



UAC of Nigeria PLC
Unaudited Condensed Consolidated Financial Statements for the 6 months period
ended 30 June 2024

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for the 6 months period ended 30 June 2024

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UAC of Nigeria PLC

Statement on Investor Relations

UAC of Nigeria PLC has a dedicated investors' portal on its corporate website which can be accessed via this link: <https://www.uacnplc.com>. The Company's Group Finance Director can also be reached through electronic mail at: investorrelations@uacnplc.com; or telephone on: +234 906 269 2908 for any investment related enquiry.


UAC of Nigeria PLC
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the 6 months period ended 30 June 2024

	Notes	3 months to June 2024 N'000	6 months to June 2024 N'000	3 months to June 2023 N'000	6 months to June 2023 N' 000
Continuing operations					
Revenue	3	42,696,204	83,252,458	28,250,040	52,870,135
Cost of sales	7	(33,078,879)	(64,540,687)	(22,910,325)	(44,251,560)
Gross profit		9,617,325	18,711,771	5,339,715	8,618,575
Dividend income	4	18,750	18,750	17,125	17,125
Other operating income	5	448,336	788,511	269,857	435,635
Impairment loss on financial assets	6	(2,386)	(63,303)	(83,421)	(71,417)
Selling and distribution expenses	7	(2,597,069)	(5,138,632)	(2,208,405)	(4,177,421)
Administrative expenses	7	(4,227,732)	(7,658,616)	(2,669,851)	(4,857,739)
Operating profit/(loss)		3,257,224	6,658,481	665,020	(35,242)
Finance income	8	4,154,828	10,664,548	3,930,641	4,360,847
Finance cost	8	(1,474,567)	(2,848,186)	(981,954)	(1,643,901)
Net finance income		2,680,261	7,816,362	2,948,687	2,716,946
Share of (loss)/profit from associates using the equity method	15	(17,750)	475,367	485,762	480,979
Profit before tax		5,919,735	14,950,210	4,099,469	3,162,684
Income tax expense	9a	(2,296,792)	(5,408,853)	(1,712,590)	(1,934,933)
Profit for the period		3,622,943	9,541,357	2,386,879	1,227,751
Other comprehensive (loss)/income:					
<i>Items not to be subsequently recycled to profit or loss</i>					
Net changes in fair value of financial assets	14	(18,750)	8,250	39,250	69,250
Share of other comprehensive income/(loss) of associates using the equity method	15	17,151	(54,309)	34,301	42,876
Other comprehensive (loss)/income for the period net of tax		(1,599)	(46,059)	73,551	112,126
Total comprehensive income for the period net of tax		3,621,344	9,495,298	2,460,430	1,339,877
Profit/(Loss) attributable to:					
Equity holders of the parent		3,494,795	8,906,956	2,406,233	1,548,780
Non controlling interests		128,148	634,401	(19,354)	(321,029)
		3,622,943	9,541,357	2,386,879	1,227,751
Total comprehensive income/(loss) attributable to:					
Equity holders of the parent		3,493,195	8,860,897	2,479,784	1,660,906
Non controlling interests		128,148	634,401	(19,354)	(321,029)
		3,621,344	9,495,298	2,460,430	1,339,877
Earnings per share attributable to owners of the parent during the period (expressed in Kobo per share):					
Basic earnings per share					
From profit for the period (Kobo)	10	119	304	82	53
Diluted earnings per share					
From profit for the period (Kobo)	10	119	304	82	53

UAC of Nigeria PLC
Condensed Consolidated Statement of Financial Position
As at 30 June 2024

		30 June 2024	31 December 2023
	Notes	N' 000	N' 000
Assets			
Non-current assets			
Property, plant and equipment	11	26,804,163	26,210,902
Intangible assets and goodwill	12	2,951,790	3,198,009
Investment properties	13	1,190,629	1,190,629
Equity instrument at fair value through other comprehensive income	14	391,209	266,311
Investments in associates	15	9,987,028	9,565,970
Debt instrument at amortised cost	16	6,426,931	4,019,173
Right of use assets	18	1,592,054	1,739,955
Trade and other receivables	20	1,610,161	2,146,881
Finance lease receivable	20.1	10,372	10,372
Total non-current assets		50,964,337	48,348,202
Current assets			
Right of return assets	17	5,616	44,322
Inventories	19	29,689,469	26,917,295
Trade and other receivables	20	10,839,240	10,791,678
Finance lease receivable	20.1	-	443,640
Cash and cash equivalents	21	32,770,288	25,269,620
Total current assets		73,304,613	63,466,555
Non-current assets held for sale	32	492,678	530,714
Total assets		124,761,628	112,345,471
Equity and Liabilities			
Ordinary share capital	30	1,463,065	1,463,065
Share premium		14,647,616	14,647,616
Fair value reserve		(43,740)	2,319
Equity settled share based payment reserve		690,388	586,809
Other reserve		91,923	91,923
Retained earnings		42,218,765	33,955,558
Equity attributable to equity holders of the Parent		59,068,017	50,747,290
Non controlling interests		2,536,427	2,434,302
Total equity		61,604,444	53,181,592
Liabilities			
Non-current liabilities			
Lease liability	18	920,420	1,144,087
Borrowings	22	2,366,291	2,460,021
Government grant	25	62,662	62,053
Deferred tax liabilities	23	5,738,917	2,907,273
Employee benefits	29	65,148	59,611
Provisions	28	40,034	40,034
Total non-current liabilities		9,193,472	6,673,079
Current liabilities			
Current income tax liabilities	9	5,865,494	5,275,193
Refund liabilities	17	6,240	71,832
Lease liability	18	477,181	373,409
Current portion of borrowings	22	22,473,320	24,988,599
Trade and other payables	24	17,019,173	13,726,664
Contract liabilities	26	2,216,561	2,206,101
Dividend payable	27	5,751,330	5,768,706
Government grant	25	47,611	73,748
Provisions	28	106,802	6,548
Total current liabilities		53,963,712	52,490,800
Total liabilities		63,157,184	59,163,879
Total equity and liabilities		124,761,628	112,345,471

The financial statements and the notes on pages 6 to 29 were approved and authorised for issue by the board of directors on 29 July 2024 and were signed on its behalf by:


Mr. Dan Agbor
Chairman
FRC/2013/NBA/00000001748


Mr. Folasope Aiyesimoju
Group Managing Director
FRC/2019/IODN/00000019806


Mrs. Funke Ijaiya-Oladipo
Group Finance Director
FRC/2021/001/00000022822

UAC of Nigeria PLC
Condensed Consolidated Statement of Changes in Equity
for the 6 months period ended 30 June 2024

Attributable to owners of the Company									
Notes	Share	Share	Fair value	Other	Equity Settled	Retained	Non controlling		Total
	Capital	Premium	Reserve	Reserve	Share-based Payment Reserve	Earnings	Total	Interests	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Total equity at 1 January 2024	1,463,065	14,647,616	2,319	91,923	586,809	33,955,558	50,747,290	2,434,302	53,181,592
Profit for the period	-	-	-	-	-	8,906,956	8,906,956	634,401	9,541,357
Other comprehensive loss	-	-	(46,059)	-	-	-	(46,059)	-	(46,059)
Net changes in equity settled share-based payment	-	-	-	-	103,579	-	103,579	-	103,579
Transaction with Equity holders									
Dividend declared	27	-	-	-	-	(643,749)	(643,749)	(532,276)	(1,176,025)
Balance at 30 June 2024	1,463,065	14,647,616	(43,740)	91,923	690,388	42,218,765	59,068,017	2,536,427	61,604,444
Total equity at 1 January 2023	1,463,065	14,647,616	67,815	91,923	342,870	25,350,422	41,963,711	3,316,500	45,280,211
Profit/(loss) for the period	-	-	-	-	-	1,548,780	1,548,780	(321,029)	1,227,751
Other comprehensive income	-	-	112,126	-	-	-	112,126	-	112,126
Net changes in equity settled share-based payment	-	-	-	-	121,970	-	121,970	-	121,970
Transactions with Equity holders									
Dividend declared	27	-	-	-	-	(643,749)	(643,749)	(532,276)	(1,176,025)
Balance at 30 June 2023	1,463,065	14,647,616	179,941	91,923	464,840	26,255,453	43,102,838	2,463,195	45,566,033

