

MEYER PLC

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER, 2024

NO 32, BILLINGS WAY
OREGUN INDUSTRIAL ESTATE
ALAUJA IKEJA, LAGOS
LAGOS.
<http://www.meyerpaints.com>

MEYER PLC

**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR 3RD QUARTER ENDED 30 SEPTEMBER, 2024**

DIRECTORS, ADVISORS AND REGISTERED OFFICE

Corporate information

Chairman of the Board Mr Kayode Falowo

Directors	Dr. David O. Onabajo	(Managing Director)
	Mr Osa Osunde	(Non-Executive Director)
	Erelu Angela Adebayo	(Non-Executive Director)
	Mr Tony Uponi	(Non-Executive Director)
	Dr. Olutoyin Okeowo	(Non-Executive Director)
	Mrs Ochee Vivienne Bamgboye	(Non-Executive Director)

Registered office No 32 Billings way,
Oregun Industrial Estate,
Ikeja,
Lagos

Tax Identification Number 01150890-0001

Company Secretary Marriot Solicitors
15E, Muri Okunola Street
Off Ajose Adeogun Street
Victoria Island,
Lagos

Company Registrar Greenwich Registrars & Data Solutions Limited
274, Murtala Muhammed Way
Alagomeji, Yaba
Lagos

Major Bankers Access Bank Plc
First Bank of Nigeria Limited
Zenith Bank Plc
United Bank for Africa Plc
Stanbic IBTC Bank Plc
Guaranty Trust Bank Ltd
First City Monument Bank Limited
Ecobank Plc
Union Bank Of Nigeria Plc

MEYER PLC

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**CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER, 2024**

	Note	GROUP		COMPANY	
		30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
Continuing operations					
Revenue	5	2,079,447	1,540,333	2,079,447	1,540,333
Cost of sales	5.1	<u>(1,303,302)</u>	<u>(1,004,863)</u>	<u>(1,303,302)</u>	<u>(1,004,863)</u>
Gross profit		776,145	535,469	776,145	535,469
Other operating income	7	20,420	11,078	20,420	11,078
Selling & Distribution expenses	8	(79,447)	(60,333)	(79,447)	(60,333)
Administrative expenses	9	<u>(534,842)</u>	<u>(424,119)</u>	<u>(534,842)</u>	<u>(424,119)</u>
Profit/ from operating activities		182,277	62,095	182,277	62,095
Finance Income	10(i)	176,292	119,309	176,292	119,309
Finance costs	10(ii)	<u>(2,223)</u>	<u>(3,061)</u>	<u>(2,223)</u>	<u>(3,061)</u>
Profit/(Loss) before tax		356,346	178,344	356,346	178,343
Taxation (Provision)	12	<u>(119,376)</u>	<u>(58,853)</u>	<u>(119,376)</u>	<u>(58,853)</u>
Profit after Tax for the period		<u>236,970</u>	<u>119,491</u>	<u>236,970</u>	<u>119,490</u>
Other comprehensive income, net of income tax					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of Defined benefit obligation		-	-	-	-
Deferred tax credit		-	-	-	-
Total comprehensive Profit for the period		<u>236,970</u>	<u>119,491</u>	<u>236,970</u>	<u>119,490</u>
Profit/Loss for the period attributable to:					
Owners of the Company		236,966	119,491	236,970	119,490
Non-controlling interests		4	4	-	-
		<u>236,970</u>	<u>119,495</u>	<u>236,970</u>	<u>119,490</u>
Total comprehensive income for the period attributable to:					
Owners of the Company		236,966	119,491	236,970	119,490
Non-controlling interests		4	4	-	-
		<u>236,970</u>	<u>119,495</u>	<u>236,970</u>	<u>119,490</u>
Earnings per share					
Basic and diluted earnings per share		<u>48</u>	<u>24</u>	<u>48</u>	<u>24</u>

MEYER PLC

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**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THREE MONTHS & NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2024**

	GROUP				COMPANY			
	Three (3) Months Ended 30/09/2024 N'000	Nine (9) Months Ended 30/09/2024 N'000	Three (3) Months Ended 30/09/2023 N'000	Nine (9) Months Ended 30/09/2023 N'000	Three (3) Months Ended 30/09/2024 N'000	Nine (9) Months Ended 30/09/2024 N'000	Three (3) Months Ended 30/09/2023 N'000	Nine (9) Months Ended 30/09/2023 N'000
Continuing operations								
Revenue	754,532	2,079,447	526,426	1,540,333	754,532	2,079,447	526,426	1,540,333
Cost of sales	(444,808)	(1,303,302)	(312,393)	(1,004,863)	(444,808)	(1,303,302)	(312,393)	(1,004,863)
Gross profit	309,724	776,145	214,032	535,469	309,724	776,145	214,032	535,469
Other operating income	2,940	20,420	3,378	11,078	2,940	20,420	3,378	11,078
Selling & Distribution expenses	(55,278)	(79,447)	(22,074)	(60,333)	(55,278)	(79,447)	(22,074)	(60,333)
Administrative expenses	(132,934)	(534,842)	(140,525)	(424,119)	(132,934)	(534,842)	(140,525)	(424,119)
Profit/ (loss) from operating activities	124,453	182,277	54,811	62,095	124,453	182,277	54,811	62,095
Profit from disposal of building	-	-	-	-	-	-	-	-
Finance Income	70,485	176,292	39,723	119,309	70,485	176,292	39,723	119,309
Finance costs	(540)	(2,223)	(1,314)	(3,061)	(540)	(2,223)	(1,314)	(3,061)
Profit before tax	194,398	356,346	93,220	178,343	194,398	356,346	93,220	178,343
Taxation (Provision)	(55,863)	(119,376)	(30,762)	(58,853)	(55,863)	(119,376)	(30,762)	(58,853)
Profit After Tax for the period	138,535	236,970	62,458	119,490	138,535	236,970	62,458	119,490
Other comprehensive income, net of income tax								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of Defined benefit obligation	-	-	-	-	-	-	-	-
Deferred tax credit	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	138,535	236,970	62,458	119,490	138,535	236,970	62,458	119,490
Profit/ (Loss) for the period attributable to:								
Owners of the Company	138,531	236,966	62,454	119,490	138,535	236,970	62,458	119,490
Non-controlling interests	4	4	4	4	-	-	-	-
	138,535	236,970	62,458	119,494	138,535	236,970	62,458	119,490
Total comprehensive Income for the period attributable to:								
Owners of the Company	138,531	236,966	62,454	119,490	138,535	236,970	62,458	119,490
Non-controlling interests	4	4	4	4	-	-	-	-
	138,535	236,970	62,458	119,494	138,535	236,970	62,458	119,490
Earnings per share								
Basic and diluted earnings per share	22	48	13	24	22	48	13	24

