



BUA Foods Plc RC 621320

# UNAUDITED FINANCIAL STATEMENTS



FOR THE SIX MONTHS ENDED  
30TH JUNE, 2022

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## NOTE 1

### Statement of Significant Accounting Policies

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The following are the significant accounting policies adopted by the company in the preparation of its Financial Statements.

#### 1 BASIS OF PREPARATION

These Financial Statements have been prepared in compliance with IAS 34 Interim Financial Reporting and relevant International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (the IASB).

These Financial Statements were prepared under the historical cost convention.

The principal accounting policies applied in the presentation of the Financial Statements are set out below. These policies have been applied to all the periods presented except for the adoption of new accounting policies.

#### 2. REVENUE

Revenue is measured at fair value of the consideration received or receivable net of value added tax, excise duties returns, customers discounts and other sales related discounts.

Revenue from the sale of products is recognised in profit or loss when the contract has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance and collectibility has been ascertained as probable. Collectibility of customers payment is ascertained from the customers historical records, guarantees provided, and advance payments made if any.

The five steps recognition process for revenue is listed below:

- identify the contract with a customer
- identify the performance obligation in the contract
- determine the transaction price
- allocate the price to the performance obligation
- recognise revenue

#### 3. COST OF GOODS SOLD

These are the cost of internally produced goods sold. The cost of internally produced goods include directly attributable costs such as the cost of direct materials, direct labour, and energy costs, as well as production overheads, including depreciation of production facilities. The cost of goods sold includes write-downs of inventories where necessary.

## Statement of Significant Accounting Policies contd.

### 4. SELLING AND DISTRIBUTION EXPENSES

Comprises the cost of marketing, cost of organising the sales process and distribution.

### 5. FOREIGN CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operate ('the functional currency'). The functional currency and presentation currency of the Company is the Nigerian Naira (=N=).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of foreign currency transactions and from the translation of exchange rates of monetary assets and liabilities denominated in currencies other than the Company's functional currency are recognised in the foreign exchange gain or loss in profit or loss.

### 6. FINANCIAL INSTRUMENTS

Financial instruments represent the Company's financial assets and liabilities. Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

These instruments are typically held for liquidity, investment, trading or hedging purposes. All financial instruments are initially recognized at fair value plus directly attributable transaction cost except those carried at fair value through profit or loss where transaction cost are recognized immediately in profit or loss.

Financial instruments are recognized (derecognized) on the date the Company commits to purchase (sell) the instruments (trade date accounting).

Financial assets include trade and other receivables, cash and bank balances and certain other assets. Financial liabilities include term loans, bank overdraft, trade and certain other liabilities. The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

#### Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at fair value or amortised cost, depending on their classifications below. The company's accounting policy for each category is as follows:

#### i. Trade and Other Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers, but also incorporate other types of contractual monetary assets.

## Statement of Significant Accounting Policies contd.

They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty of default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

### ii. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash.

### Impairment of Financial Assets carried at Amortised Cost

The Company assesses at each reporting date whether there is objective evidence that trade and other receivables are impaired. Trade and other receivable is impaired if objective evidence indicates that a loss event has occurred after initial recognition and that loss event has a negative effect on the estimated future cash flows of the receivables that can be estimated reliably. Criteria that are used by the Company in determining whether there is objective evidence of impairment include:

- known cash flow difficulties experienced by the customer;
- a breach of contract, such as default or delinquency in repayment for goods and service;
- breach of credit terms or conditions and;
- it is becoming probable that the customer will enter bankruptcy or other financial reorganisation.

### Financial liabilities

These include the following items:

#### i. Bank borrowings

Bank borrowings are initially recognized at fair value, net of any transaction costs incurred. Borrowings are subsequently carried at amortised costs; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

## Statement of Significant Accounting Policies *contd.*

General and specific borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the profit or loss in the period in which they are incurred.

### ii. Trade payables and other short-term monetary liabilities

These are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method.

### Fair value

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's-length transaction. The best evidence of the fair value of a financial instrument on initial recognition is the transaction price, i.e. the fair value of the consideration paid or received, unless the fair value is evidenced either by comparison with other observable current market transactions in the same instrument, without modification or repackaging or based on valuation techniques such as discounted cash flow models and option pricing models whose variables include only data from observable markets. When such valuation models with only observable market data as inputs or the comparison with other observable current market transactions in the same instrument indicate that the fair value differs from the transaction price, the initial difference will be recognised in the profit or loss immediately. The Company does not have any financial instruments (derivatives, etc.) that warrant such valuation method.

