	(210,435)	(211,152)	626	-	(210,526)
Exchange loss /Marketing prov	(43,393)	21,439	-	(21,954)	(43,392)	21,439	-	(21,953)
Provision for debt on Trade debtors	336,521	4,083	-	340,604	335,113	4,083	-	339,196
	981,195	161,936	-	1,143,131	971,688	167,381	-	1,139,069
Adjustment (Note 22.1)	5,287	-	-	5,287	-	-	-	-
	<u>986,482</u>	<u>161,936</u>	<u>-</u>	<u>1,148,418</u>	<u>971,688</u>	<u>167,381</u>	<u>-</u>	<u>1,139,069</u>
<b>9.3.2 2023</b>								
<b>Deferred tax liabilities/ (assets)</b>								
<b>in relation to:</b>								
Property, plant and equipment	773,383	125,744	-	899,127	773,570	117,549	-	891,119
Retirement benefit obligations	(204,877)	(6,184)	-	(211,061)	(204,968)	(6,184)	-	(211,152)
Exchange loss (Trade creditor)	(56,789)	13,396	-	(43,393)	(56,788)	13,396	-	(43,392)
Provision for debt on Trade debtors	323,315	13,206	-	336,521	321,907	13,206	-	335,113
	835,033	146,162	-	981,195	833,721	137,967	-	971,688
Adjustment (Note 22.1)	5,287	-	-	5,287	-	-	-	-
	<u>840,320</u>	<u>146,162</u>	<u>-</u>	<u>986,482</u>	<u>833,721</u>	<u>137,967</u>	<u>-</u>	<u>971,688</u>

There are no unrecognised deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised.

### 9.4 Income tax

Analysis of movements in the current tax balance during the year:

#### At 1 January

	The Group		The Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
Income tax	299,043	542,992	225,769	519,289
Education tax	684,729	229,455	545,616	165,071
Policy fund levy	101,642	60,827	87,176	52,467
NASENI levy	130	73	108	61
Capital Gains Tax	-	-	-	-
Tax paid during the year	(279,703)	(534,305)	(210,587)	(511,119)

#### At 31 December

	<u>805,841</u>	<u>299,043</u>	<u>651,520</u>	<u>225,769</u>
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### 9.4.1 Factors affecting the tax charge in future years

Factors that may affect the Group's future tax charge include the impact of corporate restructurings, the resolution of open issues, future planning opportunities, corporate acquisitions and disposals, the use of brought forward tax losses and changes in tax legislation and tax rates.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>10. Basic earnings per share</b>				
<b>Profit for the year attributable to equity holders</b>	<b>1,620,966</b>	<b>1,083,019</b>	<b>1,361,255</b>	<b>868,863</b>
<b>Earnings from continuing operations</b>	<b>1,620,966</b>	<b>1,083,019</b>	<b>1,361,255</b>	<b>868,863</b>
<b>Number of shares</b>				
Weighted average number of shares for basic earning per share	<b>1,725,234</b>	<b>1,725,234</b>	<b>1,725,234</b>	<b>1,725,234</b>
Effect of dilutive potential share: restricted shares and share options	-	-	-	-
Weighted average number of shares for diluted earnings per share	<b>1,725,234</b>	<b>1,725,234</b>	<b>1,725,234</b>	<b>1,725,234</b>
<b>Earnings per share (kobo) - from discontinued operations</b>				
- Basic	<b>93.96</b>	<b>62.78</b>	<b>78.90</b>	<b>50.36</b>
- Diluted	<b>93.96</b>	<b>62.78</b>	<b>78.90</b>	<b>50.36</b>
<b>Earnings per share (kobo)-from continuing operations</b>				
- Basic	<b>94</b>	<b>63</b>	<b>79</b>	<b>50</b>
- Diluted	<b>94</b>	<b>63</b>	<b>79</b>	<b>50</b>
<b>11. Operating profit</b>				
<b>Operating profit has been arrived after charging/(crediting):</b>				
Depreciation and amortisation expenses	<b>728,264</b>	<b>592,565</b>	<b>686,350</b>	<b>562,585</b>
Staff costs	<b>1,585,612</b>	<b>1,265,464</b>	<b>1,492,406</b>	<b>1,186,424</b>
Profit on disposal of property, plant and equipment	<b>2,133</b>	<b>16,943</b>	<b>1,147</b>	<b>16,943</b>
Audit fees	<b>16,084</b>	<b>10,989</b>	<b>14,824</b>	<b>10,000</b>



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 12. Property, plant and equipment

#### a. The Group

The movement on this account during the year was as follows:

	Freehold land N'000	Building N'000	Plant & Machinery N'000	Furniture & fitting N'000	Computer & office equipment N'000	Trucks & Motor Vehicles N'000	Factory Equipment N'000	Capital work in-progress N'000	Total N'000
<b>Cost</b>									
At 1 January 2023	334,667	2,816,271	3,678,978	108,810	452,820	1,191,864	39,705	1,121,257	9,542,373
Additions	-	710,934	788,495	23,980	139,258	370,983	-	657,464	2,691,114
Reclassification	-	-	-	-	-	-	-	(1,648,853)	(1,648,853)
Write off	-	-	-	-	-	-	-	-	-
Disposal	-	-	(93,102)	-	(1,712)	(198,630)	-	-	(293,444)
<b>At 31 December 2023</b>	<b>334,667</b>	<b>3,327,205</b>	<b>4,374,371</b>	<b>130,790</b>	<b>590,366</b>	<b>1,364,217</b>	<b>39,705</b>	<b>129,868</b>	<b>10,291,190</b>
At 1 January 2024	334,667	3,327,205	4,374,371	130,790	590,366	1,364,217	39,705	129,868	10,291,190
Additions	-	177,418	772,234	75,058	164,272	131,170	1,062	644,939	1,966,153
Reclassification	-	-	(1,726)	-	-	-	-	(693,241)	(694,967)
Disposals	-	-	-	-	(287)	(27,565)	-	-	(27,852)
<b>At 31 December 2024</b>	<b>334,667</b>	<b>3,504,623</b>	<b>5,144,879</b>	<b>205,848</b>	<b>754,351</b>	<b>1,467,822</b>	<b>40,767</b>	<b>81,566</b>	<b>11,534,524</b>
<b>Depreciation and Impairment</b>									
At 1 January, 2023	-	688,626	2,748,186	71,901	331,851	651,799	38,738	-	4,531,101
Charge for the year	-	52,585	180,694	6,129	62,449	289,967	741	-	592,565
Adjustment	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-	-
Disposals	-	-	(91,443)	-	(883)	(161,214)	-	-	(253,540)
<b>At 31 December 2023</b>	<b>-</b>	<b>741,211</b>	<b>2,837,437</b>	<b>78,030</b>	<b>393,417</b>	<b>780,552</b>	<b>39,479</b>	<b>-</b>	<b>4,870,126</b>
At 1 January 2024	-	741,211	2,837,410	78,030	393,417	780,552	39,479	-	4,870,099
Charge for the year	-	64,756	257,355	12,248	102,364	291,480	61	-	728,264
Disposals	-	-	-	-	(287)	(27,565)	-	-	(27,852)
<b>At 31 December 2024</b>	<b>-</b>	<b>805,967</b>	<b>3,094,765</b>	<b>90,278</b>	<b>495,494</b>	<b>1,044,467</b>	<b>39,540</b>	<b>-</b>	<b>5,570,511</b>
<b>Carrying amounts:</b>									
At 31 December 2024	<b>334,667</b>	<b>2,698,656</b>	<b>2,050,114</b>	<b>115,570</b>	<b>258,857</b>	<b>423,355</b>	<b>1,227</b>	<b>81,566</b>	<b>5,964,013</b>
At 31 December 2023	<b>334,667</b>	<b>2,585,994</b>	<b>1,536,934</b>	<b>52,760</b>	<b>196,949</b>	<b>583,665</b>	<b>226</b>	<b>129,868</b>	<b>5,421,063</b>

a) Included in the depreciation charged for the year was N175,363,766.5 (December 2023: N126,467,000) in the administrative expenses, N204,742,757.62 (December 2023: N214,423,000) in the distribution, sales and marketing and a charge of N351,790,807 (December 2023: N265,833,000) to costs of sales in the statement of profit or loss and other comprehensive income for the Group.

b) There is negative pledge on the Group's assets

c) No Impairment of property, plant and equipment during the year.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 12. Property, plant and equipment

#### b. Company

The movement on this account during the year was as follows:

	Freehold land N'000	Building N'000	Plant & Machinery N'000	Furniture & fitting N'000	Computer & office equipment N'000	Trucks & Motor Vehicles N'000	Factory Equipment N'000	Capital work- in-progress N'000	Total N'000
<b>Cost</b>									
At 1 January 2023	334,667	2,616,271	3,667,809	104,943	451,289	1,105,190	39,705	1,121,257	9,441,131
Additions	-	710,934	788,495	23,335	138,602	284,553	-	657,464	2,603,383
Reclassification	-	-	-	-	-	-	-	(1,648,853)	(1,648,853)
Disposals	-	-	(93,102)	-	(1,712)	(198,630)	-	-	(293,444)
<b>At 31 December 2023</b>	<b>334,667</b>	<b>3,327,205</b>	<b>4,363,202</b>	<b>128,278</b>	<b>588,179</b>	<b>1,191,113</b>	<b>39,705</b>	<b>129,868</b>	<b>10,102,217</b>
<b>At 1 January 2024</b>	<b>334,667</b>	<b>3,327,205</b>	<b>4,363,202</b>	<b>128,278</b>	<b>588,179</b>	<b>1,191,113</b>	<b>39,705</b>	<b>129,868</b>	<b>10,102,217</b>
Additions	-	177,418	772,234	74,213	162,450	131,170	1,062	644,939	1,963,486
Transfer	-	-	(1,726)	-	-	-	-	(693,241)	(694,967)
Disposals	-	-	-	-	(287)	(18,535)	-	-	(18,822)
<b>At 31 December 2024</b>	<b>334,667</b>	<b>3,504,623</b>	<b>5,133,710</b>	<b>202,491</b>	<b>750,342</b>	<b>1,303,748</b>	<b>40,767</b>	<b>81,566</b>	<b>11,361,914</b>
<b>Depreciation and Amortisation</b>									
At 1 January, 2023	-	688,626	2,747,685	70,965	330,534	595,676	38,738	-	4,472,124
Charge for the year	-	52,585	179,105	5,968	61,875	262,311	741	-	562,585
Disposals	-	-	(91,443)	-	(883)	(161,214)	-	-	(253,640)
<b>At 31 December 2023</b>	<b>-</b>	<b>741,211</b>	<b>2,835,347</b>	<b>76,933</b>	<b>391,526</b>	<b>696,673</b>	<b>39,479</b>	<b>-</b>	<b>4,781,169</b>
<b>At 1 January 2024</b>	<b>-</b>	<b>741,211</b>	<b>2,835,319</b>	<b>76,933</b>	<b>391,526</b>	<b>696,673</b>	<b>39,479</b>	<b>-</b>	<b>4,781,141</b>
Charge for the year	-	64,756	255,757	11,995	101,671	252,110	61	-	686,350
Disposals	-	-	-	-	(287)	(18,535)	-	-	(18,822)
<b>At 31 December 2024</b>	<b>-</b>	<b>806,967</b>	<b>3,091,076</b>	<b>88,928</b>	<b>492,910</b>	<b>930,248</b>	<b>39,540</b>	<b>-</b>	<b>5,448,669</b>
<b>Carrying amounts:</b>									
<b>At 31 December 2024</b>	<b>334,667</b>	<b>2,698,656</b>	<b>2,042,634</b>	<b>113,563</b>	<b>257,432</b>	<b>373,500</b>	<b>1,227</b>	<b>81,566</b>	<b>5,903,245</b>
<b>At 31 December 2023</b>	<b>334,667</b>	<b>2,585,994</b>	<b>1,527,855</b>	<b>51,345</b>	<b>196,653</b>	<b>494,440</b>	<b>226</b>	<b>129,868</b>	<b>5,321,048</b>

(a) Included in the depreciation charged for the year was N170,288,894 (December 2023: N124,083,217.04) in the administrative expenses, N165,372,743.39 (December 2023: N186,766,737.55) in the distribution, sales and marketing and a charge of N354,116,245 (December 2023: N265,833,064) to costs of sales in the statement of profit or loss and other comprehensive income for the Company.