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	Note	GROUP		COMPANY	
		30/09/2024	31/12/2023	30/09/2024	31/12/2023
		N'000	N'000	N'000	N'000
Non-current assets					
Property, plant and equipment	14	333,149	321,225	333,149	321,225
Right of use of Assets	14	11,000	19,250	11,000	19,250
Intangible assets	15	14,589	-	14,589	-
Deffered tax assets	12	-	-	-	-
Total non-current assets		358,738	340,475	358,738	340,475
Current assets					
Inventories	17	450,044	194,115	450,044	194,115
Trade and other receivables	18	420,425	387,695	393,314	360,584
Other assets	15	5,730	8,321	5,730	8,321
Cash and cash equivalents	19i	1,489,193	1,521,455	1,489,008	1,521,272
Total current assets		2,365,393	2,111,586	2,338,097	2,084,292
Total assets		2,724,130	2,452,061	2,696,834	2,424,767
Current liabilities					
Trade and other payables	22	806,396	598,761	830,764	623,134
Short term borrowings	20	10,673	24,109	10,673	24,109
Current tax liabilities	12	117,354	114,931	117,354	114,931
Total current liabilities		934,422	737,801	958,790	762,174
Net Current Assets		1,430,970	1,373,785	1,379,306	1,322,118
Total assets less current liabilities		1,789,708	1,714,260	1,738,044	1,662,593
Non-Current Liabilities					
Decommissioning cost	22i	11,649	11,649	11,649	11,649
Employment benefits	21	13,267	13,669	13,267	13,669
Deffered tax liabilities	12	4,530	4,530	4,530	4,530
		29,446	29,849	29,446	29,849
Net Assets		1,760,261	1,684,411	1,708,598	1,632,744
Equity					
Share capital	23	248,864	248,864	248,864	248,864
Share premium account	24	53,173	53,173	53,173	53,173
Revenue reserve	25	1,455,784	1,379,930	1,406,561	1,330,707
Total equity attributable to owners of the company		1,757,821	1,681,967	1,708,598	1,632,744
Non-controlling interest	26	2,440	2,444	-	-
Total Equity		1,760,261	1,684,411	1,708,598	1,632,744
		0	(0)	0	(0)

The financial statements and notes to the financial statements were approved by the Board of directors on October 28th, 2024 and signed on its behalf by:



Olutoyin Okeowo
Director

FRC/2013/IODN/0000002638



Dr. David Olufemi Onabajo
Managing Director

FRC/2018/IODN/00000018995



Ifidon Timothy
Ag. Chief Finance Officer

FRC/2024/PRO/ICAN/001/979903

MEYER PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER, 2024
The Group

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	Share capital	Share premium	Retained Earnings	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2024	248,864	53,173	1,379,930	2,444	1,684,411
Dividend paid			(149,318)		(149,318)
Bonus paid			(11,798)		(11,798)
Profit/(Loss) for the period	-	-	236,970	-	236,970
Adjustment for Non-controlling interest	-	-	-	(4)	(4)
Reversal of tax provision not required	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	236,970	(4)	236,966
contributions by and distributions to owners:					
Issued Share Capital		-	-	-	-
Share premium	-	-	-	-	-
Balance as at 30 September 2024	248,864	53,173	1,455,784	2,440	1,760,261
Balance as at 1 January 2023	248,864	53,173	1,143,962	2,440	1,448,439
Comprehensive income for the year					
Profit/(Loss) for the year	-	-	235,968	-	235,968
Adjustment for Non-controlling interest	-	-	-	4	4
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	235,968	4	235,972
contributions by and distributions to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend paid	-	-	-	-	-
Balance as at 31 December 2023	248,864	53,173	1,379,930	2,444	1,684,411

MEYER PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER, 2024
The Company

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	Share capital N'000	Share premium N'000	Retained Earnings N'000	Non controlling interest N'000	Total Equity N'000
Balance at 1 January 2024	248,864	53,173	1,330,707	-	1,632,744
Dividend paid			(149,318)		(149,318)
Bonus			(11,798)		(11,798)
Profit/(Loss) for the period	-	-	236,970	-	236,970
Total comprehensive income for the period	-	-	236,970	-	236,970
Contribution by and Distribution to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance as at 30 September 2024	248,864	53,173	1,406,561	-	1,708,598
Balance as at 1 January 2023	248,864	53,173	1,094,738		1,396,775
Profit/(Loss) for the Period	-	-	235,969	-	235,969
Total comprehensive income for the Period	-	-	235,969	-	235,969
Contribution by and Distribution to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend paid			-		-
Balance as at 31 December 2023	248,864	53,173	1,330,707	-	1,632,744

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER, 2024

	GROUP		COMPANY	
	30/09/2024	31/12/2023	30/09/2024	31/12/2023
	N'000	N'000	N'000	N'000
Cash flow from operating activities				
Profit/(Loss) for the period	236,970	235,964	236,970	235,969
Adjusted for:				
Depreciation of property, plant and equipment	17,897	12,639	17,897	12,639
Depreciation of use of assets	24,750	44,510	24,750	44,510
Finance cost	2,223	4,187	2,223	4,187
Finance income	(176,292)	(159,629)	(176,292)	(159,629)
Income tax expenses	119,376	114,931	119,376	114,931
Profit on disposal of property, plant and equipment	(12,606)	(4,781)	(12,606)	(4,781)
Decommissioning cost	-	-	-	-
Income tax (credit)/expense	-	-	-	-
Operating cash flows before movements in working capital	212,318	247,821	212,318	247,826
(Increase)/decrease in inventories	(255,929)	(59,723)	(255,929)	(59,723)
Decrease/(increase) in trade and other receivables	(32,730)	(240,926)	(32,730)	(244,576)
(Increase)/decrease in other assets	2,590	-	2,590	-
Increase/(decrease) in trade and other payables	207,635	170,241	207,630	173,885
Increase/(decrease) in finance lease	-	-	-	-
Increase/(decrease) in employee benefit	(403)	(1,319)	(403)	(1,319)
Tax reclassification	-	-	-	-
	133,480	116,094	133,475	116,093
Income taxes paid	(116,953)	(10,374)	(116,953)	(10,374)
Net cash generated by operating activities	16,527	105,720	16,522	105,719
Cashflow from investing activities				
Purchase of property, plant and equipment	(29,919)	(41,735)	(29,916)	(41,735)
Addition to right of use of assets	(16,500)	(33,000)	(16,500)	(33,000)
Intangible Asset	(14,588)	-	(14,588)	-
Proceeds from sale of Property, plant and equipment	12,700	4,781	12,700	4,781
Finance income	176,292	159,629	176,292	159,629
Net cash generated by investing activities	127,986	89,675	127,989	89,675
Cashflow from financing activities				
Repayment of short term borrowings	(13,436)	(12,554)	(13,436)	(12,554)
Borrowing	-	16,575	-	16,575
Finance charges	(2,223)	(4,187)	(2,223)	(4,187)
Dividend paid	(149,318)	-	(149,318)	-
Bonus paid to staff	(11,798)	-	(11,798)	-
Net cash generated by financing activities	(176,775)	(166)	(176,775)	(166)
Net cash and cash equivalents for the period	(32,262)	195,230	(32,264)	195,230
Cash and cash equivalents at beginning of the period	1,521,455	1,326,225	1,521,272	1,326,042
Cash and cash equivalents at end of the period	1,489,193	1,521,455	1,489,008	1,521,272

ACCOUNTS

The Directors are pleased to submit the interim Unaudited Financial Statements as at 30 September 2024.

LEGAL STATUS

The Company commenced operations in Nigeria in 1960 after it was incorporated as a private limited liability company. It was converted to a public company in 1979. The Company was listed on the Nigerian Stock Exchange in 1979.

PRINCIPAL ACTIVITIES

The principal activity of the Company is manufacturing and sale of paint products, coating, adhesives and flooring products.