### Derecognition of financial instruments

Financial assets are derecognized when the contractual rights to receive cash flows from the financial assets have expired or where the company has transferred its contractual rights to receive cash flows on the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset.

Financial liabilities are derecognized when they are extinguished, i.e. when the obligation is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, with the difference in the respective carrying amounts being recognized in profit or loss.

### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in event of default, insolvency or bankruptcy of the Company or counterparty.

## Statement of Significant Accounting Policies *contd.*

### **7. RETIREMENT BENEFITS**

The Company operates two pension scheme for its employees: Defined Contribution Scheme and Defined Benefit Scheme. The defined pension contribution plan is based on a percentage of pensionable earnings funded through contributions from the Company (10%) and employees (8%). The fund is administered by the Pension Fund's administrators. Contributions to this plan are recognised as an expense in the profit or loss in the periods during which services are rendered by employees.

Defined benefit schemes also referred to as employee end of service gratuities are regarded as post-employment benefits.

### **8. CURRENT TAXATION**

The tax for the period comprises current, education and deferred taxes. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised in other comprehensive income or directly in equity, respectively.

### **9. DEFERRED TAXATION**

Deferred tax is recognized where the carrying amount of an asset or liability in the statement of financial position differs from its tax base. Recognition of deferred tax is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilized. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities / (assets) are settled / (recovered).

### **10. PROPERTY, PLANT AND EQUIPMENT**

All property, plant and equipment are stated at historical cost less depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item to the Company and the cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance cost are charged to the profit or loss during the financial period in which they are incurred.

## Statement of Significant Accounting Policies contd.

Capital work in progress are not depreciated. Depreciation of assets commences when assets are available for use. Depreciation on other assets are calculated using straight line method over their expected useful economic lives as follows:

	<b>Useful life (years)</b>
Land	Not depreciable
Buildings	30- 50
Plant and Machinery	7-50
Furniture and Fittings	5
Trucks	5
Computer and Office Equipments	5
Motor vehicles	8
Construction Work in Progress	Nil

These assets residual values and useful lives are reviewed and adjusted if appropriate at end of the reporting year.

## Statement of Significant Accounting Policies *contd.*

Property, plant and equipment are reviewed 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 the estimated selling price in the ordinary course of business less cost to sell and value in use. Impairment losses and reversal of previously recognised impairment losses are recognised within administrative expenses in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefit are expected from its use or disposal. Gains or losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within other income or other expenses-net in profit or loss.

### 11. INVENTORIES

Inventories are stated at the lower of cost and net realizable value after providing for any obsolescence and damages determined by the management. Costs are those expenses incurred in bringing each product to its present location and condition which are computed as follows:

- Raw materials, spare parts and consumables: Actual costs include transportation, handling charges and other related costs.
- Work in progress and finished goods: Cost of direct materials, direct labour and other direct cost plus attributable overheads based on standard costing.
- Finished Goods: Direct cost plus all production overheads.

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost to sell.

Allowance is made for excessive, obsolete and slow moving items. Write-downs to net realizable value and inventory losses are expensed in the period in which the write-downs or losses occur.

### 12. RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include:

- Entities over which the company exercises significant influence
- Shareholders and key management personnel of the Company
- Close family members of key management personnel
- Post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the Company.

## Statement of Significant Accounting Policies contd.

Key management personnel comprise the Board of Directors and key members of the management having authority and responsibility for planning, directing and controlling the activities of the Company.

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using the current market price or admissible valuation method.

### 13. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the statement of financial position date.

### 14. PROVISIONS

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation and the amount has been reliably estimated.

### 15. BORROWING COSTS CAPITALISED

Borrowing costs that relate to qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale and which are not measured at fair value, are capitalized. All other borrowing costs are recognized in profit or loss.

### 16. RIGHT OF USE ASSET

Right of use asset are initially measured at cost comprising of the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

The Right of Use and lease liability are presented separately from other non-lease assets and liability in the statement of financial position.

### 17. LEASES

The Company primarily leases building used as offices and warehouse. The lease terms are typically for fixed periods ranging from 1 year to 2 years but may have extension options as described below. On renewal of lease, the terms may be renegotiated.