UAC of Nigeria PLC

Condensed Consolidated Statement of Cash Flows
for the 6 months period ended 30 June 2024

				The Group		
		Notes	30 June 2024 N' 000	30 June 2023 N'000		
Cash flows from operating activities						
Cash generated from operations	31		10,289,755	3,415,672		
Corporate tax paid	9		(1,900,577)	(856,656)		
Net cash flows generated from operating activities			8,389,178	2,559,016		
Cash flows from investing activities						
Purchase of property, plant and equipment	11		(2,228,956)	(3,027,720)		
Purchase of intangible assets	12		-	(1,625)		
Proceeds from sale of property, plant and equipment			119,676	65,955		
Proceeds from sale of Intangible asset			-	6,440		
Proceeds from disposal of investment properties			-	159,175		
Proceeds on disposal of non-current asset held for sale			45,912	-		
Investment in equity instruments measured at fair value through other comprehensive income	14		(116,648)	(31,084)		
Proceeds from matured debt instrument	16		338,003	-		
Lease prepayment	18		(38,806)	-		
Dividend received			18,750	17,125		
Interest received			1,298,245	686,003		
Net cash flows used in investing activities			(563,824)	(2,125,731)		
Cash flows from financing activities						
Repayment of lease liability principal	18		(428,319)	(261,377)		
Proceeds from borrowings	22		22,184,971	13,644,531		
Repayment of borrowings	22		(25,295,154)	(14,887,811)		
Interest paid on loans	22		(2,142,382)	(1,186,009)		
Unclaimed Dividend refunded to registrar	27		(17,376)	-		
Dividends paid to non-controlling interests	27		(532,276)	(532,276)		
Dividends paid to Company shareholders	27		(643,749)	(643,749)		
Net cash flows used in financing activities			(6,874,285)	(3,866,691)		
Cash & cash equivalents at the beginning of the year			25,271,926	16,197,688		
Effect of exchange rate changes on cash and cash equivalents			6,549,599	2,233,534		
Net increase/(decrease) in cash & cash equivalents			951,069	(3,433,405)		
Cash & cash equivalents at the end of the period	21i		32,772,594	14,997,817		

UAC of Nigeria Plc
Notes to the condensed consolidated financial statements
for the 6 months period ended 30 June 2024

1. General information

UAC of Nigeria PLC (the "Company") is a company incorporated and domiciled in Nigeria. The Company is a public limited company listed on The Nigerian Exchange Limited and its registered office is at 1-5 Odunlami Street, Marina, Lagos.

UAC of Nigeria PLC and its subsidiaries (together "the Group") is a diversified business with activities in the following principal sectors: Animal Feeds and Other Edibles, Paints, Packaged Food and Beverages, Quick Service Restaurants, Logistics and Real Estate.

2. Summary of Material Accounting Policies

2.1 Basis of Preparation

This condensed consolidated financial statement for the period ended 30 June 2024 has been prepared in accordance with IAS 34 Interim Financial Reporting. The financial statements have been prepared on a historical cost basis except for investment property measured at fair value; financial instruments measured at fair value through other comprehensive income; Inventories measured at the lower of cost and net realisable value; Long term employee benefits measured at present value of the obligation and Equity settled share based payment expenses measured at fair value at the grant date.

2.2 Accounting Policies

The accounting policies adopted are consistent with those for the period ended 31 December 2023.

2.3 Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

2.4 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

This condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2023. There have been no changes in the risk management structure since year end or in any risk management policy.

2.5 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) UAC of Nigeria PLC maintains an effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy during the period.

2.6 Management Assessment of Internal Control

The management of UAC of Nigeria PLC and its subsidiary companies are responsible for establishing and maintaining adequate internal control over financial reporting. The group's internal control system was designed to provide reasonable assurance to the Board of Directors regarding the preparation and fair representation of published financial statements. The Group's internal controls were assessed within the reporting period and were deemed to be effective as of 30 June 2024.

2.7 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2024, but do not have an impact on the condensed consolidated financial statements of the Group.

UAC of Nigeria PLC
Notes to the condensed consolidated financial statements
for the 6 months period ended 30 June 2024

3. Segment Analysis

The Group

The chief operating decision-maker has been identified as the Executive Committee (EXCO), made up of the management of the Company. The EXCO reviews the Group's internal reporting in order to assess performance and allocate resources.

Management has determined the operating segments based on these reports.

The Group has identified the following as segments:

Edibles & Feed- Made up of business units involved in the manufacturing and sale of livestock feeds and edible oil.

Paints - Made up of a business unit involved in the manufacturing and sale of decorative and protective paints.

Packaged Food & Beverages - Made up of a business unit involved in the manufacturing and sale of bottled water, snacks and ice-cream.

QSR (Quick Service Restaurants) - Made up of a business unit involved in the making and sale of snacks and meals.

Others - This is a non-reportable segment made up of the corporate head office.

The following measures are reviewed by Exco; with **Profit Before Tax** taken as the segment profit.

- Revenue from third parties
- Operating profit
- Profit before tax
- Property, plant and equipment
- Net assets

	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
30 June 2024	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue from contracts with customers	39,585,461	15,612,849	27,804,503	1,456,098	743,651	85,202,562
Rental income	-	-	-	-	95,325	95,325
Total Revenue	39,585,461	15,612,849	27,804,503	1,456,098	838,976	85,297,887
Intergroup revenue	(1,054,528)	-	(238,504)	-	(752,397)	(2,045,429)
Revenue from third parties	38,530,933	15,612,849	27,565,999	1,456,098	86,579	83,252,458
Operating profit/(loss)	2,886,095	1,631,679	2,774,340	(420,255)	(213,378)	6,658,481
Profit/(loss) before tax	913,037	2,674,860	4,131,985	(589,812)	7,820,140	14,950,210
Property, plant and equipment	12,398,461	2,821,827	9,682,256	843,168	1,058,450	26,804,163
Net assets/(liability)	10,468,521	8,499,004	12,527,876	(2,842,652)	32,951,695	61,604,444

UAC of Nigeria PLC
Notes to the condensed consolidated financial statements
for the 6 months period ended 30 June 2024

	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
30 June 2023	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue from contracts with customers	30,645,088	9,777,293	12,246,809	1,913,299	365,946	54,948,436
Rental income	-	-	-	-	96,329	96,329
Total Revenue	30,645,088	9,777,293	12,246,809	1,913,299	462,275	55,044,764
Intergroup revenue	(1,739,948)	-	(104,652)	-	(330,029)	(2,174,629)
Revenue from third parties	28,905,140	9,777,293	12,142,157	1,913,299	132,246	52,870,135
Operating (loss)/profit	(1,170,635)	1,238,681	594,989	(309,189)	(389,089)	(35,242)
(Loss)/profit before tax	(2,171,308)	1,911,917	1,275,306	(461,312)	2,608,081	3,162,684
Property, plant and equipment	12,258,957	2,237,686	10,020,364	1,163,946	842,386	26,523,338
Net assets/(liability)	10,168,365	6,617,727	9,014,516	(1,447,437)	21,212,861	45,566,033

Entity wide information

	30 June 2024	30 June 2023
	N'000	N'000
Analysis of revenue by category:		
Revenue from contracts with customers	83,165,879	52,780,298
Rental income	86,579	89,837
	83,252,458	52,870,135
Analysis of revenue by geographical location:		
	N'000	N'000
Nigeria	83,252,458	52,870,135
Others	-	-
	83,252,458	52,870,135

Concentration risk

The Group is not exposed to any concentration risk, as there is no single customer with a contribution to total revenue of more than 10%.