(b) There is negative pledge on the assets of the Company (in place).

(c) No Impairment of property, plant and equipment during the year.

### 13. Intangible assets

#### Cost:

At 1st January

Additions

At 31 December

#### Accumulated amortisation and impairment loss:

At 1 January

Amortisation charge in the year

At 31 December

#### Carrying amount

Group		Company	
2024	2023	2024	2023
N'000	N'000	N'000	N'000
53,567	46,646	53,292	46,381
9,433	6,911	9,433	6,911
<b>62,990</b>	<b>53,557</b>	<b>62,725</b>	<b>53,292</b>
46,269	35,331	46,149	35,271
3,487	10,938	3,427	10,878
<b>49,756</b>	<b>46,269</b>	<b>49,576</b>	<b>46,149</b>
<b>13,234</b>	<b>7,288</b>	<b>13,149</b>	<b>7,143</b>

13.1 Included in the depreciation charged for the year was amortisation of N3,487,000 (December 2023 : 10,878,000) in the administrative expenses.

13.2 No Impairment of Intangible assets during the year

13.3 All Intangible assets owned by the Group comes from the Parent company.

(b) This represents cost of sales force automation tool purchased and capitalised

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Held by (Units) In thousand	% voting power	Place of Incorporation of operation	Group		Company	
				2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>14. Investment in subsidiaries</b>							
<b>Carrying amount-at costs</b>							
Osworth Nigeria Limited (Note 14i)	1,000	100%	Nigeria	-	-	1,000	1,000
Servisure Nigeria Limited (Note 14ii)	1,000	100%	Nigeria	-	-	1,000	1,000
Tydirpack Nigeria Limited (Note 14iii)	1,000	100%	Nigeria	-	-	1,000	1,000
				-	-	3,000	3,000

i) **Osworth Nigeria Limited:** A Company incorporated in Nigeria in 1st September 2008 and engaged in distribution and sales of healthcare and pharmaceutical products

ii) **Servisure Nigeria Limited:** A Company incorporated in Nigeria on 14th December 2009 and engaged in the distribution and sales of healthcare and pharmaceutical products

iii) **Tydirpack Nigeria Limited:** A Company incorporated in Nigeria on 17th December 2009 and engaged in healthcare and industrial packaging.

15.1. 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, Tydirpack Nigeria Limited and Servisure Nigeria Limited. The investment is carried at cost.

### Condensed results of consolidated entities

31 December 2024

	Parent - May and Baker Nigeria Plc N'000	Osworth Nigeria Limited N'000	Servisure Nigeria Limited N'000	Tydirpacks Nigeria Limited N'000	Total N'000	Elimination N'000	Group N'000
<b>15.2.1 Condensed statement of profit or loss and other comprehensive income</b>							
							5
Revenue	26,492,519	2,848,696	-	-	29,341,215	(436,065)	28,905,150
Cost of sales	(18,875,987)	(1,951,776)	-	-	(20,827,763)	436,065	(20,391,698)
Gross profit	7,616,532	896,920	-	-	8,513,452	-	8,513,452
Other operating income	108,293	37,806	-	-	146,099	-	146,099
Distribution, sales and marketing expenses	(2,863,066)	(386,741)	-	-	(3,249,807)	-	(3,249,807)
Administrative expenses	(2,693,884)	(60,190)	(1,354)	(1,354)	(2,756,782)	-	(2,756,782)
<b>Operating profit</b>	<b>2,167,875</b>	<b>487,795</b>	<b>(1,354)</b>	<b>(1,354)</b>	<b>2,652,962</b>	<b>-</b>	<b>2,652,962</b>
Finance cost	(370,115)	(90,314)	-	-	(460,429)	-	(460,427)
Finance income	367,214	40,278	-	-	407,492	-	407,494
Share of loss in joint ventures	-	-	-	-	-	(27,187)	(27,187)
<b>Profit/(loss) before tax</b>	<b>2,164,974</b>	<b>437,759</b>	<b>(1,354)</b>	<b>(1,354)</b>	<b>2,600,025</b>	<b>(27,187)</b>	<b>2,572,842</b>
Income tax expenses	(803,719)	(148,156)	-	-	(951,875)	-	(951,875)
<b>Profit/loss after tax</b>	<b>1,361,255</b>	<b>289,603</b>	<b>(1,354)</b>	<b>(1,354)</b>	<b>1,648,150</b>	<b>(27,187)</b>	<b>1,620,967</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

**31 December 2024**

	Parent - May and Baker Nigeria Plc N'000	Osworth Nigeria Limited N'000	Servisure Nigeria Limited N'000	TydiPacks Nigeria Limited N'000	Total N'000	Elimination N'000	Group N'000
<b>15.2.2 Condensed statement of financial position</b>							
<b>Assets</b>							
<b>Non-current assets</b>							
Property, plant and equipment	5,903,245	60,769	-	-	5,964,014	-	5,964,014
Intangible assets	13,149	85	-	-	13,234	-	13,234
Investment in subsidiaries	3,000	-	-	-	3,000	(3,000)	-
Right of use of assets	-	-	-	-	-	-	-
Investment in Joint Venture	1,326,886	-	-	-	1,326,886	(155,518)	1,171,368
	<u>7,246,280</u>	<u>60,854</u>	<u>-</u>	<u>-</u>	<u>7,307,134</u>	<u>(158,518)</u>	<u>7,148,617</u>
<b>Current assets</b>							
Inventories	7,538,884	704,803	-	-	8,243,687	-	8,243,687
Trade and other receivables	1,289,880	226,881	15,214	-	1,531,975	-	1,531,975
Other current assets	1,976,620	258,387	-	-	2,235,007	(15,021)	2,219,986
Due from related parties	123,406	-	-	-	123,406	(35,052)	88,354
Cash and cash equivalents	3,126,678	94,854	25	1,461	3,223,017	-	3,223,017
	<u>14,055,468</u>	<u>1,284,925</u>	<u>15,239</u>	<u>1,461</u>	<u>15,357,092</u>	<u>(50,073)</u>	<u>15,307,019</u>
<b>Total assets</b>	<u>21,301,748</u>	<u>1,345,779</u>	<u>15,239</u>	<u>1,461</u>	<u>22,664,226</u>	<u>(208,591)</u>	<u>22,455,636</u>
<b>Equity and liabilities</b>							
Ordinary shares	862,617	1,000	1,000	1,000	865,617	(3,000)	862,617
Share premium	3,012,065	-	-	-	3,012,065	-	3,012,065
Retained earnings	5,035,878	751,085	(8,631)	(13,442)	5,764,890	(155,518)	5,609,371
Fair value reserve	-	838	-	-	838	-	838
Asset revaluation reserve	408,144	-	-	-	408,144	-	408,144
	<u>9,318,704</u>	<u>752,923</u>	<u>(7,631)</u>	<u>(12,442)</u>	<u>10,051,554</u>	<u>(158,518)</u>	<u>9,893,035</u>
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
Loans and borrowings	1,199,390	-	-	-	1,199,390	-	1,199,390
Post employment benefits	32,834	-	-	-	32,834	-	32,834
Deferred tax liabilities	1,139,069	9,352	-	-	1,148,417	-	1,148,417
Deferred fair value gain on loan	186,491	-	-	-	186,491	-	186,491
	<u>2,557,783</u>	<u>9,352</u>	<u>-</u>	<u>-</u>	<u>2,567,131</u>	<u>-</u>	<u>2,567,131</u>
<b>Current liabilities</b>							
Loans and borrowings	3,216,793	332,012	-	-	3,548,805	-	3,548,805
Trade and other payables	5,457,469	97,172	977	1,749	5,557,367	-	5,557,367
Due to related party	16,024	-	21,895	12,155	50,074	(50,074)	-
Current tax liabilities	651,520	154,321	-	-	805,843	-	805,843
Deferred fair value gain on loan	83,456	-	-	-	83,456	-	83,456
	<u>9,425,262</u>	<u>583,505</u>	<u>22,872</u>	<u>13,904</u>	<u>10,045,545</u>	<u>(50,074)</u>	<u>9,995,471</u>
<b>Total liabilities</b>	<u>11,983,045</u>	<u>592,857</u>	<u>22,872</u>	<u>13,904</u>	<u>12,612,676</u>	<u>(50,074)</u>	<u>12,562,602</u>
<b>Total equity and liabilities</b>	<u>21,301,749</u>	<u>1,345,780</u>	<u>15,241</u>	<u>1,462</u>	<u>22,664,230</u>	<u>(208,594)</u>	<u>22,455,636</u>



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023

	Parent - May and Baker Nigeria Plc N'000	Osworth Nigeria Limited N'000	Servisure Nigeria Limited N'000	Tydirpacks Nigeria Limited N'000	Total N'000	Elimination N'000	Group N'000
<b>15.2.3 Condensed statement of profit or loss and other comprehensive income</b>							
Revenue	18,370,206	1,449,540	-	-	19,819,746	(124,282)	19,695,464
Cost of sales	(12,590,269)	(648,244)	-	-	(13,238,513)	124,282	(13,114,231)
<b>Gross profit</b>	5,779,937	801,296	-	-	6,581,233	-	6,581,233
	62,209	(145,890)	-	-	(83,681)	-	(83,681)
Other operating income	(2,281,081)	(285,579)	-	-	(2,566,660)	-	(2,566,660)
Distribution, sales and marketing expenses	(2,458,396)	(100,887)	(1,123)	(1,123)	(2,561,529)	-	(2,561,529)
Administrative expenses	1,102,669	268,940	(1,123)	(1,123)	1,369,363	-	1,369,363
Operating profit	(254,076)	(36,300)	-	-	(290,376)	-	(290,374)
Net Finance cost	375,834	7,716	-	-	383,550	-	383,552
Net Finance income	-	-	-	-	-	56,996	56,996
Share of loss in joint ventures	1,224,427	240,356	(1,123)	(1,123)	1,462,537	56,996	1,519,537
Profit/loss before tax	(355,566)	(80,951)	-	-	(436,517)	-	(436,517)
Income tax expense							
Profit/loss after tax	868,861	159,405	(1,123)	(1,123)	1,026,020	56,996	1,083,020