## Statement of Significant Accounting Policies *contd.*

Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead accounts them as a single lease component. Lease terms are negotiated on an individual basis and contain different terms and conditions including extension and termination options. The lease agreement do not impose any covenants; however, leased assets may not be used as security for borrowing purposes.

### **18. SEGMENT REPORTING**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as BUA Foods Plc leadership team which comprises of the Board of Directors and other executive officers.

### **19. COMPARATIVE FIGURES**

Where necessary, comparative figures with notes have been restated to conform to changes in presentation in the current year.

## Statement of Profit or Loss and Other Comprehensive Income for the Six Months Ended

		Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2021	Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2021
	Notes	₦'000	₦'000	₦'000	₦'000
		Group	Group	Company	Company
<b>Turnover</b>	1	168,854,513	151,731,133	134,701,428	104,735,917
Cost of Sales	2	116,788,996	100,579,994	96,759,987	71,393,598
<b>Gross Profit</b>		52,065,517	51,151,139	37,941,441	33,342,319
Administrative expenses	4a	1,895,735	4,178,006	1,592,796	3,807,831
Selling & distribution expenses	4b	4,272,789	4,526,681	3,772,158	3,081,135
<b>Operating Profit</b>		45,896,993	42,446,451	32,576,487	26,453,352
Other income	3	895,238	14,106	893,905	13,568
Finance Charges		4,090,527	3,913,545	3,948,979	3,535,942
<b>Net Profit/(Loss) Before Tax</b>		42,701,704	38,547,012	29,521,413	22,930,978
Income Taxes		3,393,034	3,985,580	3,393,034	3,985,580
<b>Net Profit After Tax</b>		39,308,670	34,561,432	26,128,379	18,945,398
EPS		2.18	1.92	1.45	1.05

## Statement of Profit or Loss and Other Comprehensive Income for the Three Months Ended

	Unaudited	Unaudited	Unaudited	Unaudited
	Q1 2022	Q1 2021	Q1 2022	Q1 2021
Notes	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
Turnover	78,806,491	80,804,931	68,825,650	57,424,432
Cost of Sales	57,352,523	57,974,951	50,620,406	42,819,484
<b>Gross Profit</b>	<b>21,453,968</b>	<b>22,829,980</b>	<b>18,205,244</b>	<b>14,604,948</b>
Administrative expenses	1,144,965	3,072,046	963,842	3,009,819
Selling & distribution expenses	2,493,566	3,017,258	2,388,230	1,697,307
<b>Operating Profit</b>	<b>17,815,437</b>	<b>16,740,676</b>	<b>14,853,172</b>	<b>9,897,822</b>
Other income	503,760	7,461	503,171	7,276
Finance Charges	2,455,737	2,335,039	2,394,887	1,997,436
<b>Net Profit/(Loss)Before Tax</b>	<b>15,863,460</b>	<b>14,413,098</b>	<b>12,961,456</b>	<b>7,907,662</b>
Income Taxes	1,696,517	1,992,790	1,696,517	1,992,790
<b>Net Profit After Tax</b>	<b>14,166,943</b>	<b>12,420,308</b>	<b>11,264,939</b>	<b>5,914,872</b>
EPS	0.79	0.69	0.63	0.33

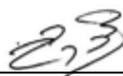
## Statement of Financial Position as at