UAC of Nigeria PLC
Notes to the condensed consolidated financial statements
for the 6 months period ended 30 June 2024

Disaggregated Revenue Group

Segments	For the period ended 30 June 2024					
	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Revenue from contracts with customers						
Sale of goods	38,530,933	15,562,484	27,565,999	1,456,098	-	83,115,514
Rendering of service	-	50,365	-	-	86,579	136,944
Total	38,530,933	15,612,849	27,565,999	1,456,098	86,579	83,252,458
Geographical Markets						
Nigeria	38,530,933	15,612,849	27,565,999	1,456,098	86,579	83,252,458
Outside Nigeria	-	-	-	-	-	-
Total	38,530,933	15,612,849	27,565,999	1,456,098	86,579	83,252,458
Timing of revenue						
Goods transferred at a point in time	38,530,933	15,562,484	27,565,999	1,456,098	-	83,115,514
Services transferred over time	-	50,365	-	-	86,579	136,944
	38,530,933	15,612,849	27,565,999	1,456,098	86,579	83,252,458

Segments	For the period ended 30 June 2023					
	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Revenue from contracts with customers						
Sale of goods	28,905,140	9,766,521	12,142,157	1,913,299	-	52,727,117
Rendering of service	-	10,772	-	-	132,246	143,019
Total	28,905,140	9,777,293	12,142,157	1,913,299	132,246	52,870,135
Geographical Markets						
Nigeria	28,905,140	9,777,293	12,142,157	1,913,299	132,246	52,870,135
Outside Nigeria	-	-	-	-	-	-
Total	28,905,140	9,777,293	12,142,157	1,913,299	132,246	52,870,135
Timing of revenue						
Goods transferred at a point in time	28,905,140	9,766,521	12,142,157	1,913,299	-	52,727,117
Services transferred over time	-	10,772	-	-	132,246	143,019
	28,905,140	9,777,293	12,142,157	1,913,299	132,246	52,870,135

UAC of Nigeria PLC
Notes to the condensed consolidated financial statements
for the 6 months period ended 30 June 2024

4 Dividend income

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Dividend Income	18,750	18,750	17,125	17,125
Total dividend income	18,750	18,750	17,125	17,125

5 Other operating income

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Profit/(loss) on sale of Property, Plant and Equipment	15,085	86,271	(4,027)	36,363
Profit on sale of non current asset held for sale	7,876	7,876	-	-
Profit on sale of investment property	-	-	82,542	82,542
Government grant (Note 25)	6,267	25,528	44,805	49,771
Bad debt recoveries	4,242	4,242	-	-
Rental income (a)	28,325	56,650	1,650	1,650
Write off of Property, Plant and Equipment	-	(37,612)	-	-
Loss on lease modification	(12,775)	(12,775)	-	-
Other income	399,316	658,331	144,887	265,309
Total other operating income	448,336	788,511	269,857	435,635

(a) Rental Income

Rental income represents income earned on investment properties at Chemical and Allied Products PLC and UAC Restaurants.

(b) Other income

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Management fees	55,812	118,762	44,279	75,765
Sale of scrap, used bags and by products	111,411	306,771	62,787	134,320
Other trading income (i)	232,093	232,798	37,821	55,224
	399,316	658,331	144,887	265,309

(i) Other trading income

Included in other trading income is a write back of utilised provision of ₦200mn.

6 Impairment loss on Financial assets

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Impairment loss on trade receivables (Note 20)	(2,386)	(63,303)	(83,402)	(71,398)
Impairment loss on other financial assets	-	-	(19)	(19)
Impairment loss on Financial asset	(2,386)	(63,303)	(83,421)	(71,417)

7 (a) Expenses by nature

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Changes in inventories of finished goods and work in progress	28,740,651	56,250,207	19,371,732	37,428,118
Write off of inventories to net realisable value	41,321	76,908	59,396	82,021
Personnel and Directors' expenses	3,734,677	7,247,097	2,949,466	5,552,178
Depreciation charge on property, plant and equipment	799,305	1,564,676	692,785	1,378,218
Depreciation charge on right-of-use asset	201,662	347,196	125,999	210,154
Amortisation of intangibles	123,055	246,219	122,831	246,860
Royalty fees	226,133	462,646	183,519	319,684
Rents & rates	79,607	176,352	28,208	100,783
Electricity & power	1,366,290	2,484,802	1,054,145	2,063,166
Vehicles repairs, maintenance & fueling	414,662	700,134	192,301	356,288
Other repairs & maintenance	142,799	272,563	178,111	364,183
Auditors' remuneration	55,476	107,839	36,542	72,990
Information technology charge	618,585	1,071,193	314,139	514,389
Legal and professional expenses	253,142	468,111	186,444	316,675
Donations	678	5,808	2,001	5,114
Subscriptions	35,831	66,478	10,624	40,965
Insurance	160,122	289,447	141,026	257,200

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7(a) Expenses by nature (continued)

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Distribution expenses	1,270,494	2,684,239	1,229,193	2,219,540
Marketing, advertising & communication	530,753	964,274	384,589	734,533
Hire of equipment	94,260	179,090	36,945	59,188
Catering expenses	157,899	284,274	72,319	171,258
Cleaning, laundry & sanitation	52,541	98,198	44,299	105,643
Levies, licenses & permit	9,729	24,629	15,498	24,348
Security	68,243	135,796	76,049	151,859
Tour and travelling	150,511	256,482	76,131	151,880
AGM expenses	61,814	82,334	58,276	70,327
Bank charges	40,718	70,839	31,218	49,591
Stationery and printing	6,138	24,455	13,375	29,181
Uniform and safety kit	1,219	2,257	3,217	3,888
Consumables	7,102	35,540	28,632	48,892
Training and recruitment expenses	147,408	192,472	(402)	11,419
Project expense	17,527	30,674	5,351	9,788
Entertainment expense	2,059	3,750	16,824	36,103
Corporate gifts	7,724	9,576	6,770	11,692
Back duty tax expense	247,599	247,599	-	-
Sundry office expenses (c)	35,949	173,781	41,028	88,605
	39,903,680	77,337,935	27,788,581	53,286,720

(b) Expenses by Function

Analysed as:

Cost of sales	33,078,879	64,540,687	22,910,325	44,251,560
Selling and distribution expenses	2,597,069	5,138,632	2,208,405	4,177,421
Administrative expenses	4,227,732	7,658,616	2,669,851	4,857,739
	39,903,680	77,337,935	27,788,581	53,286,720

(c) Sundry office expenses comprise of the following:

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
VAT on commercial service fees	26,500	63,960	21,644	32,649
Other miscellaneous expenses(i)	9,449	109,821	19,384	55,956
	35,949	173,781	41,028	88,605

(i) Other miscellaneous expenses

Included in other miscellaneous expense is the cost of Product research, Sampling and testing, Product development and other expenses.

8. Net finance income

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Interest income on short-term bank deposits	520,355	944,273	236,365	506,770
Interest income on loans to associates	63,927	111,865	48,190	95,833
Interest income on bonds	114,814	236,326	50,369	91,161
Exchange gain	3,455,732	9,372,084	3,595,717	3,667,083
Finance Income	4,154,828	10,664,548	3,930,641	4,360,847
Interest on loans (Note 22)	(1,380,585)	(2,643,556)	(882,251)	(1,519,786)
Interest expense on lease liability (Note 18)	(58,882)	(133,687)	(84,901)	(97,311)
Total interest cost	(1,439,467)	(2,777,243)	(967,152)	(1,617,097)
Amortisation of premium of bonds	(35,100)	(70,943)	(14,802)	(26,803)
Finance cost	(1,474,567)	(2,848,186)	(981,954)	(1,643,901)
Net finance income	2,680,261	7,816,362	2,948,687	2,716,946

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9. Current income tax liabilities

	30 June 2024	31 December 2023
	N'000	N'000
Opening balance	5,275,193	3,997,168
Back duty taxes	-	412,567
Income tax expense	2,577,208	2,473,179
Minimum tax	-	356,275
Withholding tax credit notes utilised	(86,330)	(70,526)
Payment during the period	(1,900,577)	(1,893,471)
	5,865,494	5,275,193

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
9a. Income tax expense				
Income tax expense	1,154,115	2,577,208	1,057,510	1,279,853
Deferred tax charge	1,142,677	2,831,644	655,079	655,079
Income tax expense	2,296,792	5,408,852	1,712,589	1,934,932

10. Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period.