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023

	Parent - May and Baker Nigeria Plc N'000	Osworth Nigeria Limited N'000	Servisure Nigeria Limited N'000	Tydirpacks Nigeria Limited N'000	Total N'000	Elimination N'000	Group N'000
<b>15.2.4 Condensed statement of financial position</b>							
<b>Assets</b>							
<b>Non-current assets</b>							
Property, plant and equipment	5,321,048	100,017	-	-	5,421,065	-	5,421,065
Intangible assets	7,143	145	-	-	7,288	-	7,288
Investment in subsidiaries	3,000	-	-	-	3,000	(3,000)	-
Right of use of assets	-	-	-	-	-	-	-
Investment in Joint Venture	1,326,886	-	-	-	1,326,886	(128,331)	1,198,555
	<u>6,658,077</u>	<u>100,162</u>	<u>-</u>	<u>-</u>	<u>6,758,239</u>	<u>(131,331)</u>	<u>6,626,909</u>
<b>Current assets</b>							
Inventories	6,430,497	77,594	-	-	6,508,091	-	6,508,091
Trade and other receivables	894,773	115,423	15,214	-	1,025,410	-	1,025,410
Other assets	2,625,601	145,462	-	-	2,771,063	-	2,771,063
Due from related party	121,961	-	-	-	121,961	(54,460)	67,501
Cash and cash equivalents	2,997,678	384,197	25	1,461	3,383,360	-	3,383,360
	<u>13,070,510</u>	<u>722,676</u>	<u>15,239</u>	<u>1,461</u>	<u>13,809,885</u>	<u>(54,460)</u>	<u>13,755,425</u>
<b>Total assets</b>	<u>19,728,587</u>	<u>822,838</u>	<u>15,239</u>	<u>1,461</u>	<u>20,568,124</u>	<u>(185,791)</u>	<u>20,382,334</u>
<b>Equity and liabilities</b>							
Ordinary shares	862,617	1,000	1,000	1,000	865,617	(3,000)	862,617
Share premium	3,012,065	-	-	-	3,012,065	-	3,012,065
Retained earnings	4,192,193	461,631	(7,292)	(12,101)	4,634,431	(128,331)	4,506,099
Fair value reserve	-	808	-	-	808	-	808
Asset revaluation reserve	408,144	-	-	-	408,144	-	408,144
	<u>8,475,019</u>	<u>463,439</u>	<u>(6,292)</u>	<u>(11,101)</u>	<u>8,921,065</u>	<u>(131,331)</u>	<u>8,789,733</u>
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
Loans and borrowings	1,519,334	-	-	-	1,519,334	-	1,519,334
Post employment benefits	32,587	-	-	-	32,587	-	32,587
Deferred tax liabilities	971,688	14,798	-	-	986,482	-	986,482
Deferred fair value gain on loan	257,110	-	-	-	257,110	-	257,110
	<u>2,780,719</u>	<u>14,798</u>	<u>-</u>	<u>-</u>	<u>2,795,513</u>	<u>-</u>	<u>2,795,513</u>
<b>Current liabilities</b>							
Loans and borrowings	5,066,362	73,420	-	-	5,139,782	-	5,139,782
Trade and other payables	3,023,119	175,791	489	1,260	3,200,659	-	3,200,659
Due to related party	-	22,116	21,042	11,302	54,460	(54,460)	-
Current tax liabilities	225,769	73,275	-	-	299,046	-	299,046
Deferred income	157,600	-	-	-	157,600	-	157,600
	<u>8,472,850</u>	<u>344,602</u>	<u>21,531</u>	<u>12,562</u>	<u>8,851,547</u>	<u>(54,460)</u>	<u>8,797,087</u>
	<u>11,253,569</u>	<u>359,400</u>	<u>21,531</u>	<u>12,562</u>	<u>11,647,060</u>	<u>(54,460)</u>	<u>11,592,600</u>
<b>Total liabilities</b>	<u>19,728,588</u>	<u>822,839</u>	<u>15,239</u>	<u>1,461</u>	<u>20,568,125</u>	<u>(185,793)</u>	<u>20,382,332</u>
<b>Total equity and liabilities</b>							

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 16. Investment in Joint Ventures

This investment is accounted using equity method in these consolidated financial statements.  
Details of the Group's material Joint Ventures at the end of the year is as follows:

Nature of Joint Ventures	Principal activities	Place of Incorporation of operation	Held by (Units) In thousand	% voting power
JV Biovaccine Nigeria Ltd	Production, sales and distribution of human vaccines	Nigeria	51,000	51%
			<b>2024</b> <b>₦'000</b>	<b>2023</b> <b>₦'000</b>

#### 16.1

The summarised financial information below represents amounts shown in the Joint Venture's financial statements.

#### Biovaccine Nigeria Limited

Current assets	<b>489,699</b>	<b>1,222,057</b>
Non-current assets	<b>1,613,097</b>	<b>1,682,132</b>
Current liabilities	<b>(110,940)</b>	<b>(859,008)</b>
Non-current liabilities	<b>-</b>	<b>-</b>
<b>The following amounts have been included in the amounts above:</b>		
Cash and cash equivalents	<b>142,100</b>	<b>134,969</b>
Current financial liabilities(excluding trade and other payables and provisions)	<b>(99,710)</b>	<b>(82,835)</b>
Non-current financial liabilities(excluding trade and other payables and provisions)	<b>-</b>	<b>-</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 ₦'000	2023 ₦'000	2024 ₦'000	2023 ₦'000
<b>16.2 Revenue</b>			<b>823,812</b>	<b>1,345,335</b>
<b>Cost</b>	<b>-</b>	<b>-</b>	<b>804,226</b>	<b>1,342,850</b>
Profit/(Loss) from continuing operations	1,289	1,267	2,527	2,485
<b>(Loss)/Profit for the year</b>	<b>1,289</b>	<b>1,267</b>	<b>2,527</b>	<b>2,485</b>
<b>Taxation (expenses)/credit for the year</b>	<b>(37,193)</b>	<b>53,895</b>	<b>(72,927)</b>	<b>105,676</b>
Other comprehensive income /(loss) for the year	8,717	1,833	17,093	3,595
<b>Total comprehensive (loss)/Profit for the year</b>	<b>(27,187)</b>	<b>56,996</b>	<b>(53,307)</b>	<b>2,485</b>
<b>The following amounts have been included in the amounts above:</b>				
Depreciation	(5,244)	(4,280)	(10,282)	(8,392)
Interest income	4,380	8,278	8,588	16,231
Interest expense	(152)	(233)	(299)	(457)
<b>16.2.1 Reconciliation of the summarised financial information to the carrying amount of the interest in the joint venture recognised in the Group's financial statements</b>				
Net assets of the joint venture	1,991,856	2,045,181	1,991,856	2,045,182
Proportion of the Group's ownership interest in the joint ventures	51%	51%	51%	51%
<b>Gross amount of the Group's interest in the joint venture</b>	<b>1,015,847</b>	<b>1,043,042</b>	<b>1,015,847</b>	<b>1,043,043</b>
Amount( payable)to/receivable from Biovaccine Nigeria Limited	182,708	70,491	88,354	70,491
Share of accumulated loss from the joint ventures in the year	(27,187)	56,996	-	-
<b>Carrying amount of the Group's interest in the joint venture</b>	<b>1,171,368</b>	<b>1,170,529</b>	<b>1,326,886</b>	<b>1,326,886</b>

**16.2.2** There are no contingent liabilities or capital commitments related to the Group's investment in associates or the joint venture.



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>17. Inventories</b>				
Raw materials	1,715,884	1,693,767	1,715,884	1,693,767
Packaging materials	1,533,787	1,676,088	1,533,787	1,676,088
Work-in-progress	426,041	185,581	426,041	185,581
Finished goods	3,724,323	2,563,548	3,077,462	2,500,219
Spare parts	565,885	221,552	565,885	221,552
Consumables (17c)	277,767	167,554	219,825	153,290
	<u>8,243,687</u>	<u>6,508,090</u>	<u>7,538,884</u>	<u>6,430,497</u>

(a) Inventories value of **N8.24 Billion** (2023 : N6.51Billion) were carried at net realisable value. There are no inventories pledge as securities for liabilities.

(b) Inventory written down during the year amounted to N175,000 (2023: N869,000).

(c.) Consumables:

These represent the closing stock of promotional items, AGO, PMS, lubricants etc.

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>18. Trade and other receivables</b>				
<b>Trade receivables</b>				
Trade receivables (Note 18.1)	1,814,415	1,269,176	1,569,378	1,134,435
Less: allowance for doubtful debts (Note 18.3)	<u>(386,061)</u>	<u>(425,008)</u>	<u>(355,418)</u>	<u>(396,649)</u>
	<u>1,428,354</u>	<u>844,168</u>	<u>1,213,960</u>	<u>737,786</u>
<b>Other receivables</b>				
Staff loans and advances	153,891	252,422	128,563	227,038
Withholding tax recoverable	158,230	123,810	136,757	105,667
Refundable deposits	687	1,088	-	401
VAT receivable	16,388	16,019	16,388	16,019
Union Dues-Jnr	4,322	1,356	4,322	1,356
ITF and others	9,818	5,810	9,818	5,810
	<u>343,336</u>	<u>400,505</u>	<u>295,848</u>	<u>356,291</u>
<b>Less: Allowance for doubtful debts (Note 18.4)</b>	<u>(239,716)</u>	<u>(219,263)</u>	<u>(219,927)</u>	<u>(199,304)</u>
<b>Total other receivables</b>	<u>103,620</u>	<u>181,242</u>	<u>75,921</u>	<u>156,987</u>
<b>Total trade and other receivables</b>	<u>1,531,973</u>	<u>1,025,410</u>	<u>1,289,880</u>	<u>894,773</u>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 18.1 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. In line with the provisions of IFRS 9 on financial instruments, the Company has developed an impairment matrix on all its trade receivables.

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.

The company does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the company to the counterparty.

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>18.2 Ageing of past due receivables:</b>				
0 - 30 days	281,709	158,029	182,022	125,947
31 - 60 days	474,603	289,684	418,867	277,199
61 - 90 days	363,278	231,740	304,005	194,044
91 - 150 days	220,704	148,419	203,564	133,619
151 - 360 days	148,804	109,137	136,777	71,459
Over 360 days (Note 20.2a)	324,681	332,167	323,506	332,167
Total	<u>1,813,778</u>	<u>1,269,176</u>	<u>1,568,741</u>	<u>1,134,435</u>

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.

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>18.3 Movement in the allowance for doubtful debts-trade receivables</b>				
At 1 January	425,008	476,206	396,779	453,512
Impairment charged/(write back) / losses recognised	(4,070)	14,006	(6,314)	8,471
Bad debt written off in the year	(35,047)	(65,204)	(35,047)	(65,204)
<b>At 31 December</b>	<u>385,891</u>	<u>425,008</u>	<u>355,418</u>	<u>396,779</u>

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

### 18.4 Movement in the allowance for doubtful debts-other receivables

At 1 January	219,263	217,863	199,304	199,623
Write off in the year	(300)	(449)	-	(449)
Impairment charged/(write back) / losses recognised	20,753	1,849	20,623	130
<b>At 31 December</b>	<u>239,716</u>	<u>219,263</u>	<u>219,927</u>	<u>199,304</u>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 18.5 Receivables from related parties

The group has receivables/payables from related parties. These related parties are not part of the group but they are related in one way or the other. The bulk of these amounts do not arise from trade activities but usually from shared costs and other reimbursable.

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>19. Related Parties</b>				
<b>19.1 Due from related parties</b>				
Receivable from related parties	<u>88,354</u>	<u>67,501</u>	<u>123,406</u>	<u>121,961</u>
<b>19.2 Due to related party</b>				
<b>Payable to related party:</b>				
Biovaccines Nig. Ltd. Shared costs Joint venture	<u>-</u>	<u>10,161</u>	<u>16,024</u>	<u>207,052</u>

19.3 The aggregate value of transactions and outstanding balances relating to these entities were as follows:

Related Parties	Nature of Transactions	Relationship	Group		Company	
			2024	2023	2024	2023
			₦'000	₦'000	₦'000	₦'000
<b>Receivable from related parties:</b>						
Osworth Trading Co. Ltd.	Shared costs	Subsidiary	-	-	-	22,116
Servisure Nig. Ltd.	Shared costs	Subsidiary	-	-	22,396	21,042
Tydispicks Nig. Ltd.	Shared costs	Subsidiary	-	-	12,656	11,302
Biovaccines Nig. Ltd.	Shared costs	Joint venture	88,354	67,501	88,354	67,501
<b>Total receivable from related parties:</b>			<u>88,354</u>	<u>67,501</u>	<u>123,406</u>	<u>121,961</u>
<b>Payable to related party:</b>						
Biovaccines Nig. Ltd.	Shared costs	Joint venture	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net related parties amount</b>			<u>88,354</u>	<u>67,501</u>	<u>123,406</u>	<u>121,960</u>
<b>20. Other assets</b>						
Advance payment to suppliers (Note 20.1)			1,832,983	2,377,727	1,598,816	2,239,648
Prepayments (20.1b)			354,288	362,250	345,087	354,866
FCMB Security deposit (20.1c)			<u>32,717</u>	<u>31,087</u>	<u>32,717</u>	<u>31,087</u>
			<u>2,219,988</u>	<u>2,771,064</u>	<u>1,976,620</u>	<u>2,625,601</u>

20.1 This represents deposit for approved Letters of Credits (LCs) to foreign suppliers & advance payment to local suppliers.