Subsidiary	Principal Activities	Date of Incorporation	Percentage Holding
DNM Construction	Building and Construction	20 July, 2007	96%

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

DIVIDEND

At the AGM held on May 24th 2024, the Shareholders approved a dividend of 30kobo per share to be paid to the shareholders for 2023 financial year which amounted to ₦149,318,000. The dividend is payable less withholding tax to all members whose names appear in the Company's Register of Members as at the close of business on Friday April 26th, 2024. The payment date for the dividend was Monday 27th of May, 2024".

SHARE CAPITAL AND SHAREHOLDINGS

- i. The Company did not purchase its own shares during the the period
- ii. The Authorised share capital of the Company is N248,864,781.50 divided into 497,729,563 ordinary shares of 50 kobo each.
- iii. The issued and paid up capital of the Company is N248,864,781.50 divided into 497,729,563 ordinary shares of 50 kobo each.

SUBSTANTIAL INTEREST IN SHARES

List of shareholdings with 5% as at 30 September 2024

S/N	NAMES	2024 SHAREHOLDINGS	%
1	Greenwich Capital Limited	156,419,326	31.43
2	Bosworth Investments & Service Limited	153,961,094	30.93
3	Mr. Osa Osunde	30,001,500	6.03
4	Mr. Kayode Falowo	25,688,982	5.16

No individual shareholder other than as stated above held more than 5% of the issued share capital of the Company as at 30 September, 2024.

Interests of Directors in Shares of the Company

The interests of Directors in the issued shares of the company as stated in the Register of Members as at 30 September 2024 for the purposes of section 301 of the Companies and Allied Matters Act, 2020 are as follows :

S/N	Name of Director	Direct	Indirect	Direct	Indirect
		shareholding	shareholding	shareholding	shareholding
		30/09/2024	30/09/2024	31/12/2023	31/12/2023
1	Kayode Falowo	25,688,982	156,419,326	25,688,982	156,419,326
2	Mr. Osa Osunde	30,001,500	Nil	30,001,500	Nil
3	Erelu Angela Adebayo	Nil	Nil	Nil	Nil
4	Mr. Tony Uponi	3,298,804	Nil	3,298,804	Nil
5	Mr. Oluwatoyin Okeowo	2,080,482	10,000,000	2,080,482	10,000,000
6	Mrs. Vivienne Ochee-Bamgboye	384,998	Nil	384,998	Nil
7	Dr. David Olufemi Onabajo	Nil	Nil	Nil	Nil

RESEARCH AND DEVELOPMENT

In order to maintain and enhance skills and abilities, the Company's policy of continuously researching into new products and services was maintained.

EMPLOYMENT AND EMPLOYEES

i) Employment of Physically Challenged persons

It is the policy of the Company that there is no discrimination in considering applications for employment including those from Physically Challenged persons. All employees whether or not Physically Challenged are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 30 September 2023 there was no Physically Challenged person in the employment of the Company.

ii) Health, safety at work and welfare of employees.

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

iii) 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 investments to develop such skills continue.

The Company's expanding skills base has been extended by the provision of training which has broadened opportunities for career development within the organisation. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.

COMPLIANCE WITH REGULATORY REQUIREMENTS

The Directors confirm to the best of their knowledge that the Company has substantially complied with the provisions of the Securities and Exchange Commission, Code of Corporate Governance and other regulatory requirements. The Directors further confirm that the Company has adopted the International Financial Reporting Standards (IFRS) and has complied substantially with the provisions thereof.

EFFECTIVENESS OF INTERNAL CONTROL SYSTEM

As the Company operates in a dynamic environment, it continuously monitors its internal control 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 statements, properly safeguard its assets and ensure achievement of its corporate goals while complying with relevant laws and regulations.

POST BALANCE SHEET EVENTS

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

MEYER PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER, 2024

1. **The Group**

The group comprises Meyer Plc (the Company) and its subsidiary - DNM Construction Limited.

The Company - Corporate Information and principal activities

Meyer Plc (previously called DN Meyer Plc) is a manufacturing Company incorporated in Nigeria on the 20th of May 1960. The name was changed by a special resolution and the authority of the Corporate Affairs Commission on the 1st of July 2016. The Company manufactures and markets paints. The shares of the Company are held as follows: 31.43% by Greenwich Capital Limited, 30.93% by Bosworth Investments & Services Limited, 5.42% by Osa Osunde, 5.06% by Kayode Falowo and 27.16% by Nigerian citizens.

Its registered office is at No 32, Billings way, Oregun Industrial Estate, Alausa Ikeja, Lagos.

2 **Basis of preparation**

a **Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting and Assurance Standards Board (IASB) and the requirements of the Companies and Allied Matters Act, 2020. As amended).

The financial statements were authorised for issue by the Board of Directors on the 28th October, 2024.

b. **Basis of measurement**

The group financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair value

c. **Functional and presentation currency**

The Company and group functional and presentation currency is the Nigerian naira. The financial statements are presented in Nigerian Naira and have been rounded to the nearest thousand except otherwise stated.

d. **Use of estimates and judgement**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

3 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

i) Income and Deferred Taxation

Meyer Plc annually incurs significant amounts of income taxes payable, and also recognises significant changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules, to recognise changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

ii) Impairment of property, plant and equipment

The Group assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Group's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii) Legal proceedings

The Group reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Group's management as to how it will respond to the litigation, claim or assessment.

3a Consolidation

(i) Subsidiary

The financial statements of the subsidiary are consolidated from the date the Company acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the company has control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the company has the practical ability to direct the activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the company considers all relevant facts and circumstances, including:

The size of The Company's voting rights relative to both the size and dispersion of other parties who hold voting rights; Substantive potential voting rights held by The Company and by other parties and other contractual arrangements

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Company. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity instruments issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in subsidiaries in the separate financial statements of the parent entity is measured at cost.

(ii) Changes in ownership interests in subsidiary without change of control

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

(iii) Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

(iv) Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as financial asset at fair value through other comprehensive income (FVOCI) depending on the level of influence retained.

4 Summary of significant accounting policies

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

a Going concern

The directors assess the Company and its subsidiary's future performance and financial position on a going concern basis and have no reason to believe that the Company will not be a going concern in the year ahead. For this reason, these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

b Foreign currency**Foreign currency transactions**

In preparing the financial statements of the Group, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Non - monetary items that are measured in terms of cost in a foreign currency are translated using the exchange rate at the end of the period.

c Revenue recognition

Revenue represents the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of the Group's activities and is stated net of value-added tax (VAT), rebates and discounts.

(i) Sale of goods and rendering of services

The Company recognizes revenue from contracts with customers based on the five-step process described in IFRS 15. Revenue is recognized when the entity satisfies a performance obligation by transferring a promised goods or service to a customer. The goods or services are transferred when the customer acquires control over the asset, which may happen either over time or at a particular point in time. Under the five-step process an entity must complete the following steps before revenue can be recognized: Identify contracts with customers, identify performance obligations, determine the transaction price, allocate the transaction price to each of the separate performance obligations, and finally recognize the revenue as each performance obligation is satisfied.

(ii) Other income

This comprises profit from sale of financial assets, property, plant and equipment, foreign exchange gains, fair value gains of non financial assets measured at fair value through profit or loss and impairment loss no longer required written back.

Income arising from disposal of items of financial assets, plant and equipment and scraps is recognised at the time when proceeds from the disposal has been received by the Group. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets. The Group recognised impairment no longer required as other income when the Group received cash on an impaired receivable or when the value of an impaired investment increased and the investment is realisable.

d Expenditure

Expenditures are recognised as they accrue during the course of the period. Analysis of expenses recognised in the statement of comprehensive income is presented in classification based on the function of the expenses as this provides information that is reliable and more relevant than their nature.