	3 months to June 2024	6 months to June 2024	3 months to June 2023	6 months to June 2023
	N' 000	N' 000	N' 000	N' 000
Profit attributable to ordinary equity shareholders:				
Profit for the period	3,494,795	8,906,956	2,406,233	1,548,780
Profit for the period	3,494,795	8,906,956	2,406,233	1,548,780

Earnings per share attributable to owners of the parent during the period (expressed in kobo per share):

Basic earnings per share

From profit for the period (Kobo)	119	304	82	53
From profit for the period (Kobo)	119	304	82	53

	Number	Number	Number	Number
Basic weighted average and Diluted weighted average number of shares (000)	2,926,132	2,926,132	2,926,132	2,926,132

(b) Diluted

Diluted earnings per share is the same as basic earnings per share because there are no potential ordinary shares during the period.

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11. Property, plant and equipment

Cost:	Land	Buildings	Plant and Machinery	Computer Equipment	Motor Vehicles	Office Furniture	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2024	1,352,793	8,082,705	25,786,876	1,350,987	4,751,699	1,497,760	3,245,097	46,067,917
Additions	-	123,663	567,260	74,060	381,427	225,697	856,849	2,228,956
Disposals	-	-	(120,907)	(14,629)	(106,951)	(98,374)	-	(340,861)
Reclassifications	-	500,334	116,432	36,853	48,212	4,463	(706,294)	-
Write-off	-	(250,327)	(17,474)	-	-	(194)	-	(267,995)
At 30 June 2024	1,352,793	8,456,375	26,332,187	1,447,271	5,074,387	1,629,352	3,395,652	47,688,017
At 1 January 2023	1,352,793	7,958,007	23,897,213	1,246,242	4,182,379	1,255,131	3,020,588	42,912,353
Additions	-	129,462	2,153,025	52,608	573,548	129,288	1,545,567	4,583,498
Disposals	-	(186,741)	(633,611)	(20,723)	(414,811)	(20,316)	-	(1,276,202)
Transfer to intangible asset	-	-	-	-	-	14	(6,267)	(6,253)
Reclassifications	-	181,977	480,801	72,860	410,583	133,643	(1,279,865)	-
Other reclassifications	-	-	(110,552)	-	-	-	(34,926)	145,478
At 31 December 2023	1,352,793	8,082,705	25,786,876	1,350,987	4,751,699	1,497,760	3,245,097	46,067,917
Accumulated depreciation and impairment								
At 1 January 2024	-	2,519,759	12,945,849	1,055,613	2,360,150	955,644	20,000	19,857,015
Charge for the period	-	114,961	840,440	72,814	437,926	98,535	-	1,564,676
Disposals	-	-	(114,436)	(9,711)	(88,938)	(94,371)	-	(307,456)
Write-off	-	(213,371)	(16,991)	-	-	(19)	-	(230,381)
At 30 June 2024	-	2,421,349	13,654,862	1,118,716	2,709,138	959,789	20,000	20,883,854
At 1 January 2023	-	2,372,913	11,815,524	925,105	1,944,199	811,202	-	17,868,943
Charge for the year	-	221,908	1,685,118	147,991	745,072	160,184	-	2,960,273
Impairment charge	-	-	-	-	-	-	20,000	20,000
Disposals	-	(75,062)	(554,793)	(17,483)	(329,121)	(15,742)	-	(992,201)
At 31 December 2023	-	2,519,759	12,945,849	1,055,613	2,360,150	955,644	20,000	19,857,015
Net book values:								
At 30 June 2024	1,352,793	6,035,026	12,677,325	328,555	2,365,250	669,564	3,375,652	26,804,163
At 31 December 2023	1,352,793	5,562,946	12,841,027	295,374	2,391,549	542,116	3,225,097	26,210,902

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12. Intangible assets and goodwill

	Goodwill	Brands & Trade Marks	Software	Capital Work in progress	Total
Cost	N' 000	N' 000	N' 000	N' 000	N' 000
At 1 January 2024	548,747	1,070,185	3,285,508	4,622	4,909,062
At 30 June 2024	548,747	1,070,185	3,285,508	4,622	4,909,062
At 1 January 2023	548,747	1,070,185	3,216,255	4,622	4,839,809
Additions - externally acquired during the year	-	-	69,145	-	69,145
Transfer	-	-	6,254	-	6,254
Disposals	-	-	(3,189)	-	(3,189)
Write-off	-	-	(2,957)	-	(2,957)
At 31 December 2023	548,747	1,070,185	3,285,508	4,622	4,909,062
Accumulated amortisation					
At 1 January 2024	-	288,439	1,422,614	-	1,711,053
Amortisation for the period	-	-	246,219	-	246,219
At 30 June 2024	-	288,439	1,668,833	-	1,957,272
At 1 January 2023	-	288,439	924,625	-	1,213,064
Amortisation for the year	-	-	500,946	-	500,946
Write-off	-	-	(2,957)	-	(2,957)
At 31 December 2023	-	288,439	1,422,614	-	1,711,053
Net book values					
At 30 June 2024	548,747	781,746	1,616,675	4,622	2,951,790
At 31 December 2023	548,747	781,746	1,862,895	4,622	3,198,009

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13 . Investment properties

Fair value	Leasehold land & building N' 000	Total investment properties N' 000
At 1 January 2024	1,190,629	1,190,629
At 30 June 2024	1,190,629	1,190,629
At 1 January 2023	2,435,360	2,435,360
Disposals	(1,058,360)	(1,058,360)
Net fair value loss on investment properties	(186,371)	(186,371)
At 31 December 2023	1,190,629	1,190,629

Fair value of investment properties is categorised as follows:

	Leasehold land & building N' 000	Total investment properties N' 000
31 December 2023		
External valuation	1,190,629	1,190,629
	1,190,629	1,190,629

The Group's investment properties were valued in December 2023 by Diya Fatimilehin & Co. (FRC/2023/COY/098756), an independent professionally qualified valuation company with over four decades of experience in valuation of the categories of the investment properties valued. The valuation report for 2023 was signed by the firm's managing partner Fatimilehin Adegboyega (FRC/2013/NIESV/00000000754)

14. Equity instrument at fair value through other comprehensive income

The details and carrying amount of Equity instrument at fair value through other comprehensive income are as follows:

	30 June 2024 N' 000	31 December 2023 N' 000
Opening balance	266,311	514,965
Additions	116,648	110,240
Disposal of Kandua investment	-	(108,253)
Fair value gain/(loss) (a)	8,250	(250,641)
Closing balance	391,209	266,311

Equity instruments designated at fair value through other comprehensive income represent UACN's investment in the following entities:

	Fair value as at 30 June 2024	Fair value as at 31 December 2023	Dividend Income Recognised in 2024	Dividend Income Recognised in 2023
Investment in Central Securities Clearing System (CSCS) PLC	256,250	248,000	18,750	17,125
Investment in:				
Ventures Platform IV GP Limited	134,959	18,311	-	-
	391,209	266,311	18,750	17,125

(a) Fair value gain/(loss)

The fair value (loss)/gain represents a fair value gain/(loss) on the Company's investment in CSCS PLC. The fair value was determined using level 1 inputs in accordance with IFRS 13, and the fair value measurement was derived from quoted prices on National Association of Security Dealers (NASD Plc).