20.1b This represents advance payments for insurance, rent , software renewals etc

20.1c This represents refundable interest security for CBN loan with FCMB

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>21. Cash and cash equivalent as per statement of financial position</b>				
Cash in hand	26,442	2,713	26,442	2,713
Cash at bank	1,209,101	981,093	1,112,759	902,154
Short term placements (Note 21.2)	1,987,477	2,399,557	1,987,477	2,092,811
<b>Statement of Financial Position</b>	<b>3,223,020</b>	<b>3,383,363</b>	<b>3,126,678</b>	<b>2,997,678</b>
<b>21.1 Bank overdraft used for cash management (Note 24a)</b>	<b>(38,735)</b>	<b>(206,751)</b>	<b>(38,735)</b>	<b>(206,751)</b>
<b>Cash and cash equivalent as per statement of cashflow</b>	<b>3,184,285</b>	<b>3,176,612</b>	<b>3,087,943</b>	<b>2,790,927</b>

### {a} Restricted cash

Included in the short-term deposits above is the unclaimed dividend balance of **N477,479,553.79** that has been invested in a demand deposit account.

### {b} 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:

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>22 Ordinary shares</b>				
1,725,234,886 ordinary shares of 50 kobo each	862,617	862,617	862,617	862,617



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 22.1.1 Minimum issued share capital for existing company – Section 124 of CAMA 2021

In line with the company's regulations of 2021 released by the Corporate Affairs Commission in December 2021, a company that has an unissued shares in its capital shall not later than 31 December 2022 fully issue such shares.

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>22.2 Share premium</b>				
<b>At 31 December</b>	<b>3,012,065</b>	<b>3,012,065</b>	<b>3,012,065</b>	<b>3,012,065</b>
<b>23. Retained earnings</b>				
At 1 January	4,506,915	3,941,466	4,192,193	3,840,900
Profit for the year	1,620,966	1,083,019	1,361,255	868,863
Dividend declared and paid	(517,570)	(517,570)	(517,570)	(517,570)
<b>At 31 December</b>	<b>5,610,311</b>	<b>4,506,915</b>	<b>5,035,878</b>	<b>4,192,193</b>
<b>23.1</b> This represent Osworth deferred tax adjustment in prior year now recognize				
<b>23.2</b> All the profit of the Group is attributable to Owners of the Parents as there are no non-controlling interests.				
<b>23.3 Asset revaluation reserve</b>				
<b>At 31 December</b>	<b>408,144</b>	<b>408,144</b>	<b>408,144</b>	<b>408,144</b>
<b>24. Loans and borrowings</b>				
<b>24.1 Secured amounts:</b>				
Bank overdrafts (Note 24.3)	38,735	206,751	38,735	206,751
Current borrowing (Note 24.3)	3,548,806	5,139,783	3,216,793	5,066,362
Non current borrowing (Note 24.3)	1,199,390	1,519,334	1,199,390	1,519,334
<b>Total borrowed fund</b>	<b>4,748,196</b>	<b>6,659,117</b>	<b>4,416,183</b>	<b>6,585,696</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>24.2</b> All the borrowings were obtained in naira, the functional currency of the Group. The principal features of the Company's borrowings are described below:				
<b>24.3 Analysis by maturity:</b>				
<b>Current-due within 1 year as follows:</b>				
Bank overdrafts (Note 24.3.1)	38,735	206,751	38,735	206,751
Term loans - CBN Intervention fund (Note 24.3.2)	-	665	-	665
Short term import facility (Note 24.3.3)	3,190,028	4,128,931	2,858,016	4,055,511
Term loans - BOI Loan 1 (Note 24.3.4.1)	150,344	143,635	150,344	143,635
Term loans - CBN 1 B Loan 1 (Note 24.3.4.2)	8	482,466	8	482,466
Term loans - CBN 2.5 B Loan 2 (24.3.4.3)	169,692	177,335	169,691	177,334
<b>Total current borrowed fund</b>	<b>3,548,806</b>	<b>5,139,783</b>	<b>3,216,793</b>	<b>5,066,362</b>
<b>Non-current-due after 1 year as follows:</b>				
Term loans - BOI Loan 1 (Note 24.3.4.1)	282,532	432,866	282,532	432,866
Term loans - CBN 1 B Loan 1 (Note 24.3.4.2)	-	-	-	-
Term loans - CBN 2.5 B Loan 2 (24.3.4.3)	916,858	1,086,468	916,858	1,086,468
<b>Total non-current borrowed fund</b>	<b>1,199,390</b>	<b>1,519,334</b>	<b>1,199,390</b>	<b>1,519,334</b>
<b>Total borrowed fund</b>	<b>4,748,196</b>	<b>6,659,117</b>	<b>4,416,183</b>	<b>6,585,696</b>
<b>24.5 Movement in borrowings other than overdraft</b>				
At 1 January	6,659,117	5,737,203	6,585,696	5,737,203
(Repayment)/additional loans and borrowings	(1,910,921)	921,914	(2,169,513)	848,493
<b>At 31 December</b>	<b>4,748,196</b>	<b>6,659,117</b>	<b>4,416,183</b>	<b>6,585,696</b>

### Summary of borrowing arrangements

#### 24.3.1 Bank Overdrafts

The Bank Overdrafts are secured by a negative pledge on the Company's assets and the interest rate is at 31%. Bank overdrafts are repayable on demand.

#### 24.3.2 Term Loans - CBN Intervention fund 1 Billion

The CBN 1 Billion intervention loan has been completely repaid.

#### 24.3.3 Short term import facility

This represents Import Finance Facility (IFF) lines obtained from 4 Nigerian banks namely: Fidelity Bank Plc FCMB, Sterling Bank and Zenith Bank Plc. The IFF is used to finance the establishment of LCs and/ or bills for collection for the importation of raw materials, spares and machinery. The IFF tenor is 90- 365 days with each Letter of Credit having a 180 day cycle at an average interest rate of 6% pre Neg and 8% post Neg per annum.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 24.3.4.1 CBN/BOI Industrial fund

This represents N850 million Industrial fund obtained from BOI. The loan is for the procurement of items of plant and machinery for the production of Pharmaceutical products (the project). The offer letter was amended from 7 June 2022 to 30 July 2022 with an interest rate of 5% until 31 March 2023 (The rate shall revert back to 9% as for 1 September 2023 until full repayment of the entire loan or any money outstanding). Tenor is 6 years inclusive of 12 months moratorium on principal repayment commencing from date of disbursement. Security is Bank Guaranty on the loan and accruing interest on a continuous basis by FCMB Ltd or any commercial bank acceptable to BOI

### 24.3.4.2 Central Bank of Nigeria (CBN) Loan 1

This represents N1 billion CBN Intervention Funds, via CBN DCRR, obtained through FCMB. The loan is to support the Company's proposed para plant FIRO/NIPRD projects. The tenor is 5 years inclusive of 6 months moratorium on the principal repayment interest rate of 9% per annum (subject to review in line with CBN guideline). Facility repayment will be from the proceeds of the sales and borrower other business activities and any other source(s) available to the bank. Interest rate of 5% per annum and to matured on 31 March 2023. Thereafter, interest will revert to 9% per annum from 1 September 2023. This has fully been repaid as at 31st Dec 2024.

### 24.3.4.3 Central Bank of Nigeria (CBN) Loan 2

This represents N2.5 billion CBN Intervention Funds, obtained through Fidelity bank Plc. Utilisation is made up of N2 billion which is to be used to finance/expand Company new and existing project (Code name facility type 1). Tenor is 10 year with (1) year moratorium on principal repayment only, while N500million (codename facility type 2), is to be used to augment the company working capital requirement. Tenor is one year/365 days renewed for an extra year and has been fully repaid. Repayment is cash inflows from the Company's daily operations and other sources available to the Company and acceptable to the bank via amortisation on a quarterly basis and fund remitted to the CBN. Interest rate of 5% per annum and to matured on 31 August 2022. Thereafter, interest will revert to 9% per annum from 1 September 2023.

## 25. Post employment benefits

i. The Group operates a contributory pension scheme of 18% where both employer and employee contribute 11% and 7% respectively of Basic, housing and Transport Allowance. Also management put in place retirement benefit (Sweetener and this is discharged by monthly transfer to the Fund Manager ( FBN Capital). However, this is for staff that have been in the employment of the company for a minimum of five (5) years.

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>25.1 Statement of financial position</b>				
Retirement Benefit	<u>32,834</u>	<u>32,587</u>	<u>32,834</u>	<u>32,587</u>
<b>25.2 Movement in Retirement Benefit</b>				
At 1 January	32,587	37,409	32,587	37,409
Additional provision in the year	14,488	22,544	14,488	20,512
Benefits remitted/ paid	<u>(14,241)</u>	<u>(27,366)</u>	<u>(14,241)</u>	<u>(25,334)</u>
<b>At 31 December</b>	<u>32,834</u>	<u>32,587</u>	<u>32,834</u>	<u>32,587</u>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Group		Company	
2024	2023	2024	2023
₦'000	₦'000	₦'000	₦'000

### 25.3 The present value of the

#### Retirement benefit

The amount included in the statement of financial position arising from the Group's obligation in respect of the retirement benefit is as follows:

<b>Post employment benefits</b>	<b>32,834</b>	<b>32,587</b>	<b>32,834</b>	<b>32,587</b>
---------------------------------	---------------	---------------	---------------	---------------

With effect from 1 April 2019, the company introduced a new scheme known as 'sweetener'. The new scheme is applied at 4% on basic, housing and transport of the staff. This is payable monthly to FBN Quest, the fund administrators.