The Group classifies its expenses as follows:

- Cost of sales;
- Administration expenses;
- Selling and distribution expenses; and
- Other allowances and amortizations

Finance income and finance costs

Finance income comprises interest income on short-term deposits with banks, dividend income, changes in the fair value of financial assets at fair value through profit or loss and foreign exchange gains.

Dividend income from investments is recognised in profit or loss when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably).

Interest income on short-term deposits is recognised 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.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and deferred consideration, losses on disposal of available for sale financial assets, impairment losses on financial assets (other than trade receivables).

e Borrowing costs

Borrowing costs directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as interest payable in the income statement in the period in which they are incurred.

f Income tax expenses

Income tax expense comprises current income tax, education tax and deferred tax.

g Earnings per share

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

h Property, plant and equipment

Items of property, plant and equipment are measured at cost and less accumulated depreciation and impairment losses. The cost of property plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment and are depreciated accordingly. Subsequent costs and additions are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to the profit and loss component of the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method on the following bases:

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life between major overhaul.

Building	36-76 years
Furniture and Fixtures	4 years
Motor Vehicles	4 years
Plant and Machinery	8 years
Office Equipment	4 years

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss component of the statement of comprehensive income within 'Other income' in the year that the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

i Intangible Assets

Computer software

Computer software purchased from third parties. They are measured at cost less accumulated amortisation and accumulated impairment losses. Purchased computer software is capitalised on the basis of costs incurred to acquire and bring into use the specific software. These costs are amortised on a straight line basis over the useful life of the asset.

Expenditure that enhances and extends the benefits of computer software beyond their original specifications and lives, is recognised as a capital improvement cost and is added to the original cost of the software. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition of intangible assets

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

j Impairment of non-financial assets

Non-financial assets other than inventories are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statements, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

k Leases

The standard covers the recognition of leases and related disclosure information in the financial

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In the financial statement of lessees, IFRS 16 requires recognition in the statement of financial position for each contract that meets its definition of a lease as right-of-use (RoU) asset and a lease liability, while lease payments are reflected as interest expense and a reduction of lease liabilities. The RoU assets are depreciated over the shorter of each contract's term and the assets useful life.

Upon implementation of IFRS 16, the following main implementation and application policy choices were made by the group:

- Short term leases (12 months or less) and leases of low value assets are not reflected in the statement of profit or loss and other comprehensive income but are expensed or (if appropriate) capitalised as incurred, depending on the activity in which the leased asset is used
- Non-lease components within lease contracts will be accounted for separately for all underlying classes of assets and reflected in the relevant expense category or (if appropriate) capitalised as incurred, depending on the activity involved.

At the commencement of the lease period, the following shall be recognised:

- A lease liability equal to the net present value of the non-variable lease payments over the lease term, including any lease incentives and residual value guarantees expected to be paid under the contract
- A RoU asset equal to the lease liability, with the addition of any lease pre-payments, initial direct costs and costs of dismantling or restoration.

l Financial instruments

a) Financial Assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

ï Financial assets at fair value through other comprehensive income (FVOCI) consist of :

Non-trading equity investments designated by management at initial recognition. Once designated, they cannot be reclassified into any other category

Financial assets held with the objective of both collecting contractual cash flows and selling the financial assets and the assets cash flows are solely payment of principal and interest.

ii) Financial assets at amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The group financial assets are trade receivables, other receivables and cash and cash equivalents.

iii) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the company's impairment and loss allowance are provided in note 18.

iv) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payment within three years from the end of the reporting period.

v) Cash and cash equivalent

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

vi) Derecognition of financial asset

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

vii) Impairment of financial instruments

The Company has trade receivables for the sales of inventory that is subject to the expected credit. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivable are reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 360 days before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

b) Financial liabilities

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liabilities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

i) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

ii) Borrowings

Borrowings are recognized initially at their issue proceeds and subsequently stated at cost less any repayments. Transaction costs where immaterial, are recognized immediately in the statement of comprehensive income. Where transaction costs are material, they are capitalized and amortised over the life of the loan. Interest paid on borrowing is recognized in the statement of comprehensive income for the period.

iii) De-recognition of financial liabilities

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

m Inventories

Inventories are stated at the lower of cost and net realisable value, with appropriate provisions for old and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:-

Raw materials

Raw materials which includes purchase cost and other costs incurred to bring the materials to their location and condition are valued at actual cost.

Work in progress

Cost of work in progress includes cost of raw materials, labour, production and attributable overheads based on normal operating capacity.

Finished goods

Cost is determined using standard costing method and includes cost of material, labour, production and attributable overheads based on normal operating capacity.

Spare parts and consumables

Spare parts which are expected to be fully utilized in production within the next operating cycle and other consumables are valued at weighted average cost after making allowance for obsolete and damaged inventory.

n Provisions

A provision is recognized only if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. The Group's provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

o Employee benefits

The Group operates the following contribution and benefit schemes for its employees:

(i) Defined contribution pension scheme

In line with the provisions of the Nigerian Pension Reform Act, 2014, Meyer Plc has instituted a defined contributory pension scheme for its employees. The scheme is funded by fixed contributions from employees and the Group at the rate of 8% by employees and 10% by the Group of basic salary, transport and housing allowances invested outside the Group through Pension Fund Administrators (PFAs) of the employees choice.

The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees' service in the current and prior periods.

The matching contributions made by Meyer Plc to the relevant PFAs are recognised as expenses when the costs become payable in the reporting periods during which employees have rendered services in exchange for those contributions. Liabilities in respect of the defined contribution scheme are charged against the profit of the period in which they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available

(ii) Short-term benefits

Short term employee benefit obligations which include wages, salaries, bonuses and other allowances for current employees are measured on an undiscounted basis and recognised and expensed by Meyer Plc in the income statement as the employees render such services.

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

p Income Taxes - Company income tax and deferred tax liabilities

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income. Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

The tax currently payable is based on taxable results for the year. Taxable results differs from results as reported in the income statement because it includes not only items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Group's liabilities for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted by the reporting date.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

q Share capital and Share premium

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

r Dividend on ordinary shares

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

s Retained earnings

General reserve represents amount set aside out of profits of the Group which shall at the discretion of the directors be applied to meeting contingencies, repairs or maintenance of any works connected with the business of the Group, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Group may lawfully be applied.

t Contingent liability

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period being audited except in the extremely rare circumstances where no reliable estimate can be made.

u Related party transactions or insider dealings

Related parties include the related companies, the directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Group. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly, including any director (whether executive or otherwise) of that entity. The Group considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Where there is a related party transactions within the Group, the transactions are disclosed separately as to the type of relationship that exists within the Group and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

v Effective Interest Method

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

w Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Finance Director (being the Chief Operating Decision Maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

x Determination of fair value

A number of the Group's accounting policies and disclosures require the determination of fair value for the both financial and non-financial assets and liabilities. Fair values have been determined for measurement and /or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that assets or liabilities.

y i Property, plant and equipment

The fair value of items of plant and machinery, fixtures and fittings, motor vehicles and Land and buildings is based on depreciated replacement cost and comparison approaches. "Depreciated replacement cost" reflects the current cost of reconstructing the existing structure together with the improvements in today's market adequately depreciated to reflect its physical wear and tear, age, functional and economic obsolescence plus the site value in its existing use as at the date of inspection while "Comparison Approach" that is the analysis of recent sale transactions or similar properties in the neighbourhood. The figure thus arrived at represents the best price that the subsisting interest in the property will reasonably be expected to be sold if made available for sale by private treaty between a willing seller and buyer under competitive market conditions.

ii Valuation of financial assets at fair value through other comprehensive income (FVOCI)

The fair value of investments in equity are determined with reference to their quoted closing bid price at the measurement date, or if unquoted, determined using a valuation technique. Valuation techniques employed is the net asset per share basis.

iii Fair value hierarchy

Fair values are determined according to the following hierarchy based on the requirements in IFRS 7 Financial Instrument Disclosure'.