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15. Investment in associates

Set out below are the associates of the Group as at 30 June 2024. The associates as listed below have share capital consisting solely of ordinary shares, which are directly held by the Group. The country of incorporation or registration is also their principal place of business.

Nature of investment in associates:

	Country of incorporation	30 June 2024 N'000	31 December 2023 N'000
UPDC PLC	Nigeria	42.85%	42.85%
MDS Logistics	Nigeria	43.00%	43.00%

The movement in the investment in associates during the period is stated below:

	30 June 2024 N'000	31 December 2023 N'000
Opening balance	9,565,970	8,511,997
Share of profit	475,367	859,603
Share of other comprehensive (loss)/profit	(54,309)	194,370
Closing balance	9,987,028	9,565,970

(b) Summarised financial information for associates

Set out below are the summarised financial information for the associates accounted for using the equity method.

	Non-current assets N'000	Current assets N'000	Non-current liabilities N'000	Current liabilities N'000	
30 June 2024					
UPDC PLC	9,191,434	9,364,382	3,599,110	6,237,150	
MDS Logistics Ltd	12,244,943	5,006,587	6,253,661	3,309,058	
30 June 2024					
	Revenue N'000	Profit/(loss) from continuing operations N'000	Profit/(loss) from discontinued operations N'000	Other comprehensive income/(loss) N'000	Total comprehensive income/(loss) N'000
UPDC PLC	2,598,502	10,876	-	(126,743)	(115,867)
MDS Logistics Ltd	10,964,819	1,167,830	-	-	1,167,830
31 December 2023					
30 June 2023					
	Revenue N'000	Profit/(loss) from continuing operations N'000	Profit/(loss) from discontinued operations N'000	Other comprehensive income/(loss) N'000	Total comprehensive income/(loss) N'000
UPDC PLC	2,149,949	(231,205)	-	100,060	(131,145)
MDS Logistics Ltd	8,153,480	1,369,643	-	-	1,369,643

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	30 June 2024	31 December 2023
	N' 000	N' 000
16a. Debt instruments at amortised cost		
Opening balance	4,024,900	2,236,615
Settlements during the period	(338,003)	(183,936)
Coupon accrued	236,326	227,892
Coupon received	(242,107)	(224,562)
Premium amortised to P/L	(70,943)	(67,118)
Exchange gain on revaluation	2,822,485	2,036,008
Gross investment in debt	6,432,658	4,024,900
Expected credit loss	(5,727)	(5,727)
Closing balance	6,426,931	4,019,173

16b. Finance cost on debt instruments at amortised cost

	30 June 2024	31 December 2023
	N' 000	N' 000
Premium amortised to P/L	70,943	67,118
	70,943	67,118

The Group invested in Eurobond assets with the business model of solely holding for principal and interest payment and designated as debt instrument at amortised cost.

The Group invests only in quoted debt securities with low credit risk. The Group's debt instruments at amortised cost comprised solely of quoted eurobonds that are rated by reputable Credit Rating Agencies. The Group recognised provision for expected credit losses on its debt instruments at amortised cost of N5,727,386 (2023: N5,727,386).

30 June 2024

Bond type	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
B-/Fitch ETI 2031	302,099	-	-	302,099
B-/S&P; B-/Fitch Ecobank 2024/2026	1,635,919	-	-	1,635,919
B-/S&P; B-/Fitch SEPLAT 2026	794,215	-	-	794,215
B/S&P; B+/Fitch FGN 2025/2029	3,494,141	-	-	3,494,141
	6,226,374	-	-	6,226,374
Premium on bonds	207,437	-	-	207,437
Discount on bonds	(1,153)	-	-	(1,153)
Total	6,432,658	-	-	6,432,658

31 December 2023

Bond type	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
B-/Fitch ETI 2031	406,160	-	-	406,160
B-/S&P; B-/Fitch Ecobank 2026	985,879	-	-	985,879
B-/S&P; B-/Fitch SEPLAT 2026	478,430	-	-	478,430
B2/Moody's; B/S&P; B+/Fitch FGN 2025	2,105,830	-	-	2,105,830
	3,976,298	-	-	3,976,298
Premium on bonds	48,912	-	-	48,912
Discount on bonds	(310)	-	-	(310)
Total	4,024,900	-	-	4,024,900

Movement in Expected Credit Loss (ECL)	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
At 1 January 2024	5,727	-	-	5,727
Additions during the period	-	-	-	-
30 June 2024	5,727	-	-	5,727
At 1 January 2023	4,512	-	-	4,512
Impairment loss charge for the year	1,215	-	-	1,215
At 31 December 2023	5,727	-	-	5,727

17. Right of return assets and refund liabilities

	30 June 2024	31 December 2023
	N' 000	N' 000
Right of return assets	5,616	44,322
Refund liabilities		
- Arising from rights of return	6,240	71,832
	6,240	71,832

17. Right of return assets and refund liabilities (continued)

Right of return of assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting year. Refer to above accounting policy on variable consideration.

18. Right of use assets

The Group has lease contracts for various items of land and building and machinery and other equipment used in its operations. Leases of land and building generally have lease terms between 1 and 45 years, while machinery and other equipment generally have lease terms between 3 months and 5 years.

Right of use assets	Land and Building	Plant and Machinery	Total
	N' 000	N' 000	N' 000
At 1 January 2024	1,455,783	284,172	1,739,955
Additions	76,994	193,228	270,222
Depreciation	(214,542)	(132,654)	(347,196)
Lease termination	(1,473)	-	(1,473)
Lease Modification	(69,454)	-	(69,454)
At 30 June 2024	1,247,308	344,746	1,592,054
At 1 January 2023	1,461,247	10,524	1,471,771
Additions	221,999	426,258	648,257
Depreciation	(336,082)	(152,610)	(488,692)
Lease termination	(62,714)	-	(62,714)
Lease Modification	171,333	-	171,333
At 31 December 2023	1,455,783	284,172	1,739,955

Set out below are the carrying amounts of lease liabilities and the movements during the period;

18. Lease Liability	30 June 2024	31 December 2023
	N' 000	N' 000
Opening balance	1,517,496	1,358,947
Accretion interest	133,687	198,439
Additions during the period	231,416	448,257
Payment of principal	(428,319)	(459,271)
(Loss)/Gain on lease modification	(56,679)	31,370
Lease terminated	-	(60,246)
Closing balance	1,397,601	1,517,496
Current	477,181	373,409
Non-current	920,420	1,144,087
	1,397,601	1,517,496

19. Inventories

	30 June 2024	31 December 2023
	N' 000	N' 000
Raw materials and consumables	24,502,684	20,097,745
Technical stocks and spares	1,788,122	3,301,467
Finished goods and goods for resale	5,504,899	5,546,750
	31,795,705	28,945,962
Write down to net realisable value	(2,106,236)	(2,028,667)
	29,689,469	26,917,295

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20. Trade and other receivables

	30 June 2024	31 December
	N' 000	2023
	N' 000	N' 000
Trade receivables	1,931,414	1,961,038
Less: allowance for impairment of trade receivables	(588,673)	(681,455)
Net trade receivables	1,342,741	1,279,583
Receivables from associates	96,485	27,740
Loan receivable from associate	1,610,161	2,146,881
Allowance for impairment of receivables from associates	(3,308)	(3,308)
Other financial asset	678,750	678,750
Allowance for expected credit losses on other financial asset	(678,750)	(678,750)
Other receivables	2,060,681	1,761,665
Advance payments	3,519,673	4,598,755
WHT receivable	690,952	593,795
Prepayments - staff grants	71,625	99,672
Prepayments- Other	3,060,391	2,433,777
	12,449,401	12,938,560

Trade receivables are non-interest bearing and are generally due for settlement within 30 days and therefore are all classified as current. They are amounts due from customers for goods sold or services performed in the ordinary course of business.