	Notes	Unaudited	Audited	Unaudited	Audited
		YTD 30TH JUNE 2022	YTD 31ST DEC 2021	YTD 30TH JUNE 2022	YTD 31ST DEC 2021
		₦'000	₦'000	₦'000	₦'000
<b>Assets</b>					
<b>Non-current assets</b>		<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
Property, Plant and Equipments	5	322,073,037	321,675,653	247,280,231	248,630,430
Right of Use Assets		533,813	1,036,460	31,587	32,008
Biological assets		635,994	543,901	-	-
Investment in subsidiaries		-	-	407,670	407,670
<b>Total Non-Current Assets</b>		<b>323,242,844</b>	<b>323,256,014</b>	<b>247,719,488</b>	<b>249,070,108</b>
<b>Current Assets</b>					
Inventories	7	24,229,869	24,926,471	13,759,937	15,249,639
Trade and other receivables	8	78,579,161	52,160,076	78,549,319	52,142,637
Due from Related Companies		177,662,435	162,788,169	241,412,648	235,897,154
Cash and Short Term Deposits	9	41,644,058	30,338,785	41,610,837	30,314,360
<b>Total Current Assets</b>		<b>322,115,524</b>	<b>270,213,501</b>	<b>375,332,742</b>	<b>333,603,790</b>
<b>Total Assets</b>		<b>645,358,367</b>	<b>593,469,515</b>	<b>623,052,229</b>	<b>582,673,898</b>
<b>Liabilities and Equity</b>					
<b>Equity</b>					
Share Capital	10	9,000,000	9,000,000	9,000,000	9,000,000
Reorganisation and other reserves		(943,228)	(943,228)	391,961	391,961
Retained Earnings		231,970,568	192,661,901	217,329,222	191,200,843
<b>Total Equity</b>		<b>240,027,340</b>	<b>200,718,673</b>	<b>226,721,183</b>	<b>200,592,804</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Deferred Tax Liabilities		17,343,896	15,225,186	17,343,896	15,225,186
Borrowings		3,855,249	4,889,870	3,855,249	4,889,870
Lease Liabilities		33,585	33,611	33,585	33,611
Deposit for Shares		32,243,723	32,243,723	32,243,723	32,243,723
<b>Total Non-Current Liabilities</b>		<b>53,476,453</b>	<b>52,392,390</b>	<b>53,476,453</b>	<b>52,392,390</b>
<b>Current Liabilities</b>					
Contract Liabilities		48,962,278	40,931,459	48,962,278	40,931,459
Current Income Tax Liabilities		12,946,625	12,778,745	12,946,625	12,778,745
Lease Liabilities		1,393,999	4,292,441	4,179	4,165
Bank Overdraft	9	18,359,528	2,851,413	18,359,528	2,851,413
Borrowings	11	226,304,752	241,159,110	226,304,752	241,159,110
Trade and Other Payables	12	43,887,392	38,345,284	36,277,231	31,963,812
<b>Total Current Liabilities</b>		<b>351,854,574</b>	<b>340,358,452</b>	<b>342,854,593</b>	<b>329,688,704</b>
<b>Total Liabilities</b>		<b>405,331,027</b>	<b>392,750,842</b>	<b>396,331,046</b>	<b>382,081,094</b>
<b>Total Liabilities and Equity</b>		<b>645,358,367</b>	<b>593,469,515</b>	<b>623,052,229</b>	<b>582,673,898</b>

The financial statements and notes on pages 15 to 22 were approved by the Board of Directors on 27th July, 2022 and signed on its behalf by:

  
**Abdul Samad Rabiu**  
 Chairman  
 FRC/2014/IODN/00000010111

  
**Ayodele Abioye**  
 Acting Managing Director  
 FRC/2022/PRO/FORM/C07/003/00000023864

  
**Abdulrasheed Olayiwola**  
 Chief Finance Officer  
 FRC/2014/ICAN/00000010407

## Unaudited Statement of Changes in Equity For the Six Month Ended 30th June 2022

Group	Share Capital	Retained Earnings	Reorganization and Other Reserves	Total Equity
	₦'000	₦'000	₦'000	₦'000
<b>Balance as at 1 January 2022</b>	<b>9,000,000</b>	<b>192,661,901</b>	<b>(943,228)</b>	<b>200,718,673</b>
Profit for the period	-	39,308,670	-	39,308,670
<b>Balance as at 30 June 2022</b>	<b>9,000,000</b>	<b>231,970,568</b>	<b>(943,228)</b>	<b>240,027,343</b>
<b>Balance as at 1 January 2021</b>	<b>20,000</b>	<b>16,868,207</b>	<b>-</b>	<b>16,888,207</b>
Profit for the period	-	34,561,432	-	34,561,432
<b>Balance as at 30 June 2021</b>	<b>20,000</b>	<b>51,429,639</b>	<b>-</b>	<b>51,449,639</b>
<b>Company</b>				
<b>Balance as at 1 January 2022</b>	<b>9,000,000</b>	<b>191,200,843</b>	<b>391,961</b>	<b>200,592,804</b>
Profit for the period	-	26,128,379	-	26,128,379
<b>Balance as at 30 June 2022</b>	<b>9,000,000</b>	<b>217,329,222</b>	<b>391,961</b>	<b>226,721,183</b>
<b>Balance as at 1 January 2021</b>	<b>20,000</b>	<b>16,778,115</b>	<b>-</b>	<b>16,798,115</b>
Profit for the period	-	18,945,398	-	18,945,398
<b>Balance as at 30 June 2021</b>	<b>20,000</b>	<b>35,723,513</b>	<b>-</b>	<b>35,743,513</b>