Level 1 : quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.

Level 2: valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities values using models where all significant inputs are observable.

Level 3: valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

z Financial risk management

i General

Pursuant to a financial policy maintained by the Board of Directors, the Group uses several financial instruments in the ordinary course of business. The Group's financial instruments are cash and cash equivalents, trade and other receivables, interest-bearing loans and bank overdrafts and trade and other payables.

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk, consisting of: currency risk, interest rate risk and price risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from Group's receivables from customers. It is the Group's policy to assess the credit risk of new customers before entering into contracts.

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management.

The Management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. customers that are grouped as "high risk" are placed on a restricted customer list, and future credit services are made only with approval of the Management, otherwise payment in advance is required.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

The maximum credit risk as per statement of financial position, without taking into account the aforementioned financial risk coverage instruments and policy, consists of the book values of the financial assets as stated below:

	30/09/2024	GROUP	31/12/2023
	N'000		N'000
Trade receivables (Note 18)	448,961		334,095
Cash and cash equivalents (Note 19)	1,489,193		1,521,455
	1,938,154		1,855,550

As at the reporting date there was no concentration of credit risk with certain customers.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

Cash is held with the following banks and other financial institutions:-

	2024	2023
	N'000	N'000
Access Bank Plc	11,828	8,172
Diamond Bank Plc	31	-
Eco Bank Plc	1,336	2,081
First City Monument Bank Limited	2,072	6,145
Guaranty Trust Bank Plc	858	788
Stanbic IBTC Bank Plc	5,930	13,191
First Bank of Nigeria Limited	1,680	8,595
Zenith Bank Plc	206	76
Sterling Bank Plc	13	8
Union Bank of Nigeria Plc	691	99
Polaris Bank Limited	536	2,655
Heritage Bank Limited	6	131
United Bank for Africa Plc	223	1,114
Wema Bank Plc	98	98
Providus Bank Limited	1	1
Wema Bank (through GTL Registrar)	203,697	247,767
Greenwich Asset Management Limited	122,970	113,171
Greenwich Merchant Bank Limited	1,137,017	1,117,180
	1,489,193	1,521,455

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Liquidity projections including available credit facilities are incorporated in the regular management information reviewed by Management. The focus of the liquidity review is on the net financing capacity, being free cash plus available credit facilities in relation to the financial liabilities. The following are the contractual maturities of financial liabilities:

As at 30 September, 2024	=N=000	=N=000	=N=000	=N=000
	Book value	Contractual cashflow	One year or less	1-5 years
Borrowings	1,813	-	-	1,813
Trade and other payables	806,396	-	806,396	-
	808,208	-	806,396	1,813

	Book value N'000	Contractual cashflow	One year or less N'000	1-5 years
Short Term Borrowings	1,813	-	1,813	1,813
Trade and other payables	806,396	-	806,396	-
	808,209	-	808,209	1,813

Market risk

Market risk concerns the risk that Group income or the value of investments in financial instruments is adversely affected by changes in market prices, such as exchange rates and interest rates. The objective of managing market risks is to keep the market risk position within acceptable boundaries while achieving the best possible return.

Foreign exchange risk

The functional currency of the Group is the Nigerian naira.

Interest rate risk

The Group has fixed interest rate liabilities. In respect of controlling interest risks, the policy is that, in principle, interest rates for loans payable are primarily fixed for the entire maturity period. This is achieved by contracting loans that carry a fixed interest rate. The effective interest rates and the maturity term profiles of interest-bearing loans, deposits and cash and cash equivalents are stated below:

As at 30 September 2024	Effective interest rate	one year or less N'000	1-5 years N'000	Total N'000
Cash held with banks	-	1,489,193	-	1,489,193
Short Term Borrowings	-	1,813	-	1,813
	-	1,491,005	-	1,491,005

Fair Value

Financial instruments accounted for under assets and liabilities are cash and cash equivalents, receivables, and current and non-current liabilities. The fair value of most of the financial instruments does not differ materially from the book value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER, 2024

5 Revenue

	GROUP		COMPANY	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	N'000	N'000	N'000	N'000
Paints	2,059,052	1,539,072	2,059,052	1,539,072
Application of paints	20,394	1,261	20,394	1,261
	<u>2,079,447</u>	<u>1,540,333</u>	<u>2,079,447</u>	<u>1,540,333</u>

5.1 Cost of sales

An analysis of the group company's cost of sales is as follows:

	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	N'000	N'000	N'000	N'000
Paints	1,287,193	1,004,313	1,287,193	1,004,313
Application of paints	16,109	550	16,109	550
	<u>1,303,302</u>	<u>1,004,863</u>	<u>1,303,302</u>	<u>1,004,863</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6 Segment Revenue and results

	GROUP		COMPANY	
	30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
Paints	2,059,052	1,539,072	2,059,523	1,539,072
Application of paints	20,394	1,261	20,394	1,261
	<u>2,079,447</u>	<u>1,540,333</u>	<u>2,079,917</u>	<u>1,540,333</u>
Segment Results				
	30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
Other Income	20,420	7,700	20,420	7,700
Finance costs	(2,223)	(1,747)	(2,223)	(1,747)
Profit/(Loss) before tax	356,346	85,123	356,346	85,123
Tax (Provision)	(119,376)	(28,091)	(119,376)	(28,091)
	<u>236,970</u>	<u>57,032</u>	<u>236,970</u>	<u>57,032</u>
Profit after Tax for the period				

Segment Accounting

The accounting policies of the reportable segments are the same as the company's accounting policies described in note. Segment profit represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other gains and losses as well as finance costs.

This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

Business and geographical segments

The company operates in all geographical areas in the country.