Other receivables relate to transactions such as advances to staff and VAT receivables. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Advance payments are mobilisation fees made to contractors for the supply of goods and services.

Prepayments - other relates to prepaid expenses that are amortised over a period and import prepayments.

	30 June 2024	31 December
	N' 000	2023
	N' 000	N' 000
Trade and other receivables - Current	10,839,240	10,791,679
Trade and other receivables - Non-current	1,610,161	2,146,881
Total trade and other receivables	12,449,401	12,938,560

Movements in the allowance for impairment of trade receivables are as follows:

	30 June 2024	31 December
	N' 000	2023
	N' 000	N' 000
Opening balance	681,455	704,904
Expected credit loss allowance	63,303	82,447
Reclassification to other asset	(9,327)	-
Amount written off	(146,758)	(105,896)
Closing balance	588,673	681,455

Movements in the allowance for impairment of receivables from associates

	30 June 2024	31 December
	N' 000	2023
	N' 000	N' 000
Opening balance	3,308	5,485
Writeback on expected credit loss allowance	-	(2,177)
Closing balance	3,308	3,308

20.1 Finance lease receivable

	30 June 2024	31 December
	N' 000	2023
	N' 000	N' 000
Gross investment in lease	79,200	524,440
Unearned finance income	(68,828)	(70,428)
	10,372	454,012

	30 June 2024	31 December
	N' 000	2023
	N' 000	N' 000
Current asset	-	443,640
Non-current asset	10,372	10,372
Total finance lease receivable	10,372	454,012

The Group has finance lease for a warehouse to a related party, MDS Logistics. The lease is for a total period of 51 years; of this period 37 years remain in the contract. The property reverts to the Group at the end of the lease period.

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21. Cash and cash equivalents

	30 June 2024 N' 000	31 December 2023 N' 000
Cash at bank and in hand	5,489,869	7,745,838
Short-term deposits	27,282,725	17,526,088
Expected credit loss on short term deposit	(2,306)	(2,306)
Cash and short-term deposits	32,770,288	25,269,620

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

In 2015, The Securities and Exchange Commission directed all Registrars to return all unclaimed dividends, which have been in their custody for fifteen months and above, to the paying companies. Included in the cash and short-term deposits is ₦5.2bn which represents unclaimed dividends received from the registrars as at 30 June 2024 (December 2023: ₦5.3bn).

The Finance Act 2020, which became effective on 1 January 2021, requires public limited liability companies quoted on the Nigerian Exchange Limited to transfer any unclaimed dividend that has remained unclaimed for a year not less than 6 years to the Unclaimed Funds Trust Fund (the "Trust Fund"). However, the modality for complying with this requirement is yet to be communicated by the Debt Management Office.

(i) Reconciliation to statement of cash flow

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	30 June 2024 N' 000	31 December 2023 N' 000
Cash at bank and in hand	5,489,869	7,745,838
Short-term deposits	27,282,725	17,526,088
Balances per statement of cash flow	32,772,594	25,271,926

22. Borrowings

	30 June 2024 N' 000	31 December 2023 N' 000
Current borrowings		
Loans due within one year (note 22(i))	22,473,320	24,988,599
	22,473,320	24,988,599
Non-current borrowings		
Loans due after one year (note 22(ii))	2,366,291	2,460,021
Total borrowings	24,839,611	27,448,620
Opening balance	27,448,620	19,004,443
Repayment of borrowing during the year	(25,295,154)	(29,702,508)
Exchange loss	-	292,276
Interest on loans	2,643,556	3,292,464
Interest paid	(2,142,382)	(2,271,746)
Additions	22,184,971	36,833,691
Closing balance	24,839,611	27,448,620

The above borrowings are denominated in Naira.

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22. Borrowings (continued)

The borrowings are repayable as follows:

	30 June 2024	31 December 2023
	N' 000	N' 000
Within one year	22,473,320	24,988,599
Over one year	2,366,291	2,460,021
	24,839,611	27,448,620

(i) Loans due within one year

		30 June 2024	31 December 2023		
	Effective Interest Rate	N' 000	N' 000	Maturity date	Security
First Bank of Nigeria Ltd	26.0%	6,123,944	2,513,218	Dec-24	No security
Commercial paper loan(Series 3)	14.00%	-	2,777,626	Jan-24	No security
Commercial paper loan(Series 6)	13.50%	-	545,322	Mar-24	No security
Commercial paper loan(Series 7)	21.00%	1,370,866	-	Sep-24	No security
Commercial paper loan(Series 8)	24.50%	8,644,430	-	Dec-24	No security
First Bank of Nigeria Ltd - Commercial loan	18.0%	2,413,099	7,242,240	Aug-24	No security
Zenith bank - Commercial loan	26%/18%	1,775,639	3,019,485	Dec-24	No security
Zenith bank - Produce loan	25%/17%	2,145,342	8,850,878	Nov-24	No security
FSDH	8.5%+SOFR	-	39,830	Mar-24	Negative pledge
		22,473,320	24,988,599		

The above borrowings are denominated in Naira.

(ii) Loans due after one year

		30 June 2024	31 December 2023		
Details of the loan maturities due after one year are as follows:	Effective Interest Rate	N' 000	N' 000	Maturity date	Security
First Bank of Nigeria Ltd - CBN DCRR Facility	9.0%	905,361	1,067,948	Jan-27	No Security
Famous Brands Limited**	12.0%	1,460,930	1,392,073	May-26	No Security
		2,366,291	2,460,021		

**The loan from Famous Brands Limited represents the company's portion of the shareholder loan that was disbursed to UACR. The share of the loan provided by UAC of Nigeria PLC has been eliminated on consolidation.

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23. Deferred Tax

The analysis of deferred tax liabilities is as follows:

	30 June 2024	31 December 2023
	N'000	N'000
Deferred tax liabilities:		
– Deferred tax liability to be recovered after more than 12 months	(5,738,917)	(2,907,273)
Deferred tax liabilities	(5,738,917)	(2,907,273)
Net Deferred tax liabilities	(5,738,917)	(2,907,273)

The gross movement on the deferred income tax account is as follows:

	30 June 2024	31 December 2023
	N'000	N'000
Opening balance	(2,907,273)	(2,708,129)
Charged to profit or loss	(2,831,644)	(189,919)
Charged to other comprehensive income	-	(9,225)
Closing balance	(5,738,917)	(2,907,273)

The Group has tax losses of ₦796,176,172 (2023: ₦796,176,172) that are available indefinitely for offsetting against future taxable profits of the Company in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiary that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Deferred tax liabilities	Property, plant and equipment	Allowance for impairment on receivables, equity instruments measured at FVOCI & Provisions	Tax losses	Leases	Exchange difference	Investment properties	Capital Gains to be reinvested	Total
At 1 January 2023	4,576,504	(702,504)	(1,722,282)	46,122	266,754	243,535	-	2,708,129
Reclassification from deferred tax asset								-
Charged/(Credited) to profit or loss	85,790	(378,127)	(335,927)	(11,563)	954,219	(124,473)	-	189,919
Charged to other comprehensive income		9,225						9,225
At 31 December 2023	4,662,294	(1,071,406)	(2,058,209)	34,559	1,220,973	119,062	-	2,907,273
At 1 January 2024	4,662,294	(1,071,406)	(2,058,209)	34,559	1,220,973	119,062	-	2,907,273
Charged to profit or loss	-	-	-	-	2,831,644	-	-	2,831,644
At 30 June 2024	4,662,294	(1,071,406)	(2,058,209)	34,559	4,052,617	119,062	-	5,738,917

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24. Trade and other payables

	30 June 2024	31 December 2023
	N' 000	N' 000
Trade payables	5,569,338	5,534,816
Sundry payables	2,955,236	2,029,762
WHT payable	718,197	683,811
VAT payable	693,228	573,409
PAYE payable	121,943	94,410
Accruals	6,961,231	4,810,456
Total	17,019,173	13,726,664

Terms and conditions of the above financial liabilities

Trade payables are non-interest bearing and are normally settled between 30 and 60-day terms. Other payables are non-interest bearing and have an average term of 6 months.