## Statement Of Cash Flows For The Six Month Ended

	Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2022
	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
<b>Cash Flows From Operating Activities</b>				
Profit for the period Adjustments for:	42,701,704	38,587,012	29,521,413	22,930,978
Depreciation of Property, Plant and Equipments	3,309,716	4,126,720	3,146,362	3,979,333
Depreciation of right of use	502,647	502,647	421	421
Finance Income	(760,000)	-	(760,000)	-
Finance Cost	2,555,671	1,139,815	2,414,121	802,212
<b>SUB TOTAL</b>	<b>48,309,738</b>	<b>44,356,194</b>	<b>34,322,317</b>	<b>27,712,944</b>
Changes in contract Liabilities	1,737,084	4,752,111	1,737,084	4,752,111
Changes in receivables from customers	(16,876,342)	(8,343,677)	(16,863,938)	(8,357,523)
Changes in Due from related companies	(21,533,768)	(21,816,874)	(12,174,994)	(5,315,594)
Changes in inventory	696,604	3,757,812	1,489,705	3,393,374
Changes in payable to suppliers	8,952,608	(2,802,316)	7,723,920	(4,602,894)
Changes lease liabilities	141,518	337,590	(27)	(13)
<b>SUB TOTAL</b>	<b>(26,882,296)</b>	<b>(24,115,354)</b>	<b>(18,088,250)</b>	<b>(10,130,539)</b>
<b>Cash from operating activities</b>	<b>21,427,442</b>	<b>20,240,840</b>	<b>16,234,067</b>	<b>17,582,405</b>
Tax paid	(1,106,444)	(69,816)	(1,106,444)	(69,816)
<b>Net Cash from operating activities</b>	<b>20,320,998</b>	<b>20,171,024</b>	<b>15,127,623</b>	<b>17,512,589</b>
<b>Cash flows from investing activities</b>				
Acquisition / Disposal of property, plant and equipment	(3,707,098)	(2,567,314)	(1,796,162)	(85,946)
Purchase of biological assets	(92,093)	-	-	-
Interest received	760,000	-	760,000	-
<b>Net Cash from investing activities</b>	<b>(3,039,191)</b>	<b>(2,567,314)</b>	<b>(1,036,162)</b>	<b>(85,946)</b>
<b>Cash flows from financing activities</b>				
Proceed from borrowings	26,415,889	9,480,365	26,415,889	9,480,365
Repaymet of borrowings	(42,569,197)	(23,641,202)	(42,569,197)	(23,641,202)
Lease liability payment	(3,184,071)	(340,126)	(2,521)	(2,523)
Interest paid	(2,147,269)	(495,862)	(2,147,269)	(495,862)
<b>Net Cash from financing activities</b>	<b>(21,484,648)</b>	<b>(14,996,826)</b>	<b>(18,303,098)</b>	<b>(14,659,223)</b>
Net increase/(decrease) in cash and cash equivalents	<b>(4,202,841)</b>	<b>2,606,885</b>	<b>(4,211,637)</b>	<b>2,767,421</b>
Cash and cash equivalents at the beginning of the period	<b>27,487,372</b>	<b>16,216,492</b>	<b>27,462,947</b>	<b>16,208,420</b>
Cash and cash equivalents at the end of the period	<b>23,284,531</b>	<b>18,823,377</b>	<b>23,251,310</b>	<b>18,975,841</b>