Segment assets and liabilities

All assets and liabilities are jointly used by the reportable segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	GROUP		COMPANY	
	30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
9 Administrative expenses				
Basic	81,789	91,611	81,789	91,611
Overtime	1,708	896	1,708	896
Fringe costs	48,376	40,390	48,376	40,390
Christmas bonus	6,681	6,107	6,681	6,107
NSITF	1,130	918	1,130	918
Pension scheme	11,609	9,172	11,609	9,172
Casual labour	8,271	5,690	8,271	5,690
Staff Canteen	15,468	11,250	15,468	11,250
Medical	10,305	1,955	10,305	1,955
Training Local	2,276	46	2,276	46
Uniform & Laundry	372	152	372	152
ITF Refund	1,118	-	1,118	-
Scholarship Scheme	-	-	-	-
Long Service Award	738	1,582	738	1,582
Maintenance Mechanical	342	508	342	508
Maintenance Electrical	1,556	752	1,556	752
Security	4,147	3,363	4,147	3,363
Computer Rentals	3,293	1,575	3,293	1,575
Building Rents and rates	2,895	2,998	2,895	2,998
Light & Water Offices	3,073	2,160	3,073	2,160
Site & Office Cleaning	4,054	2,288	4,054	2,288
Factory Relocation	-	-	-	-
Repair & Maintenance General	3,184	2,207	3,184	2,207
Depreciation Land & Building	8	6	8	6
Depreciation Right of Use	24,750	33,936	24,750	33,936
Depreciation Vehicles	11,461	4,200	11,461	4,200
Depreciation Office Equipment	2,726	1,924	2,726	1,924
Depreciation F & F	576	496	576	496
General Quality Assurance	731	-	731	-
Advert & Publicity	2,340	1,077	2,340	1,077
Provision /Bad Debt	5	-	5	-
Free Goods & Sample	353	459	353	459
Lost and scrapped written off	(290)	-	(290)	-
Fuel Lubricant	15,343	9,305	15,343	9,305
Vehicle Runing Exp	10,751	9,418	10,751	9,418
Travelling	6,192	4,254	6,192	4,254
Fork lift truck	1,006	197	1,006	197
Directors and Board Expenses	22,120	13,088	22,120	13,088
Insurance Expense	8,575	4,608	8,575	4,608
Legal & Professional Expenses	10,584	8,223	10,584	8,223
Stationery	952	1,662	952	1,662
Printing and Publication	2,201	1,370	2,201	1,370
Telephone Expenses	4,727	2,306	4,727	2,306
AGM Expenses	2,475	2,250	2,475	2,250
Courier & Postages	57	23	57	23
Audit Fees	4,434	4,564	4,434	4,564
Audit expenses	(5)	-	(5)	-
Bank charges	1,688	1,708	1,688	1,708
Effect of fuel subsidy	-	1,943	-	1,943
Performance Cost	45,570	32,073	45,570	32,073
Year end expenses	215	-	215	-
Periodic and Publication	987	1,533	987	1,533
Subscriptions	7,227	3,193	7,227	3,193
Licence Renewal	15,028	12,329	15,028	12,329
General Stores & Consumables	4,999	3,460	4,999	3,460
Entertainment	1,985	1,165	1,985	1,165
Staff Contingency Exp.	6,256	340	6,256	340
Stock taking expenses	147	170	147	170
Conference and Seminar Expenses	10	300	10	300
Management Fees	105,627	76,796	105,627	76,796
Staff Recruitment	646	268	646	268
	534,842	424,119	534,842	424,119

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10 Finance income and Cost

	GROUP		COMPANY	
	30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
(i) Finance income:				
Interest received on bank deposit	176,292	119,309	176,292	119,309
(ii) Finance Cost				
Interest on bank overdraft and loans	-	-	-	-
Interest on finance lease	2,223	3,061	2,223	3,061
Total interest expenses	2,223	3,061	2,223	3,061

11 Profit /(Loss)for the period has been arrived at after charging/(crediting) the followings:

	30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
Depreciation and amortisation expense:				
Depreciation of property, plant and equipment	42,522	41,958	42,522	41,958
Amortisation of intangible assets (included in cost of sales)	-	-	-	-
	42,522	41,958	42,522	41,958
Employee benefits expense:				
Defined contribution plans	11,609	9,172	11,609	9,172
Termination benefits	-	-	-	-
	11,609	9,172	11,609	9,172
Profit on disposal of property, plant and equipment	12,606	4,781	12,606	4,781
Auditors remuneration	4,434	4,564	4,434	4,564
Staff cost	200,020	183,907	200,020	183,907
Director's remuneration and allowance	22,120	13,088	22,120	13,088
Interest on loans and overdrafts	2,223	3,061	2,223	3,061

12 Tax expense Per profit and loss account	GROUP		COMPANY	
	30/09/2024 N'000	30/09/2023 N'000	30/09/2024 N'000	30/09/2023 N'000
Income tax payable on the results for the period				
Current tax expense in respect of the current period:				
Income tax	106,904	53,503	106,904	53,503
Education tax	10,690	5,350	10,690	5,350
Capital gain tax	-	-	-	-
Police Trust	1,782	-	1,782	-
NASENI levy	-	-	-	-
Deffered tax written back	-	-	-	-
Over provision of income tax in prior year	-	-	-	-
	<u>119,376</u>	<u>58,853</u>	<u>119,376</u>	<u>58,853</u>
In respect of prior period	-	-	-	-
	<u>119,376</u>	<u>58,853</u>	<u>119,376</u>	<u>58,853</u>
Deferred tax				
Current tax expense in respect of the current period:	-	-	-	-
Deferred tax expense for current period	-	-	-	-
Write-downs (reversals of previous write downs) of	-	-	-	-
Total income tax expense recognised in current period for	<u>119,376</u>	<u>58,853</u>	<u>119,376</u>	<u>58,853</u>

12 i. Per statement of financial position	GROUP		COMPANY	
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
At 1 January	114,931	10,246	114,931	10,246
Charged for the period Capital gains tax	-	-	-	-
Payments during the Period	-	-	-	-
Police Trust Fund	-	-	-	-
Education tax	(11,720)	(254)	(11,720)	(254)
Adjustments -withholding tax utilised	(105,216)	(7,724)	(105,216)	(7,724)
Nigeria Police Trust Fund Levy	(18)	-	(18)	-
Capital gain tax	-	(2,268)	-	(2,268)
Adjustments - income tax provision	-	-	-	-
Provision for the period - income tax	106,904	103,378	106,904	103,378
Education Tax	10,690	11,535	10,690	11,535
Capital gain tax	-	-	-	-
NASENI Levy	-	-	-	-
Police Trust Fund	1,782	18	1,782	18
Over provision of income tax in prior year	-	-	-	-
	<u>117,354</u>	<u>114,931</u>	<u>117,354</u>	<u>114,931</u>

12 ii. Deferred taxation	GROUP		COMPANY	
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
Deferred tax liabilities	389,557	389,557	389,557	389,557
Deferred tax assets	(385,026)	(385,026)	(385,026)	(385,026)
	<u>(4,530)</u>	<u>(4,530)</u>	<u>(4,530)</u>	<u>(4,530)</u>
Deferred taxation				
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
Movement at a glance				
Deferred tax (liabilities)/assets:				
At 1 January	(4,530)	(4,530)	(4,530)	(4,530)
Recognised in profit or loss	-	-	-	-
At 30th September	<u>-4,530</u>	<u>-4,530</u>	<u>-4,530</u>	<u>-4,530</u>

The tax rate used is the corporate tax rate of 30% and 3% education tax payable by corporate entities in Nigeria on taxable profits under tax law in the country.

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13 Earnings/(Loss) per share

Earnings/(Loss) per share are calculated on the basis of profit after taxation and the number of issued and fully paid ordinary shares of each financial period.

	GROUP		COMPANY	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	N	N	N	N
Basic/diluted (loss)/earnings per share	47.61	24.01	47.61	24.01
Total basic/diluted (loss)/earnings per share	47.61	24.01	47.61	24.01

13.i Basic/diluted earnings per share

The earnings/(loss) and weighted average number of ordinary shares used in the calculation of basic earnings per share are:

	GROUP		COMPANY	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	N'000	N'000	N'000	N'000
Earnings from continuing operations				
Profit / (Loss) for the period attributable to owners of the Company	236,970	119,494	236,970	119,490
Number of shares				
Number of ordinary shares for the purposes of basic earnings per share	497,728	497,728	497,728	497,728
Profit/(Loss) per share (Kobo) - Basic	48	24	48	24

The denominators for the purposes of calculating both basic earnings per share is based on issued and paid up ordinary shares of 50 kobo each.