Group		Company	
2024	2023	2024	2023
₦'000	₦'000	₦'000	₦'000

### 26. Trade and other payables

Trade payables (Note 26.1)	4,514,692	2,050,003	4,512,868	1,969,468
Other payables (Note 26.2)	1,042,574	1,150,654	944,600	1,053,650
	<b>5,557,266</b>	<b>3,200,657</b>	<b>5,457,468</b>	<b>3,023,118</b>

**26.1** Trade creditors 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.

#### 26.2 Other payables:

Accruals (Note 26.2.b)	592,020	671,070	507,352	583,989
National Housing Fund (Note 26.2.1)	7,231	7,226	6,191	6,186
Nigeria Social & Industrial Training Fund (Note 26.2.1)	5,219	4,266	4,668	4,266
Unclaimed dividends	288,923	276,071	288,923	276,071
Co-operative liabilities	12,073	6,071	11,121	5,236
Distributors Refundable Deposit	891	841	891	841
Revolving Debt & others	39,615	52,515	39,090	52,515
Withholding tax liabilities (Note 26.2.1)	7,827	53,907	6,509	52,631
Pay-As-You-Earn liabilities (Note 26.2.1)	35,925	40,357	30,520	38,558
Staff Welfare Liabilities	13,697	10,625	13,685	9,263
Union Dues	593	533	360	299
Pension Payable	38,560	27,172	35,290	23,795
	<b>1,042,574</b>	<b>1,150,654</b>	<b>944,600</b>	<b>1,053,650</b>



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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

26.2.b Accruals represents recognition of costs related to services enjoyed that the invoice has not been received

26.2.1 Statutory liabilities such as VAT, WHT, PAYE, NHF, ITF, NSITF are expected to be settled in line with the relevant laws/regulations setting them up. With the exception of ITF which is payable yearly, the rest are payable monthly

	Group		Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>27. Deferred fair value gain on loan</b>				
Deferred fair value gain	<u>269,947</u>	<u>414,710</u>	<u>269,947</u>	<u>414,710</u>
<b>Analysis of deferred fair value gain on loan into:</b>				
<b>27.1 Current portion</b>	<u>83,456</u>	<u>157,600</u>	<u>83,456</u>	<u>157,600</u>
<b>27.2 Non current portion</b>	<u>186,491</u>	<u>257,110</u>	<u>186,491</u>	<u>257,110</u>

These represent the benefit of CBN intervention loan at a below the market rate of interest measured at the difference between proceeds received and the fair value of the loan based on prevailing market interest rate. The day 1 gain 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 with re-measurement gain embedded in it. In the current year N151.7 million was released in the income statement to reduce the finance cost of the loan.

### 28. Guarantees and other financial commitments

#### Charges on asset

The bank loans and overdrafts are covered by a negative pledge on the company's assets.

#### Capital expenditure

Capital expenditure authorised by the Directors but not contracted was Nil (Dec 2023 : Nil).

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of the financial statements.

### 29. Contingent liabilities

The company is subject to claims and other liabilities from litigations and legal actions arising from the ordinary course of business. As at 31st December 2024, the contingent liabilities arising from the pending legal claims (SUIT No AK/25/2022 Pharmacist Adebola Lawal & Anor Vs May and Baker) and ( CHARGE No MIK/Q/97/2013-COP V Okechukwu Ogbonnaya ) amounted to N50.87million (December 2023, N50.87million). Based on legal advice, the Directors think that the Company has a good defence against the claim and that no material loss is anticipated to arise therefrom.

### 30. Related party information

#### 30.1 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.

Tydispicks Nigeria Limited- A Company incorporated in Nigeria on 17th December 2009 and engaged in healthcare and industrial packaging.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Servisure Nigeria Limited - A Company incorporated in Nigeria on 14th December 2009 and engaged in the distribution and sales of healthcare and pharmaceutical products

South Atlantic Petroleum (Sapetro) - A Company owned by the Chairman, Board of Directors.

Biovaccines Limited - Biovaccines Nigeria Limited has commenced minimal commercial operations via supply of vaccines on order from NPHCDA. Other 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 balances due to and fro.

### Key Management Personnel

The Key management personnel 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- MD/CEO
Mr. Aboderin S. A.	Executive Director CFO
Dr. Rahila Ilegbodu	Non-executive Director
Mr. Kolawole Olalekan Durojaiye	Non-executive Director
Mr. Micheal Odumodu	Non-executive Director
Dr. E. Abebe	Non-executive Director (Retired on 13th March 2025)
Chief S. M. Onyishi	Non-executive Director
Mr. Osagie Omenai	Non-executive Director (Appointed on 27th March 2025)
Mrs. E. Essien	Head Human Capital Development
Mr. G. O Obiakor	Head Internal Control and Compliance
Mr. S. Ajalaye	Head Pharma, Plant Manufacturing Operation.
Mr . O. Emeribe	Head Pharma, Sales & Marketing.
Mrs. Ngozi Chukelu	Head of Osworth Business

### 30.2 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 the 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.

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.

There were no significant transactions with other related companies.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 30.3 Related party transactions

The Group's related party transactions are with Osworth Trading Co. Ltd, Servisure Nig. Ltd, Tydipacks Nig. Ltd & Biovaccines Nig.Ltd. On 31 December 2024, the total inter-company balances from the related parties are analysed below:

	Osworth Trading Co. Ltd. ₦'000	Servisure Nig. Ltd. ₦'000	Tydipacks Nig. Ltd. ₦'000		Biovaccines Nig. Ltd. ₦'000	Total ₦'000
<b>2024</b>						
Group to the related parties	-	-	-	-	-	-
Related parties balances to the Group	(16,024)	22,396	12,656	-	88,354	107,382
<b>2023</b>						
Group to the related parties	-	-	-	-	-	-
Related parties balances to the Group	22,116	21,042	11,302	-	67,501	121,961

### 30.5 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.

	Group		Company	
	2024 ₦'000	2023 ₦'000	2024 ₦'000	2023 ₦'000
<b>Directors remuneration</b>				
Directors fees	9,300	7,750	9,300	7,750
Salaries and allowances	134,835	133,167	134,835	133,167
	<b>144,135</b>	<b>140,917</b>	<b>144,135</b>	<b>140,917</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
<b>30.6a Staff costs</b>				
The aggregate employee remuneration is as follows:				
Salaries and wages	1,476,304	1,155,754	1,390,492	1,085,242
Staff pension and gratuity	109,308	109,710	101,914	101,182
	<u>1,585,612</u>	<u>1,265,464</u>	<u>1,492,406</u>	<u>1,186,424</u>

### 30.6b Employees remunerated at a higher rates

The number of employees excluding Directors in respect of emoluments excluding provident fund contributions and allowances:

N		N					
100,001	-	200,000	1	1	1	1	
250,001	-	300,000	-	-	-	-	
300,001	-	350,000	-	-	-	-	
350,001	-	400,000	-	-	-	-	
400,001	-	450,000	42	35	42	35	
450,001	-	500,000	24	24	24	24	
500,001	-	550,000	10	7	10	7	
550,001	-	600,000	-	-	-	-	
600,001	-	650,000	-	-	-	-	
650,001	-	700,000	26	15	18	7	
700,001	-	and above	293	282	270	260	
			<u>396</u>	<u>364</u>	<u>365</u>	<u>334</u>	

The average number of persons in the employment of the Company in the financial year are as follows:

Managerial	22	23	22	23
Senior staff	213	193	182	163
Junior staff	161	148	161	148
	<u>396</u>	<u>364</u>	<u>365</u>	<u>334</u>

## 31 Financial Instruments

### 31.1 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 optimisation of its capital structure.

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 share premium.

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



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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 associated with each class of capital.

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 below:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>₦'000</b>	<b>₦'000</b>
<b>Gearing ratio</b>		
The gearing ratio is as follows:		
<b>Net debt</b>		
Debt	4,748,196	6,659,117
Cash and cash equivalents	(3,223,020)	(3,383,363)
<b>Net debt</b>	<b>1,525,176</b>	<b>3,275,754</b>
<b>Equity</b>		
Ordinary shares	862,617	862,617
Share premium	3,012,065	3,012,065
Retained earnings	5,610,311	4,506,915
	<b>9,484,993</b>	<b>8,381,597</b>
<b>Net debt to equity ratio</b>	<b>16%</b>	<b>39%</b>

Debt is defined as current and non-current borrowings (as described in Note 23).

Equity includes all capital and reserves of the Group that are managed as capital.

### 31.2.1 Categories of financial instruments-Group

The groups financial assets and financial liabilities as at the reporting date is tabulated below:

	<b>Carrying amount</b>				
	<b>Amortised Cost ₦'000</b>	<b>FVTPL ₦'000</b>	<b>FVTOCI ₦'000</b>	<b>Non- financial ₦'000</b>	<b>Total ₦'000</b>
<b>31 December 2024</b>					
<b>Asset</b>					
Property, plant and equipment	-	-	-	5,964,013	5,964,013
Intangible assets	-	-	-	13,234	13,234
Investment in Joint Venture	-	-	-	1,171,368	1,171,368
Inventories	-	-	-	8,243,687	8,243,687
Trade and other receivables	1,428,354	-	-	103,620	1,531,973
Other assets	-	-	-	2,219,988	2,219,988
Cash and cash equivalents	3,223,020	-	-	-	3,223,020
	<b>4,651,374</b>	<b>-</b>	<b>-</b>	<b>17,715,910</b>	<b>22,367,283</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Carrying amount			
	Amortised cost ₦'000	FVTPL ₦'000	Non- financial ₦'000	Total ₦'000
<b>Liabilities</b>				
Loans and borrowings	4,748,196	-	-	4,748,196
Deferred tax liabilities	-	-	1,148,418	1,148,418
Trade and other payables	-	-	5,557,266	5,557,266
Current tax liabilities	-	-	805,841	805,841
	<u>4,748,196</u>	<u>-</u>	<u>7,594,981</u>	<u>12,343,176</u>

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

	Carrying amount				
	Amortised Cost ₦'000	FVTPL ₦'000	FVTOCI ₦'000	Non- financial ₦'000	Total ₦'000
31 December 2023					
<b>Asset</b>					
Property, plant and equipment	-	-	-	5,011,612	5,011,612
Intangible assets	-	-	-	11,315	11,315
Investment in Joint Venture	-	-	-	1,141,559	1,141,559
Inventories	-	-	-	5,342,018	5,342,018
Trade and other receivables	905,671	-	-	110,841	1,016,512
Other assets	-	-	-	2,474,626	2,474,626
Cash and cash equivalents	2,906,797	-	-	-	2,906,797
	<u>3,812,468</u>	<u>-</u>	<u>-</u>	<u>14,091,971</u>	<u>17,904,439</u>

	Carrying amount			
	Amortised cost ₦'000	FVTPL ₦'000	Non- financial ₦'000	Total ₦'000
<b>Liabilities</b>				
Loans and borrowings	5,558,448	-	-	5,558,448
Deferred tax liabilities	-	-	840,320	840,320
Trade and other payables	-	-	2,157,199	2,157,199
Current tax liabilities	-	-	542,991	542,991
	<u>5,558,448</u>	<u>-</u>	<u>3,540,510</u>	<u>9,098,958</u>

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

### 30.2b Categories of financial instruments-the Company

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

<b>31 December 2024</b>	<b>Carrying amount</b>				
	Amortised Cost <b>₦'000</b>	FVTPL <b>₦'000</b>	FVTOCI <b>₦'000</b>	Non- financial <b>₦'000</b>	Total <b>₦'000</b>
<b>Asset</b>					
Property, plant and equipment	-	-	-	5,903,245	5,903,245
Intangible assets	-	-	-	13,149	13,149
Investment in subsidiaries	-	-	-	3,000	3,000
Investment in Joint Venture	-	-	-	1,326,886	1,326,886
Inventories	-	-	-	7,538,884	7,538,884
Trade and other receivables	1,213,960	-	-	75,921	1,289,880
Other assets	-	-	-	1,976,620	1,976,620
Cash and cash equivalents	<u>3,126,678</u>	-	-	-	<u>3,126,678</u>
	<u><b>4,340,638</b></u>	<u>-</u>	<u>-</u>	<u><b>16,837,705</b></u>	<u><b>21,178,342</b></u>
		<b>Carrying amount</b>			
	Amortised cost <b>₦'000</b>	FVTPL <b>₦'000</b>		Non- financial <b>₦'000</b>	Total <b>₦'000</b>
<b>Liabilities</b>					
Loans and borrowings	4,416,183	-		-	4,416,183
Deferred tax liabilities	-	-		1,139,069	1,139,069
Trade and other payables	-	-		5,457,468	5,457,468
Current tax liabilities	<u>-</u>	<u>-</u>		<u>651,520</u>	<u>651,520</u>
	<u><b>4,416,183</b></u>	<u>-</u>		<u><b>7,331,513</b></u>	<u><b>11,747,696</b></u>

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

31 December 2023	Carrying amount				
	Amortised Cost ₹'000	FVTPL ₹'000	FVTOCI ₹'000	Non- financial ₹'000	Total ₹'000
<b>Asset</b>					
Property, plant and equipment	-	-	-	4,969,007	4,969,007
Intangible assets	-	-	-	11,110	11,110
Investment in subsidiaries	-	-	-	3,000	3,000
Investment in Joint Venture	-	-	-	1,326,886	1,326,886
Inventories	-	-	-	5,228,008	5,228,008
Trade and other receivables	858,520	-	-	89,646	948,166
Other assets	-	-	-	2,451,557	2,451,557
Cash and cash equivalents	2,864,683	-	-	-	2,864,683
	3,723,203	-	-	14,079,214	17,802,417

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Carrying amount			
	Amortised cost ₦'000	FVTPL ₦'000	Non- financial ₦'000	Total ₦'000
<b>Liabilities</b>				
Loans and borrowings	5,558,448	-	-	5,558,448
Deferred tax liabilities	-	-	833,721	833,721
Trade and other payables	-	-	2,039,615	2,039,615
Current tax liabilities	-	-	519,289	519,289
	<u>5,558,448</u>	<u>-</u>	<u>3,392,625</u>	<u>8,951,073</u>

### 31.3. Financial risk management objectives

The company's Corporate Treasury function provides services to the business, co-ordinates foreign exchange 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.