Sundry payables relates to payable balances due to non-trade vendors and suppliers of utilities, administrative goods and services.

Accruals relates to accrued professional fees, accrued consultants fees, accrued audit fees and other accrued expenses.

25. Government Grant

	30 June 2024	31 December 2023
	N' 000	N' 000
Opening balance	135,801	224,219
Amortised to the statement of profit or loss	(25,528)	(88,418)
Closing balance	110,273	135,801
Current	47,611	73,748
Non-current	62,662	62,053
	110,273	135,801

26. Contract liabilities

	30 June 2024	31 December 2023
	N' 000	N' 000
Opening balance	2,206,101	2,311,875
Deferred during the period/year	1,053,739	1,440,210
Released to the statement of profit or loss	(1,043,279)	(1,545,984)
Closing balance	2,216,561	2,206,101

This relates to consideration paid by customers before the transfers of goods or services. Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.

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27. Dividend payable

	30 June 2024	31 December 2023
	N' 000	N' 000
Opening balance	5,768,706	5,451,070
Dividend declared	1,176,025	1,176,025
Cash dividend paid during the year to NCI	(532,276)	(532,276)
Cash dividend paid during the year to equity holders of the parent company	(643,749)	(643,749)
Amount due to NCI on account of UFL merger (a)	-	24,202
Statute barred unclaimed dividend written back	-	(52,865)
Unclaimed dividend refunded	(17,376)	346,299
Closing balance	5,751,330	5,768,706

27a. Amount due to NCI on account of UFL merger

On August 9, 2023, UAC Foods Limited completed the merger with its subsidiary, Spring Waters Nigeria Limited ("SWAN"). Before the merger, UFL held 96.64% equity stake in SWAN. The primary objective of the Merger was to fully integrate SWAN with UAC Foods to maximize management and governance benefits

The merger involved UAC Foods acquiring all of SWAN's assets (including all tax assets (if any), liabilities and business undertakings, including real property and intellectual property rights in exchange for either cash and shares in UFL via a Scheme of Merger.

Based on the agreement reached by the Boards of the two companies, SWAN shareholders received either:

1. ₦3.00 for each ordinary share or
2. 3 ordinary shares of 50 kobo each in UFL, credited as fully paid-up for every 40 SWAN shares held on the Terminal Date.

From the 999,999,990 ordinary shares issued by SWAN, shareholders with 987,722,727 units opted for the second option stated above which led to the issuance of 74,079,207 ordinary shares at UFL (at 50kobo per share) while cash of ₦36,831,789 will be paid to shareholders who holds 12,277,263 units and opted for option 1.

The share consideration has been fully issued as at this reporting date. The cash consideration however has not been fully paid, there is ₦24.2mn which was yet to be paid as at June 30, 2024.

The impact of the merger is also shown below:

	N' 000
Non-controlling interest as at July 31 2023	71,496
Purchase of NCI shares on account of UFL merger	(36,832)
Ordinary shares issued to NCI (1,596,812@50k each)	(798)
Impact of the merger	<u><u>33,865</u></u>

Change in ownership due to UFL merger with SWAN

UAC of Nigeria PLC ("UACN") shareholding in UAC Foods Limited ("UFL") was diluted during the reporting period as a result of the completed merger between UAC Foods and Spring Waters Nigeria Limited ("SWAN") explained above
The dilution was on account of UFL's ordinary shares that were elected for by some of the minority shareholders of the erstwhile SWAN.
Consequently, UACN's holding in UFL reduced by 0.58%, from 100% to 99.42%. The impact of the change in ownership is as shown below:

	N' 000
<u>Net asset attributable to owners as at 31 July 2023</u>	<u>8,898,863</u>
Change in UACN's % holding in UFL	0.58%
Change in ownership as a result of merger	51,846

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Change in ownership due to share transfer

Following the dilution of our holdings in UFL explained above, On September 11, 2023 a share transfer arrangement was entered into with some of the minority shareholders of UFL to transfer a total of 1,490,748 units of shares to UAC of Nigeria PLC ("UACN") in exchange for ownership stake in the parent company (UACN). This transfer increased our holdings in UFL from 99.42% to 99.96%. The impact of the change in ownership is as shown below:

	N' 000
Net asset attributable to owners as at 31 August 2023	9,361,340
Change in UACN's % holding in UFL	-0.54%
Change in ownership as a result of merger	(50,917)

Change in equity due to the transfer

	N' 000
Change in NCI ownership	50,917
Consideration for the purchase of NCI shares	(90,526)
Impact of the share transfer on equity	<u>(39,608)</u>

28. Provisions

The Group	Provisions	Legal claim	Decommissioning liability	Total
At 1 January 2024	3,000	3,548	40,034	46,582
Reclassification from other payables (b)	-	100,254	-	100,254
30 June 2024	3,000	103,802	40,034	146,836
Current	3,000	103,802	-	106,802
Non-current	-	-	40,034	40,034
At 1 January 2023	3,000	29,418	34,080	66,498
Unwinding of discount	-	-	5,954	5,954
Derecognised on payment (a)	-	(25,870)	-	(25,870)
31 December 2023	3,000	3,548	40,034	46,582
Current	3,000	3,548	-	6,548
Non-current	-	-	40,034	40,034

Decommissioning liability

UAC Restaurants has several leasehold properties converted to restaurants, which are required by agreements to be restored to original condition upon the expiration of the lease.

The provision for Decommissioning liability represents an estimate of the cost involved in restoring these leased properties at the expiration of the lease. The provision is an estimate based on management's re-assessment of the amount of the liability that will be incurred at the end of each lease term. Variables such as inflation rates and currency exchange rates amongst others were considered in this estimate.

The discount rate for the unwinding of the discount on liability was determined using the incremental borrowing rate for leases of 18% (2023: 18%). The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The discount rates did not reflect risks for which future cash flow estimates have been adjusted.

(a) Derecognition of provision

Derecognition of provision relates to settlement amount of ₦25.9 million paid by Grand Cereals Limited as settlement for a dispute

(b) Reclassification from other payables

The provision for an ongoing dispute for a subsidiary was reclassified from trade and other payables to provision for fairer presentation.

Contingent liabilities

The Group is engaged in lawsuits that have arisen in the normal course of business. The estimated contingent liabilities arising from these pending litigations amounted to ₦2.96billion. The Group has assessed these claims and believe that no material loss will arise from them. Accordingly, no additional provision has been recognised in the financial statements.

29 Employee benefit

One of the entities within the Group (Grand Cereals Limited) sponsors a long service award scheme for qualifying employees. Employees are rewarded after a specific number of years in service. Employees are entitled to the awards after being in service for 10, 15, 20, 25, and 30 years.

Service Milestone (years)	% of gross annual salary	Gift Benefit Value Cap (N')
10	10%	-
15	15%	50,000
20	20%	60,000
25	25%	80,000
30	30%	256,000

The most recent actuarial valuations of the present value of the long service award obligations were done as at 31 December 2023 by the firm of QED Actuaries Nigeria Limited (FRC Registration Number: FRC/2018/00000012293). This was signed by Actuary partner, H. Prinsloo (FRC Registration Number: FRC/2018/NAS/00000018473). The present value of the long service award obligation and the related current service cost were measured using the Projected Unit Credit method.