13.ii Impact of changes in accounting policies

There were no changes in the company's accounting policies during the period that impacted earnings per share.

The Group makes full provision for the future cost of decommissioning and dismantling the leased warehouse based on estimated cost of decommissioning the plant, equipment and facilities. It relates to the removal of assets as well as their associated restoration costs. This obligation is recorded in the period in which the liability meets the definition of a “probable future sacrifice of economic benefits arising from a present obligation,” and in which it can be reasonably measured. The provision represents the estimated value of future expenditure to be incurred when the plant facilities will be dismantled or relocated to a new location. The estimate is reviewed regularly to take into account any material changes to the assumptions.

	GROUP		COMPANY	
	30/09/24	31/12/23	30/09/24	31/12/23
13.iii Share Capital				
Authorised Share capital	N'000	N'000	N'000	N'000
497,728,563 Ordinary shares of 50k each	248,864	248,864	248,864	248,864
Issued and fully paid:				
497,728,563 ordinary shares of 50k each	248,864	248,864	248,864	248,864
Share Premium	N'000	N'000	N'000	N'000
Balance at the beginning and end of the period	53,173	53,173	53,173	53,173
Revenue reserve	N'000	N'000	N'000	N'000
Balance at the beginning of the year	1,379,930	1,143,962	1,330,707	1,094,738
Transfer from statement of profit or loss	236,970	235,968	236,970	235,969
Dividend paid	(149,318)	-	(149,318)	-
Bonus paid	(11,798)	-	(11,798)	-
Balance at the end of the period	1,455,784	1,379,930	1,406,561	1,330,707
Non-controlling	N'000	N'000	N'000	N'000
Balance as at 1 January	2,448	2,452	-	-
Transfer from profit or loss	(4)	(4)	-	-
Balance as at the end of period	2,444	2,448	-	-

Basic earnings/(loss) per ordinary share

Basic earnings/ (loss) per ordinary share of ₦50k each is calculated on the Group's earnings/(loss) after taxation based on the number of shares in issue at the end of the period.

	GROUP		COMPANY	
	30/09/24	31/12/23	30/09/23	31/12/23
	N'000	N'000	N'000	N'000
Profit/(loss) for the period attributable to shareholders	236,970	119,491	236,970	119,490
Basic earnings/(loss) per share of ₦50k each	48	24	48	24
Diluted earnings/(loss) per share (kobo)	48	24	48	24

Dividend

At the AGM held on May 24th 2024, the Shareholders approved a dividend of 30kobo per share to be paid to shareholders for 2023 financial year which amounts to ₦149,318,000. The dividend is payable less withholding tax to all members whose names appear in the Company's Register of Members as at the close of business on Friday April 26th, 2024. The payment date for the dividend was Monday 27th of May, 2024".

Reconciliation of statement of cash flows

For the purpose of the statement of cash flows, cash comprises cash at bank and in hand, net of overdraft facilities. Cash at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	GROUP		COMPANY	
	30/09/24	31/12/23	30/09/23	31/12/23
	N'000	N'000	N'000	N'000
Cash and bank balances	1,489,193	1,521,455	1,489,008	1,521,272

The Group

Cost	Container	Plant & machinery	Office equipment	Furniture & fittings	Motor vehicles	Capital Work -in-Progress	Intangible Asset	Right of use of Asset	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
14									
As at 1 January 2023	513	224,888	41,042	14,195	150,891	252,290	4,157	137,404	825,380
Additions	-	7,881	6,993	100	7,237	-	-	52,500	74,711
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	3,400	-	-	41,070	(3,400)	-	(41,070)	-
Disposals	-	-	-	-	(14,223)	-	-	-	(14,223)
As at December 31 2023	513	236,169	48,035	14,295	184,975	248,890	4,157	148,834	885,868
As at 1 January 2024	513	236,169	48,035	14,295	184,975	248,890	4,157	148,834	732,877
Additions	-	8,244	5,813	752	14,992	-	14,589	16,500	29,801
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at 30 September 2024	513	244,413	53,848	15,047	199,967	248,890	18,746	165,334	762,678
Accumulated depreciation and impairment									
As at 1 January 2023	200	211,533	36,987	11,819	144,461	-	4,157	93,310	502,467
Charge for the year	10	3,566	2,443	666	5,750	-	-	44,510	56,945
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	8,236	-	-	(8,236)	8,236
Disposals	-	-	-	-	(14,222)	-	-	-	(14,222)
As at December 31 2023	210	215,099	39,430	12,485	144,225	-	4,157	129,584	411,449
As at 1 January 2024	210	215,099	39,430	12,485	144,225	-	4,157	129,584	411,449
Charge for the period	7	3,001	2,727	576	11,696	-	-	24,750	18,006
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Eliminated on disposals	-	-	-	-	-	-	-	-	-
As at 30 September 2024	217	218,100	42,157	13,061	155,921	-	4,157	154,334	429,455
Carrying amount									
As at 30 September 2024	296	26,259	11,532	1,985	44,186	248,890	14,589	11,000	333,149
As at 31 December 2023	303	21,039	8,492	1,810	40,749	248,890	-	19,250	321,225

Company

Cost	Container	Plant & machinery	Office equipment	Furniture & fittings	Motor vehicles	Capital Work -in-Progress	Intangible Asset	Right of use of Asset	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2023	513	216,388	41,042	14,195	150,891	252,290	4,157	137,404	676,074
Additions	-	7,881	6,993	100	7,236	-	-	52,500	22,211
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	3,400	-	-	41,070	(3,400)	-	(41,070)	41,070
Disposals	-	-	-	-	(14,223)	-	-	-	(14,223)
As at December 31 2023	513	227,669	48,035	14,295	184,975	248,890	4,157	148,834	877,368
As at 1 January 2024	513	227,669	48,035	14,295	184,975	248,890	4,157	148,834	724,377
Additions	-	8,244	5,813	752	14,992	-	14,589	16,500	29,801
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at 30 September 2024	513	235,913	53,848	15,047	199,967	248,890	18,746	165,334	754,178
Accumulated depreciation and impairment									
As at 1 January 2023	200	203,035	36,988	11,819	144,460	-	4,157	93,311	396,502
Charge for the year	10	3,566	2,545	666	5,750	-	-	44,510	12,537
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	8,236	-	-	(8,236)	8,236
Disposals	-	-	-	-	(14,223)	-	-	-	(14,223)
As at 31 December 2023	210	206,601	39,533	12,485	144,224	-	4,157	129,584	403,053
As at 1 January 2024	210	206,601	39,533	12,485	144,224	-	4,157	129,584	403,053
Charge for the period	7	3,001	2,727	576	11,696	-	-	24,750	18,006
Transfers	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Eliminated on disposals	-	-	-	-	-	-	-	-	-
As at 30 September 2024	217	209,601	42,260	13,061	155,920	-	4,157	154,334	392,919
Carrying amount									
As at 30 September 2024	296	26,312	11,588	1,986	44,047	248,890	14,589	11,000	333,039
As at 31 December 2023	303	21,039	8,492	1,810	40,750	248,890	-	19,250	321,225

15	Other Assets	Group		Company	
		30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
	PREPAYMENT	5,730	8,321	5,730	8,321
		<u>5,730</u>	<u>8,321</u>	<u>5,730</u>	<u>8,321</u>

- i Assets pledged as security
None of the Company's assets is pledged as collateral for loans in the period
- ii Contractual commitments
As at 30 September 2024, the Company had no contractual commitments for the acquisition of property, plant and equipment.