### 31.4. 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.

#### Exposure to foreign currency

Bank account:

- in US Dollars
- in Euros
- in GBP

Group and Company	
2024	2023
518,736	264,788
3,552	3,552
752	752

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



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 31.5. 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.

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>Exposure to credit risk</b>				
Trade receivables	<b>1,814,415</b>	1,269,176	<b>1,569,378</b>	1,134,435
Other receivables	<b>343,336</b>	400,505	<b>295,848</b>	356,291
Cash and cash equivalent	<b>3,223,020</b>	3,383,363	<b>3,126,678</b>	2,997,678
	<b>5,380,770</b>	5,053,044	<b>4,991,903</b>	4,488,404

#### 31.5.1 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.

#### 31.5.2 Other receivables

This is mainly from due from related companies, staff loans, withholding tax recoverable, Sundry debtors and others. The Group's financial controller continuously monitors and reviews the receivables.

#### 31.5.3 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 asset managers and commercial banks and fund must be within credit limits assigned to each counterparty.

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Counterparty credit limits are reviewed by the Group's treasury manager periodically and may be updated throughout the year subject to approval of the Group's Chief Executive 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 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 tenured borrowings. Access to sources of funding is sufficiently available.

### 33. Maturity analysis of financial instruments

The maturity profile of the Group's recognized financial instruments is detailed below:

	0-6 months N'000	6 months to 1 year N'000	1 year and above N'000	Total N'000
<b>Group</b>				
<b>2024</b>				
<b>Financial assets</b>				
Trade receivables	1,119,589	220,704	324,681	1,664,974
Other receivables	2,219,988	-	-	2,219,988
Cash and cash equivalent	3,223,020	-	-	3,223,020
	<b>6,562,597</b>	<b>220,704</b>	<b>324,681</b>	<b>7,107,982</b>
<b>Financial liabilities</b>				
Trade payables	4,514,692	-	-	4,514,692
Other payables	161,631	-	768,854	930,485
Term loans	3,510,071	-	1,199,390	4,709,461
Bank overdrafts	38,735	-	-	38,735
	<b>8,225,129</b>	<b>-</b>	<b>1,968,244</b>	<b>10,193,373</b>
<b>2023</b>				
<b>Financial assets</b>				
Trade receivables	679,453	148,419	332,167	1,160,039
Other receivables	2,771,064	-	-	2,771,064
Cash and cash equivalent	3,383,363	-	-	3,383,363
	<b>6,833,880</b>	<b>148,419</b>	<b>332,167</b>	<b>7,314,466</b>
<b>Financial liabilities</b>				
Trade payables	2,050,003	-	-	2,050,003
Other payables	203,513	-	768,854	972,367
Term loans	4,933,032	-	1,519,334	6,452,366
Bank overdrafts	206,751	-	-	206,751
	<b>7,393,299</b>	<b>-</b>	<b>2,288,188</b>	<b>9,681,487</b>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 33.1 Maturity analysis of financial instruments

The maturity profile of the Group's recognized financial instruments is detailed below:

	0-6 months ₦'000	year ₦'000	above ₦'000	Total ₦'000
<b>Company</b>				
<b>2024</b>				
<b>Financial assets</b>				
Trade receivables	904,894	203,564	323,506	1,431,964
Other receivables	1,976,620	-	-	1,976,620
Cash and cash equivalent	3,126,678	-	-	3,126,678
	<u>6,008,192</u>	<u>203,564</u>	<u>323,506</u>	<u>6,535,262</u>
<b>Financial liabilities</b>				
Trade payables	4,512,868	-	-	4,512,868
Other payables	148,325	-	608,798	757,123
Term loans	3,216,567	-	1,199,390	4,415,957
Bank overdrafts	226	-	-	226
	<u>7,877,986</u>	<u>-</u>	<u>1,808,188</u>	<u>9,686,174</u>
<b>2023</b>				
<b>Financial assets</b>				
Trade receivables	597,190	133,619	332,167	1,062,975
Other receivables	2,625,601	-	-	2,625,601
Cash and cash equivalent	2,997,678	-	-	2,997,678
	<u>6,220,469</u>	<u>133,619</u>	<u>332,167</u>	<u>6,686,254</u>
<b>Financial liabilities</b>				
Trade payables	1,969,468	-	-	1,969,468
Other payables	193,590	-	608,798	802,388
Term loans	5,066,136	-	1,519,334	6,585,470
Bank overdrafts	226	-	-	226
	<u>7,229,420</u>	<u>-</u>	<u>2,128,132</u>	<u>9,357,552</u>

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 34. MANAGEMENT ASSESSMENT OF GOING CONCERN FOR YEAR 2024

As a leading pharmaceutical company, we remain a strong player in the healthcare industry. Being the first pharmaceutical company in Nigeria, established on September 4, 1944, we marked 80 years of operation last year and are still going strong. We are classified as an essential services entity and enjoy full government support accorded to the healthcare industry. We continue to fully operate our factory to produce essential products needed by the Nigerian populace to combat diseases, including our immunity boosters, anti-infectives, anesthetics, and more.

Since the post-COVID era, we have activated our business continuity process and implemented measures to ensure the safety of our staff. We have also invested in technology platforms to support remote work and virtual meetings. Furthermore, management has assessed the impact of the current macroeconomic conditions on the Group's operations and its going concern ability as follows:

#### A. Revenue Assurance and Supply Chain

Our business in healthcare and pharmaceutical manufacturing positions us to provide high-quality, essential products for disease management. Our Group revenue grew by 47% year-on-year in 2024, driven by both volume and price increases. We maintain long-standing, strong relationships with our key suppliers, many of whom are willing to extend trade credit to us for up to 60–90 days to mitigate the impact of sourcing foreign exchange for material imports. We continuously monitor market price movements by suppliers and competitors and take timely measures to defend our product margins.

#### B. Expansion of Production Output

We have increased our production capacity with the addition of new machines, including a herbal plant and water treatment & bottling lines for our beverage business segment in 2023. Additionally, we are purchasing more machines in 2025 to enhance our current capacity, leveraging our newly accessed CBN/BOI loan. Our Abuja depot is now fully operational, strengthening our distribution network.

#### C. Liquidity Indices

We recently accessed the CBN Healthcare Intervention Support Facility in February 2025, securing N1.5 billion and N1 billion for a five-year tenor at 15% and 9% interest rates, respectively. Apart from these CBN/BOI loans, we have no other term loans. As of December 31, 2024, our cash and cash equivalents stood at N3.22 billion. Our gearing ratio (net debt to equity) was 0.16 in 2024.

#### D. Profitability

Over the years, the business has maintained strong profitability metrics and consistently fulfilled its obligations to all stakeholders, including creditors, employees, government, and shareholders. Management remains committed to sustaining this trend despite economic challenges. We continue to work on reducing product costs through investments in backward integration along our supply chain. Additionally, we are leveraging opportunities such as reduced financing costs through CBN intervention funds while prudently managing our overhead and administrative expenses. We believe these strategic efforts will enable us to continue delivering profitability for our shareholders and other stakeholders as expected.

#### Conclusion

Considering the above, management is confident that our going concern status remains strong both in the immediate term and beyond.



## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 35. Events After the Reporting Date

The Directors are of the opinion that no event or transaction has occurred since the reporting date that could materially affect these consolidated financial statements. Furthermore, no event requires disclosure in the consolidated financial statements to ensure a fair presentation of the Group's financial position as of the reporting date or its results for the year ended.

**Yours faithfully,**

**For: MAY & BAKER NIGERIA PLC**

**Finance Director**

Dated: March 28, 2025

### 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.

### 37. Comparative figures

Where necessary comparative figures have been reclassified to ensure proper disclosure and uniformity in the current year's presentation. This reclassification have no net impact on these financial statements.

## **Other National Disclosures**

## STATEMENT OF VALUE ADDED

	The Group				The Company			
	2024 N'000	%	2023 N'000	%	2024 N'000	%	2023 N'000	%
Revenue	28,905,150		19,695,464		26,492,519		18,370,206	
Other operating income	143,966		45,266		107,146		45,266	
Other gains and losses	2,133		16,943		1,147		16,943	
	29,051,249		19,757,673		26,600,812		18,432,415	
Bought-in-materials and services:								
- Imported	(16,319,348)		(11,462,473)		(15,039,372)		(10,512,760)	
- Local	(7,807,808)		(4,824,457)		(7,220,611)		(4,824,457)	
Value added	4,924,093	100	3,470,743	100	4,340,829	100	3,095,198	100
Applied as follows:								
<b>To employees:</b>								
Salaries, wages and other benefits	1,585,612	32	1,265,464	36	1,492,406	34	1,186,424	38
<b>To Government:</b>								
Income tax	789,939	16	290,355	8	636,338	15	217,599	7
<b>To pay providers of capital:</b>								
Finance income	407,490	8	383,552	11	367,214	8	375,834	12
Finance cost	(370,115)	(8)	(290,374)	(8)	(370,115)	(9)	(254,074)	(8)
<b>To provide for maintenance of fixed assets:</b>								
- Depreciation and amortization	728,264	15	592,565	17	686,350	16	562,585	18
- Deferred taxation	161,936	3	146,162	4	167,381	4	137,967	4
- Profit and loss account	1,620,966	33	1,083,019	31	1,361,255	31	868,863	28
Value added	4,924,093	100	3,470,743	100	4,340,829	100	3,095,198	100

Value added represents the additional wealth which the Company has been able to create by its own and its employees' efforts. The statement shows the allocation of that wealth to employees, government, providers of finance and shareholders, and that retained for future creation of more wealth.