Amounts recognised in profit or loss in respect of these long service awards are as follows;

	30 June 2024 N' 000	31 December 2023 N' 000
Service cost	5,537	6,131
Interest cost	-	9,625
Actuarial (gain)/loss arising from changes in:		
- Financial assumptions	-	(16,278)
- Experience adjustments	-	-
	5,537	(522)

Movement in the present value of long service awards

	30 June 2024 N' 000	31 December 2023 N' 000
Opening defined benefit obligation	59,611	68,122
Current service cost	5,537	6,131
Benefit paid	-	(7,989)
Interest cost	-	9,625
Actuarial gains/(losses)	-	(16,278)
	65,148	59,611

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30. Equity
Share capital

	30 June 2024		31 December 2023	
	Number 000	Amount N' 000	Number 000	Amount N' 000
Issued and fully paid at 50k per share:				
Opening balance	2,926,132	1,463,065	2,926,132	1,463,065
Total called up share capital	2,926,132	1,463,065	2,926,132	1,463,065

	30 June 2024		31 December 2023	
	Number N' 000	Amount N' 000	Number N' 000	Amount N' 000
Ordinary Shares				
Opening balance	2,926,132	1,461,065	2,926,132	1,461,065
Cancellation of unissued shares			-	-
Closing balance	2,926,132	1,461,065	2,926,132	1,461,065

Nature and purpose of Other Reserves and related transactions

Share Premium

Section 145.2 of Companies and Allied Matters Act 2020 requires that where a company issues shares at premium (i.e. above the par value), the value of the premium should be transferred to share premium. The Share premium is to be capitalised and issued as scrips as approved by shareholders from time to time.

	30 June 2024	31 December 2023
Balance, beginning of the period	14,647,617	14,647,617
Scrip issue	-	-
Balance, end of the period	14,647,617	14,647,617

Fair value reserve

The fair value reserve relates to the cumulative net change in the fair value of financial instruments at fair value through other comprehensive income until the assets are derecognised.

Other reserve

Other reserve relates to the cumulative net change in the fair value of property, plant and equipment prior to the adoption of IFRS. On adoption of IFRS, the cost and revaluation surplus was taken as deemed cost and no subsequent revaluations are required.

Share based reserve

In 2021, the Company introduced a Long Term Incentive Plan ("LTIP") using the value creation plan ("VCP") model under which eligible employees ("Participants") are awarded ordinary shares of the Company subject to delivering exceptional shareholder value. The value creation plan ("VCP") was designed to incentivize employees to deliver exceptional returns for shareholders over a five-year period. The model is aimed at ensuring that UAC attracts, retains, and motivates talented employees with the mindset of owners and to align the interests of employees and shareholders with performance measured by the management team's ability to maximise shareholder value. Under the VCP, Participants will receive, in the form of ordinary shares in the Company, a proportion of the value delivered for shareholders over a five year-period, provided that the Company delivers a minimum total shareholder return ("TSR") of 18% per annum. Should this return be delivered, an incentive pot equal to 10% of the value created will be distributed to Participants.

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31. Reconciliation of profit before tax to cash used in operations

The Group

	Note	30 June 2024 N' 000	30 June 2023 N' 000
Profit before tax from continuing operations		14,950,210	3,162,684
Adjustment for net finance cost	8	(7,816,362)	(2,716,946)
Operating profit		7,133,848	445,738
<i>Adjustments to reconcile operating profit to net cash flows</i>			
Amortisation of intangible assets	7	246,219	246,860
Dividend income	4	(18,750)	(17,125)
Depreciation charge on property, plant and equipment	7	1,564,676	1,378,218
Depreciation charge on right of use asset	7	347,196	210,154
Profit on sale of investment properties	5	-	(82,542)
Unwinding of government grant	5	(25,528)	(49,771)
Write down of inventories to net realisable value	7	76,908	82,021
Expected credit loss on trade receivables and other receivables	6	63,303	71,417
Share of profit from associates	15	(475,367)	(480,979)
Write-off of property, plant and equipment		37,614	-
Share based payment expense		103,579	121,970
Loss on lease modification		12,775	-
Profit on sale of property, plant and equipment	5	(86,271)	(36,363)
Profit on sale of non current asset held for sale	5	(7,876)	-
Operating cash flows before movements in working capital		8,972,326	1,889,597
Movements in working capital:			
Changes in inventories		(2,849,082)	(1,933,647)
Changes in trade and other receivables and prepayments		339,526	(204,074)
Changes in contract liabilities		10,460	(809,279)
Changes in trade and other payables		3,293,980	4,486,652
Changes in right of return asset		38,706	-
Changes in employee benefits		5,537	7,249
Changes in finance lease receivable		443,640	600
Changes in refund liability		(65,592)	-
Changes in provision		100,254	(21,425)
		1,317,429	1,526,075
Net cash generated from operations		10,289,755	3,415,672

32 Non-current assets held for sale/distribution

Following the approval by the Board of Directors in November 2019, part of a manufacturing facility within the Paints segment and investment property of the Packaged Food & Beverages segment was presented as non-current asset held for sale. As at June 2024 assets worth N38,036,000 were sold and the carrying value of the asset following the sale is N492,677,707 (2023: N530,713,707). Despite the inability to complete the sale of the asset within 12 months, management is still committed to the disposal of the asset hence the continual classification as asset held for sale.

Movement in non-current assets held for sale/distribution

	30 June 2024	31 December
	N'000	2023
	N'000	N'000
Opening balance	530,714	541,850
Cost of asset disposed	(38,036)	(11,136)
Closing balance	<u>492,678</u>	<u>530,714</u>

UAC of Nigeria PLC

Shareholding Structure/Free Float Status

Company Name:		UAC of Nigeria Plc			
Board Listed:		Main Board			
Year End:		31-Dec			
Reporting Period:		30-Jun-24			
		30-Jun-24		30-Jun-23	
Share Price at end of reporting period:		15.8		10.8	
Shareholding Structure/Free Float Status					
Description	Units	Percentage	Units	Percentage	
Issued Share Capital	2,926,131,655	100%	2,926,131,655	100%	
Substantial Shareholdings (5% and above)					
Themis Capital Management	586,289,403	20.04%	586,289,403	20.04%	
Dalio Property Development Limited	172,693,669	5.90%	172,693,669	5.90%	
Fund, LP - Main NTC Kuroto	-	0.00%	147,246,159	5.03%	
Total Substantial Shareholdings	758,983,072	25.94%	906,229,231	30.97%	
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests					
Mr. Daniel Agbor (Indirect)	35,000,000	1.20%	35,000,000	1.20%	
Mr. Folasope Aiyesimoju (Direct)	46,999,122	1.61%	46,999,122	1.61%	
Mr. Folasope Aiyesimoju (Indirect - representing AM&P Advisory services)	71,083,705	2.43%	70,780,314	2.42%	
Dr. Vitus Ezinwa (Direct) (a)	-	-	1,563,800	0.05%	
Mrs. Babafunke Ijaiya-Oladipo (Direct)	250,326	0.01%	250,326	0.01%	
Mr. Adebolanle Badejo	200,000	0.01%	-	-	
Mr. Khalifa Biobaku (Indirect - representing Dalio Property Development Limited)	-	-	-	-	
Mrs. Suzanne Iroche	-	-	-	-	
Mr. Bolaji Odunsi	-	-	-	-	
Mr. Karl Toriola	-	-	-	-	
Total Directors' Shareholdings	153,533,153	5.25%	154,593,562	5.28%	
Other Influential Shareholdings					
Fund, LP - Main NTC Kuroto	121,734,619	4.16%	-	0.00%	
Cardinalstone Account CPM	-	0.00%	104,980,234	3.59%	
UBA nominees Ltd - Trading	-	0.00%	108,986,889	3.72%	
UBA Nominee/Tangerine Life Insurance Investment	-	0.00%	95,783,885	3.27%	
Total Other Influential Shareholdings	121,734,619	4.16%	309,751,008	10.59%	
Free Float in Units and Percentage	1,891,880,811	64.65%	1,555,557,854	53.16%	
Free Float in Value	₦ 29,891,716,813.80		₦ 16,800,024,823.20		

Declaration:

UAC of Nigeria PLC with a free float percentage of 64.7% as at 30 June 2024 is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(a) Dr. Vitus Ezinwa resigned from the board of UAC effective 27 July 2023.