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16 Investment in subsidiary

	GROUP		COMPANY	
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
Carrying amount at cost	-	-	-	-

Details of the Group subsidiary at the end of the reporting period is as stated below:

<u>Name of the company</u>	<u>Principal activity</u>	<u>Place of incorporation</u>	<u>Proportion of ownership interest and voting power held by the Group</u>	
			30/09/2024	31/12/2023
DNM Construction Limited	Construction and rehabilitation of building	Nigeria	96%	96%

The Group owns 96% of the DNM Construction Limited

The remaining 4% shares attributable to non-controlling interest is stated below:

	%	%
Mr. Kayode Falowo	1	1
Mr. Olutoyin Okeowo	1	1
Alhaji Ibrahim Suleman	1	1
Arc. Ayoola Onajide	1	1
	<u>4</u>	<u>4</u>

Two out of the four shareholders are Directors of Meyer Plc.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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17 Inventories	Group		Company	
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
Raw materials	348,316	97,411	348,316	97,411
Work-in-progress	8,840	20,611	8,840	20,611
Work-in-progress base	7,625	-	7,625	-
Finished Goods - Paints	79,579	73,249	79,579	73,249
Consumables	5,685	2,844	5,685	2,844
	450,044	194,115	450,044	194,115
Provision for obsolete spares and slow moving stock	-	-	-	-
	450,044	194,115	450,044	194,115

The carrying amount of the inventories is the lower of their costs and net realisable values as at the reporting dates.

18 Trade and other receivables	Group		Company	
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
Trade receivables	491,559	376,693	464,848	349,982
Allowance for doubtful debts	(42,598)	(42,598)	(42,598)	(42,598)
	448,961	334,095	422,250	307,384
Other receivables				
Related party		-		-
Insurance claim	-	-	-	-
WHT claimable	(31,321)	52,859	(31,321)	52,859
Prepayment	-	8,321	-	8,321
Sundry debtors	2,785	741	2,385	341
Due from related party	-	-	-	-
Provision for doubtful debts	-	-	-	-
	420,425	396,016	393,314	368,905

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

19i Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, short term investments with an original maturity of three months or less, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	Group		Company	
	30/09/2024	31/12/2023	30/09/2024	31/12/2023
	N'000	N'000	N'000	N'000
Cash Balance	25,921	43,336	25,736	43,153
Short-term investments (see note19ii)	1,463,272	1,478,119	1,463,272	1,478,119
	1,489,193	1,521,455	1,489,008	1,521,272

19ii Short-Term Investments

These represent cash held in Fixed deposits in various banks. These investments are placed in short-term deposits and are continuously rolled over throughout the period

	Group		Company	
	30/09/2024	31/12/2023	30/09/2024	31/12/2023
	N'000	N'000	N'000	N'000
20 Short Borrowings				
LPO Financing	1,813	1,813	1,813	1,813
Lease obligations	8,860	22,296	8,860	22,296
Total borrowings	10,673	24,109	10,673	24,109
Movement at a glance				
Opening balance	24,109	20,088	24,109	20,088
Obtained during the period:	-	16,575	-	16,575
Repayment of loan	(13,436)	(12,554)	(13,436)	(12,554)
Amount due within the period		-		-
Closing balance	10,673	24,109	10,673	24,109

	Group		Company	
	30/09/2024	31/12/2023	30/09/2024	31/12/2023
	N'000	N'000	N'000	N'000
21 Employment benefits				
Balance as at 1 January	13,670	14,989	13,670	14,989
Addition/(Payment) for the period	(403)	(1,319)	(403)	(1,319)
Balance as at end of the period	13,267	13,670	13,267	13,670

22	Trade and other payables	GROUP		COMPANY	
		30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
	Trade payable	343,748	230,294	337,914	224,459
	Amount due to related parties		839	31,784	32,628
	Other payables:				
	Lease liability	-	-	-	-
	Unclaimed dividends	102,002	102,126	102,002	102,126
	Value added tax	90,510	85,908	90,475	85,909
	Withholding tax payable	35,486	33,375	35,443	33,332
	PAYE	(466)	1,142	(466)	1,142
	Accruals and Provision	62,017	31,455	60,613	30,016
	Other credit balance				
	National Housing Fund	65	65	65	65
	NSITF	270	103	270	103
	Rent receivable	-	-	-	-
	Sundry Creditors	1,957	1,957	1,857	1,857
	Customer deposit	50,605	49,292	50,605	49,292
	Technical Management Fees	109,638	54,970	109,638	54,970
	Industrial Training Fund	205	2,848	205	2,848
	Pension	10,359	4,387	10,359	4,387
		806,396	598,761	830,764	623,134
		2024	2023	2024	2023
		N'000	N'000	N'000	N'000
22i	Decommissioning cost				
	Balance as at 1 January	11,649	11,649	11,649	11,649
	Provision for the period	-	-	-	-
	Balance as at 30 September	11,649	11,649	11,649	11,649

This represents the initial estimate of the cost of dismantling and removing items and restoring the site(Leased building) in respect of Right of use of assets as disclosed

22ii	Deposit for AFS	-	-	-	-
23	Share capital	GROUP		COMPANY	
		30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
	Authorised share capital				
	497,727,563 ordinary shares of 50k each	248,865	248,865	248,865	248,865
	Issued and fully paid:				
	497,727,563 ordinary shares of 50k each	248,864	248,864	248,864	248,864

The Company has one class of ordinary shares which carry no right to fixed income.

24	Share premium	GROUP		COMPANY	
		30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
	At 1 January	53,173	53,173	53,173	53,173
	Balance as at period end 30 September	53,173	53,173	53,173	53,173
25	Revenue Reserve	GROUP		COMPANY	
		30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
	At 1 January	1,379,930	1,143,962	1,330,707	1,094,738
	Profit/(Loss) attributable to owners of the company	236,970	235,968	236,970	235,969
	Dividend paid in the period	(149,318)	-	(149,318)	-
	Bonus paid to staff within the period	(11,798)	-	(11,798)	-
	Balance as at period end 30 September	1,455,784	1,379,930	1,406,561	1,330,707
26	Non-controlling interest	GROUP		COMPANY	
		30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
	At 1 January	2,444	2,440	-	-
	Adjustment during the period	-	-	-	-
	Transfer from profit or loss	(4)	4	-	-
	Balance as at period end 30 September	2,440	2,444	-	-

27 DIRECTORS AND EMPLOYEES

27.1 DIRECTORS

	Group		Company	
	30/09/2024 N'000	31/12/2023 N'000	30/09/2024 N'000	31/12/2023 N'000
Emoluments:				
Fees	7,500	1,250	7,500	1,250
Other remuneration and allowances including pension contribution	14,620	17,300	14,620	17,300
	22,120	18,550	22,120	18,550

The aggregate payroll costs:

	N'000	N'000	N'000	N'000
Wages, salaries, allowances and other benefits	198,890	122,894	198,890	122,894
Pension and social benefits	12,740	6,734	12,740	6,734
Staff training	2,276	-	2,276	-
	213,906	129,628	213,906	129,628

The number of higher paid employees with gross emoluments within the ranges below are:

Range (N)	Number	Number	Number	Number
500,001 - 2,000,000	21	32	21	32
2,000,001 - 3,000,000	30	28	30	28
3,000,001 and above	15	11	15	11
	66	71	66	71