## FIVE YEAR FINANCIAL SUMMARY - GROUP

## 31 DECEMBER

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
<b>Assets/liabilities</b>					
Property, plant and equipment	5,964,013	5,421,066	5,011,270	3,860,714	3,938,656
Intangible assets	13,234	7,288	11,315	21,836	30,473
Right of use assets	-	-	738	3,688	-
Investment in Joint Venture	1,171,368	1,198,555	1,141,559	1,167,124	1,200,922
Deposit for investment	-	-	-	-	-
Net current assets	5,311,653	4,958,346	5,674,618	6,494,021	5,363,423
Non current liabilities	(2,567,132)	(2,795,513)	(3,615,208)	(4,275,767)	(3,793,897)
<b>Net assets</b>	<b>9,893,137</b>	<b>8,789,742</b>	<b>8,224,292</b>	<b>7,271,616</b>	<b>6,739,577</b>
<b>Capital and reserves</b>					
Share capital	862,617	862,617	862,617	862,617	862,617
Share premium	3,012,065	3,012,066	3,012,065	3,012,065	3,012,065
Retained earnings	5,610,311	4,506,915	3,941,466	2,988,790	2,456,751
Asset revaluation reserve	408,144	408,144	408,144	408,144	408,144
<b>Shareholders fund</b>	<b>9,893,137</b>	<b>8,789,742</b>	<b>8,224,292</b>	<b>7,271,616</b>	<b>6,739,577</b>
<b>Statement of profit or loss and other comprehensive</b>					
Turnover	28,905,150	19,695,464	14,328,266	11,901,583	9,390,196
Profit before taxation	2,572,842	2,084,252	2,084,252	1,460,377	1,248,326
Taxation	(951,875)	(436,517)	(593,642)	(410,768)	(283,762)
Profit after taxation	1,620,966	1,647,735	1,490,610	1,049,609	964,564
<b>Per share data (kobo)</b>					
Earnings- basic	93.96	62.78	86.40	60.84	55.91
Net assets	573.44	509.48	476.71	421.49	390.65

**Notes:**

Earnings per share are based on the profit after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on the net assets and the number of issued and fully paid ordinary shares at the end of each financial year.

## FIVE YEAR FINANCIAL SUMMARY - COMPANY

## 31 DECEMBER

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
<b>Assets/liabilities</b>					-
Property, plant and equipment	5,903,246	5,321,048	4,969,007	3,833,151	3,908,706
Intangible assets	13,149	7,143	11,110	21,571	30,474
Investment in subsidiaries	3,000	3,000	3,000	3,000	3,000
Right of use assets	-	-	738	3,688	-
Investment in Joint Venture	1,326,886	1,326,886	1,326,886	1,326,886	1,326,886
Deposit for investment	-	-	-	-	-
Net current assets	4,630,207	4,597,661	5,421,594	6,243,132	5,286,400
Non current liabilities	(2,557,783)	(2,780,719)	(3,608,609)	(4,272,087)	(3,789,396)
<b>Net assets</b>	<b>9,318,705</b>	<b>8,475,019</b>	<b>8,123,726</b>	<b>7,159,341</b>	<b>6,766,070</b>
<b>Capital and reserves</b>					
Share capital	862,617	862,617	862,617	862,617	862,617
Share premium	3,012,065	3,012,065	3,012,065	3,012,065	3,012,065
Retained earnings	5,035,878	4,192,193	3,840,900	2,876,515	2,483,244
Asset revaluation reserve	408,144	408,144	408,144	408,144	408,144
<b>Shareholders' fund</b>	<b>9,318,704</b>	<b>8,475,019</b>	<b>8,123,726</b>	<b>7,159,341</b>	<b>6,766,070</b>
<b>Statement of profit or loss and other comprehensive</b>					
Turnover	26,492,519	18,370,206	13,585,890	11,038,948	8,939,033
Profit before taxation	2,164,974	1,224,429	2,047,322	1,234,450	1,187,739
Taxation	(803,719)	(565,367)	(565,367)	(323,610)	(283,762)
Profit after taxation	1,361,255	659,062	1,481,955	910,840	903,977
<b>Per share data (kobo)</b>					
Earnings - basic	78.90	50.36	86.00	53.00	52.00
Net assets per share	540.14	491.24	470.88	414.98	392.18

**Notes:**

Earnings per share are based on the profit after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on the net assets and the number of issued and fully paid ordinary shares at the end of each financial year.



## MANAGEMENT INFORMATION

## EXPENSE BY FUNCTION AND NATURE

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Costs of sales</b>				
<b>Direct material costs:</b>				
Direct materials	20,007,724	12,312,887	18,492,013	11,788,925
Over head absorptions	(3,637,065)	(1,834,430)	(3,637,065)	(1,834,430)
<b>Total Direct material costs</b>	<b>16,370,660</b>	<b>10,478,457</b>	<b>14,854,949</b>	<b>9,954,495</b>
<b>Direct labour costs:</b>				
Salaries and allowances	395,498	318,084	395,498	318,084
Contributions to pension fund scheme	25,174	24,434	25,174	24,434
Staff gratuity expenses	4,615	5,761	4,615	5,761
Medical expenses	330	3,371	330	3,371
Factory canteen and other staff expenses	103,039	111,235	103,039	111,235
<b>Total direct labour costs</b>	<b>528,656</b>	<b>462,885</b>	<b>528,656</b>	<b>462,885</b>
<b>Direct expenses:</b>				
Depreciation expenses	354,116	265,833	354,116	265,833
Repairs and maintenance	527,134	340,360	527,134	340,360
Third-party and other expenses	234,843	185,213	234,843	185,213
Fuel, diesel and utility expenses	1,606,136	763,530	1,606,136	763,530
Other production direct expenses	645,288	466,115	645,288	466,115
<b>Total direct expenses</b>	<b>3,367,517</b>	<b>2,021,051</b>	<b>3,367,517</b>	<b>2,021,051</b>
<b>Factory overhead expenses:</b>				
Registration and licences expenses	250	4,816	250	4,816
Research and Development expenses	-	6,893	-	6,893
Insurance expenses	-	7,253	-	7,253
Travelling expenses	70,501	64,896	70,501	64,896
Subscription, business registration and dues	-	-	-	-
Stationeries expenses	9,137	8,814	9,137	8,814
Laboratory and other factory expenses	44,977	59,166	44,977	59,166
<b>Total factory overhead expenses</b>	<b>124,865</b>	<b>151,838</b>	<b>124,865</b>	<b>151,838</b>
<b>Total costs of sales</b>	<b>20,391,697</b>	<b>13,114,231</b>	<b>18,875,986</b>	<b>12,590,269</b>

## MANAGEMENT INFORMATION

## EXPENSE BY FUNCTION AND NATURE

	Group			
	2024 ₦'000	2023 ₦'000	2024 ₦'000	2023 ₦'000
<b>Administrative expenses</b>				
Salaries and allowances	394,569	313,203	387,398	301,388
Contributions to pension fund scheme	33,888	34,006	33,350	33,075
Staff employee benefit	2,470	7,755	2,470	7,354
Training, recruitment and canteen expenses	85,803	43,549	84,624	42,794
Medical expenses	47,819	37,050	47,819	36,851
Third-party and other expenses	317,396	131,654	316,950	129,623
Depreciation expenses	173,038	127,621	170,259	124,083
Repairs and maintenances	326,344	93,864	323,010	93,118
Local and Foreign transport expenses	115,890	106,512	111,756	92,153
Fuel expenses	58,902	24,058	58,253	22,663
Insurance expenses	109,807	67,378	109,710	66,945
Licensing/registration	68,999	51,176	63,888	40,192
Director's emolument and expenses	134,835	133,167	134,835	133,167
Director's fees	9,300	7,750	9,300	7,750
Advert and publicity	4,280	2,665	4,280	1,651
Public relation and social responsibilities	29,604	14,704	27,660	10,317
Subscription and dues	86,860	31,706	86,860	31,706
Audit fees	16,084	10,989	14,824	10,000
Legal and professional charges	53,681	91,917	29,139	76,870
Printing and stationery	8,684	6,698	8,050	5,167
Security expenses	33,778	31,885	33,778	31,885
Telephone and postages expenses	11,008	12,529	10,815	11,414
Obsolete stock written off	175	869	-	-
Company Secretary and AGM expenses	21,479	13,234	18,771	13,234
Administrative and management expense	12,968	30,086	12,968	30,086
Stamp duty	-	-	-	-
Bank charges and commissions	174,182	56,951	83,868	34,445
Electricity and generator expenses	107,114	48,123	106,638	48,008
Exchange loss	234,885	1,083,107	234,885	937,217
Loss on sales of assets	-	-	-	-
IT Expenses	135,466	65,932	135,466	65,932
Office and quarters expenses	37,963	25,036	32,260	19,308
	<b>2,847,271</b>	<b>2,705,174</b>	<b>2,693,884</b>	<b>2,458,396</b>

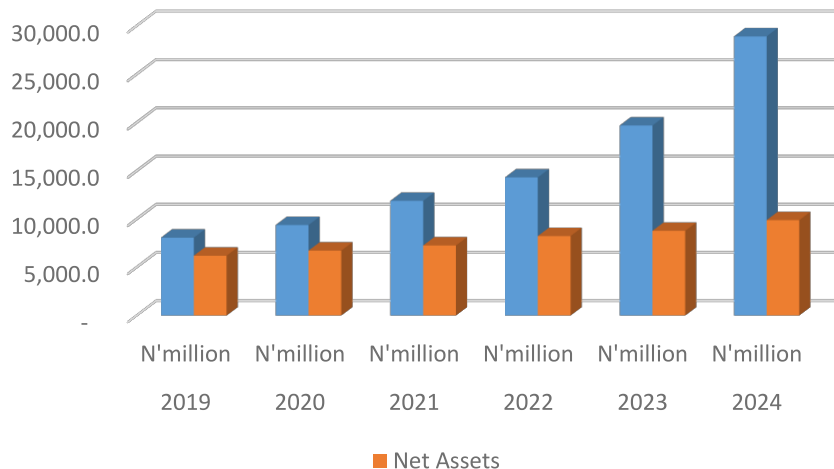
## MANAGEMENT INFORMATION

## EXPENSE BY FUNCTION AND NATURE

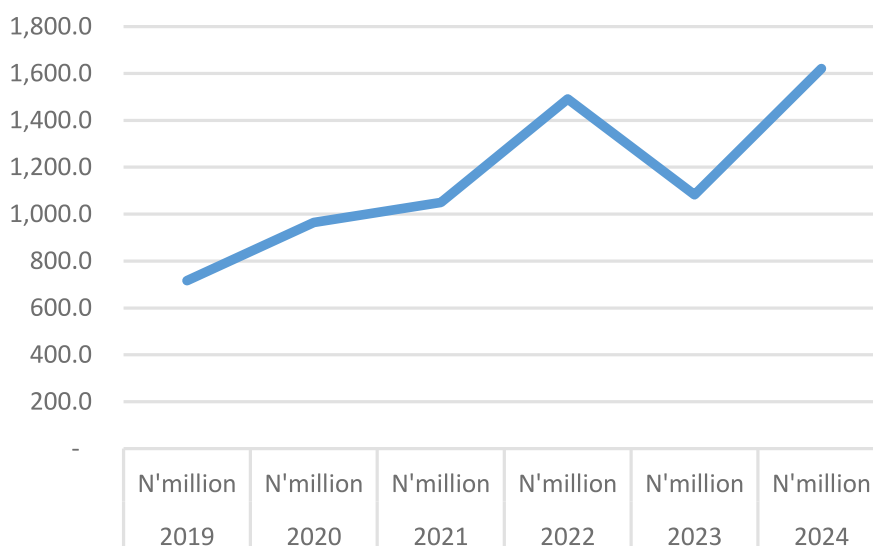
	Group		Company	
	2024 ₦'000	2023 ₦'000	2024 ₦'000	2023 ₦'000
<b>Distribution, Sales and marketing expenses</b>				
Salaries and allowances	617,397	413,245	537,753	352,748
Contributions to pension fund scheme	35,651	28,726	29,596	23,161
Employee benefits	7,510	9,028	6,709	7,397
Training, recruitment and canteen expenses	64,753	35,346	60,763	31,923
Medical expenses	462	2,263	419	1,671
Rent and other expenses	47,850	51,371	19,639	16,979
Depreciation expenses	204,743	213,269	165,373	186,767
Repairs and maintenances	262,748	146,713	207,400	129,683
Fuel, transport and traveling expenses	685,506	517,146	673,131	515,341
Advert and publicity	489,937	316,522	480,718	309,040
Market information	45,099	30,429	45,099	30,429
Incentives and promotion	337,449	411,910	227,863	304,927
Impairment on trade and other receivable	16,673	15,985	14,559	8,601
Marketing expenses	106,835	128,192	100,762	125,073
Depot expenses	74,287	51,054	74,287	50,927
Sampling expenses/free issues	42,897	34,146	18,682	27,061
Telephone and postages	12,100	12,468	11,199	11,891
Sales Reps fixed expenses	24,213	22,466	24,213	22,466
Third-party and other expenses	173,517	126,381	164,901	124,996
	<b>3,249,627</b>	<b>2,566,660</b>	<b>2,863,066</b>	<b>2,281,081</b>

## GRAPHS

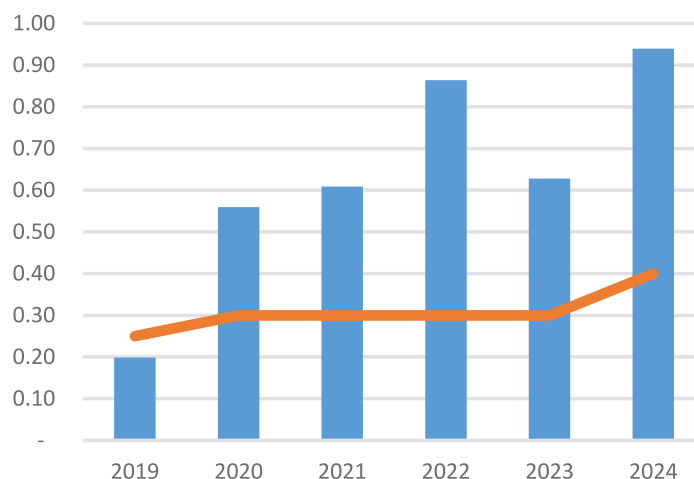
Revenue &amp; Net Assets



Profit after Tax



EPS &amp; DIV-(kobo)



## INCORPORATION AND SHARE CAPITAL HISTORY

The company was incorporated on 4<sup>th</sup> September, 1994 as a private company under the name, “May & Baker (West Africa) Limited” and the company became a public company on 13<sup>th</sup> May, 1994.

As at 31<sup>st</sup> December 2023, the company had Authorised share capital of ₦862,617,443 same as paid up capital and made up of 1,725,234,886 shares units of 50kobo each. The initial share capital on incorporation and subsequent changes therein are as follows: -

Date	Authorised (N)	Cumulative	Issued & Fully/Paid - up	Cumulative	CASH/BONUS
	Increase		Increase (N)		
1944	-	50,000	-	10,000	cash
1971	450,000	500,000	-	10,000	
1972	-	500,000	340,000	350,000	Bonus (1for4)+cash
1973	-	585,000	150,000	500,000	cash
1974	-	585,000	84,000	584,000	cash
1976	1,115,000	1,700,000	584,000	1,168,000	Bonus (1for1)
1977	1,000,000	2,700,000	584,000	1,752,000	Bonus (1for2)
1981	-	2,700,000	873,000	2,625,000	cash
1984	-	3,500,000	656,250	3,281,250	Bonus (1for4)
1985	1,500,000	5,000,000	1,640,625	4,921,875	Bonus (1for2)
1989	5,000,000	10,000,000	2,460,937.5	7,382,813	Bonus (1for2)
1990	10,000,000	20,000,000	6,328,125	13,710,938	Bonus (1for7)
1992	30,000,000	50,000,000	1,371,093.5	15,082,031	Bonus (1for10)
1993	-	50,000,000	7,540,234.5	22,622,266	cash
1994	-	50,000,000	2,623,047	45,245,313	cash
1996	50,000,000	100,000,000	22,622,891	67,868,204	cash
2001	-	100,000,000	18,098,312	90,491,560	Bonus (1for3)
2004	100,000,000	200,000,000	10,858,988	108,589,875	Bonus (1for5)
2005	150,000,000	350,000,000	230,551,137	350,000,000	Bonus (1for10)
2006	-	350,000,000	-	350,000,000	cash
2007	150,000,000	500,000,000	-	350,000,000	
2008	-	500,000,000	-	350,000,000	
2009	-	500,000,000	140,000,000	490,000,000	
2010	500,000,000	1,000,000,000	-	490,000,000	Bonus (2for5)
2011	-	1,000,000,000	-	490,000,000	
2012	-	1,000,000,000	-	490,000,000	
2013	-	1,000,000,000	-	490,000,000	
2014	900,000,000	1,900,000,000	-	490,000,000	
2015	-	1,900,000,000	-	490,000,000	
2016	-	1,900,000,000	-	490,000,000	
2017	-	1,900,000,000	-	490,000,000	
2018	1,100,000,000	3,000,000,000	-	490,000,000	
2019	-	3,000,000,000	-	862,617,443	
2020	-	3,000,000,000	-	862,617,443	
2021	-	3,000,000,000	-	862,617,443	
2022	(1,274,765,114)	1,725,234,886	-	862,617,443	Share cancellation
2023	-	1,725,234,886	-	862,617,443	
2024	-	1,725,234,886	-	862,617,443	



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**MAY & BAKER NIGERIA PLC.**

1 May & Baker Avenue, Off Idiroko Road, (Opposite Covenant University)  
Ota, Ogun State, Nigeria. Tel +234 (1) 2121290-1 Toll Free: 08006292 632 2537  
Website: <http://www.may-baker.com>; [info@may-baker.com](mailto:info@may-baker.com).



# MAY & BAKER NIGERIA PLC

## Unclaimed Dividend

Shareholders who have not received dividend for previous years are advised to check with Veritas Registrars Limited.

A comprehensive list has been uploaded on the company's website and is accessible at [www.may-baker.com](http://www.may-baker.com) and will also be available at the AGM venue

Plot 89A, Ajose Adeogun Street,  
Victoria Island Extension, Lagos.  
P. O. Box 75315, Victoria Island, Lagos.  
Tel: 2708930-4, 2793873, 2716116.

E-mail: [enquiry@veritasregistrars.com](mailto:enquiry@veritasregistrars.com)  
Website: [veritasregistrars.com](http://veritasregistrars.com)

## E-DIVIDEND FORM

**MAY & BAKER NIGERIA PLC**

Dear Shareholder,

We are pleased to advise you of e-dividend payment service which enables direct credit of dividend to your bank account.

To:

Veritas Registrars Ltd.  
Plot 89A, Ajose Adeogun Street,  
Victoria Island Extension, Lagos.  
P. O. Box 75315, Victoria Island, Lagos.

I/We hereby request that from now on, all my/our dividend warrant(s) due to me(us) from my/our holding(s) in May & Baker Nigeria Plc to be paid directly to my/our Bank named below

Surname/Company Name

[illegible]

First Name:

[illegible]

Middle Name:

[illegible]

Address:

[illegible]

Mobile No:

[illegible]

E-mail Address:

[illegible]

Vertas Registrars Shareholders Account No:

[illegible]

Bank Name:

[illegible]

Bank Branch:

[illegible]

Account No:

[illegible]

Account Type:

[illegible]

Date: \_\_\_\_\_ 20\_\_\_\_ If Company: \_\_\_\_\_

## Single Shareholder's

Authorised Signatories: 1\_\_\_\_\_

Signature\_\_\_\_\_

2\_\_\_\_\_

Shareholder's 1 \_\_\_\_\_

Company Seal: \_\_\_\_\_

2\_\_\_\_\_

Authorised Signatures & Stamp  
of Bankers: \_\_\_\_\_

Kindly note that all fields should be completed

PLEASE TEAR OFF THE FORM AND RETURN TO OUR REGISTRARS AFTER COMPLETION

## Proxy Card

### ANNUAL GENERAL MEETING

To be held at the Muson Centre, Onikan,  
Lagos on Thursday, 5<sup>th</sup> June 2025 at 11.00 a.m.

I/We .....

of .....  
being a member/members of **MAY & BAKER NIGERIA PLC** hereby appoint

.....

or failing him, the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held held on Thursday, 5<sup>th</sup> June 2025.

Dated ..... day of ..... 2025

Shareholder's Signature.....

Number of Shares held		
RESOLUTIONS	FOR	AGAINST
To declare a Dividend.		
To elect Mr. Osagie Omenai		
To re-elect Chief (Dr.) S.M. Onyishi, MON		
To re-elect Dr. Rahila Ilegbodu		
To fix the Remuneration of Directors.		
To authorise the Directors to fix the Remuneration of the External Auditors.		
To elect members of the Audit Committee.		
Please indicate with an "X" in the appropriate square how you wish your vote to be cast on the resolutions set out above. Unless otherwise instructed the proxy will vote or abstain from voting at his/her discretion.		

### NOTES

A shareholder who is unable to attend the Annual General Meeting is entitled by law to vote, on a poll by proxy. To be valid for the purpose of the meeting, this form of proxy must be completed, signed and deposited at the office of the Registrars, Veritas Registrars Limited, Plot 89 Ajose Adeogun Street, Victoria Island Extension, Lagos not later than 48 hours before the time of the meeting. A proxy need not be a member of the Company.

If executed by a corporation the proxy card should be sealed with its common seal.

Before posting the above form, please tear off this part and retain it for admission to the meeting.

### ADMISSION FORM

**MAY & BAKER NIGERIA PLC**

### ANNUAL GENERAL MEETING

PLEASE ADMIT THE SHAREHOLDER NAMED ON THIS FORM OR HIS DULY APPOINTED PROXY TO THE ANNUAL GENERAL MEETING TO BE HELD AT THE MUSON CENTRE, ONIKAN, LAGOS ON THURSDAY, 5<sup>TH</sup> JUNE 2025 AT 11.00 A.M.

Name of Shareholder:

Number of Shares:

Signature of person attending

*Note:* You are requested to sign this form at the entrance in the presence of the Registrars or their nominees on the day of the Annual General Meeting.

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[illegible]

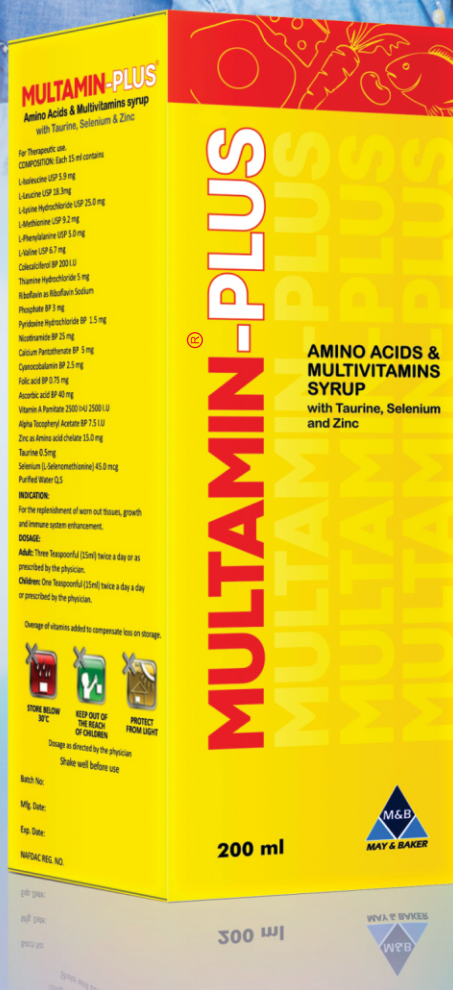
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