## Notes To The Unaudited Financial Statements For The Six Month Ended 30th June 2022

	Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2021	Unaudited YTD 30TH JUNE 2022	Unaudited YTD 30TH JUNE 2021
	₦'000	₦'000	₦'000	₦'000
	Group	Group	Company	Company
<b>1. Net Revenue</b>				
Sales - Sugar(Non Fortified)	53,901,453	34,616,751	36,598,499	33,285,789
Sales - Sugar(Fortified)	54,809,523	60,940,952	38,060,601	15,337,907
Sales - Molasses	387,907	191,767	286,698	130,558
Sales - Bakery Flour	31,415,850	27,457,785	31,415,850	27,457,785
Sales - Pasta	25,880,470	25,790,308	25,880,470	25,790,308
Sales - Wheat Bran	2,459,310	2,733,570	2,459,310	2,733,570
<b>Total Non-Current Assets</b>	<b>168,854,513</b>	<b>151,731,133</b>	<b>134,701,428</b>	<b>104,735,917</b>
<b>2. Cost of Sales</b>				
Raw Materials	101,463,371	84,176,635	84,489,339	60,318,303
Energy	5,212,050	5,197,202	3,949,469	3,497,318
Depreciation	3,117,231	3,859,988	2,968,471	3,357,762
Other Factory Expenses	6,996,343	7,346,169	5,352,707	4,220,215
<b>Total Non-Current Assets</b>	<b>116,788,996</b>	<b>100,579,994</b>	<b>96,759,987</b>	<b>71,393,598</b>
<b>3. Other Income</b>				
Interest Income	760,000	-	760,000	-
Scrap	15,658	14,106	14,325	13,568
<b>Total Non-Current Assets</b>	<b>895,238</b>	<b>14,106</b>	<b>893,905</b>	<b>13,568</b>
<b>4a. Components of Administration Expenses</b>				
Salaries,Wages & Benefit	536,582	754,151	400,913	589,290
Transport and Travelling	13,184	380,781	12,916	380,406
Medical	10,519	13,790	9,071	12,817
Expatriate expenses	80,646	88,551	68,832	70,428
Entertainment	44,757	16,259	43,441	15,112
Staff Welfare & Training	12,599	537	9,780	195
Electricity	3,347	3,559	1,224	2,039
Printing & Stationeries	25,874	6,860	19,210	4,501
Rent, Rate & Insurance	25,429	13,420	11,266	13,420
Office Maintenance	5,716	20,273	5,343	13,042
Donations	85,664	16,678	85,664	16,678
Telephone & Internet	3,648	3,404	3,621	3,404
Subscription	2,890	4,724	1,380	3,355
Legal & Professional	29,656	29,340	29,656	29,340
Postages & Courier	758	2,299	520	2,274
General Expenses	150,627	1,522,312	69,854	1,374,060
Security Expenses	51,991	34,691	41,512	28,092
Diesel & Fuel	122,246	46,371	112,537	44,680
Advertisement	17,100	573,234	16,046	572,955
Cleaning & Water	41,562	25,570	34,955	17,715
Hotel, Accommodation, Event Space etc	12,791	2,629	12,791	1,162
Maint & Repairs	425,663	443,311	424,372	442,233
Depreciation	192,485	175,263	177,891	170,634
<b>Total Non-Current Assets</b>	<b>1,895,735</b>	<b>4,178,006</b>	<b>1,592,796</b>	<b>3,807,831</b>
<b>4b. Selling and Distribution Expenses</b>				
Selling & Distribution Expenses	4,272,789	4,526,681	3,772,158	3,081,135

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

### BUA Foods Plc

#### 5a. PROPERTY, PLANT & EQUIPMENTS (GROUP)

Cost	Land & Building ₦'000	Plant & Machinery ₦'000	Furniture & Fittings ₦'000	Motor Vehicle ₦'000	Truck ₦'000	Office Equipment ₦'000	CWIP ₦'000	Total Cost ₦'000
Balance as at January 1, 2022	11,230,841	170,861,519	299,608	717,671	2,097,662	520,431	174,803,817	360,531,549
Addition	7,884	82,395	15,764	121,818	-	55,295	3,423,938	3,707,094
<b>Balance as at June 30, 2022</b>	<b>11,238,725</b>	<b>170,943,914</b>	<b>315,372</b>	<b>839,489</b>	<b>2,097,662</b>	<b>575,726</b>	<b>178,227,755</b>	<b>364,238,643</b>
Balance as at January 1, 2021	11,111,808	170,779,415	253,176	689,071	2,097,662	489,495	67,815,187	253,235,814
Addition	119,033	82,104	46,432	28,600	-	30,936	106,988,630	107,295,735
<b>Balance as at December 31, 2021</b>	<b>11,230,841</b>	<b>170,861,519</b>	<b>299,608</b>	<b>717,671</b>	<b>2,097,662</b>	<b>520,431</b>	<b>174,803,817</b>	<b>360,531,549</b>
<b>ACCUMULATED DEPRECIATION</b>								
Balance as at January 1, 2022	1,873,159	33,874,407	177,734	579,716	1,999,613	351,267	-	38,855,896
Charge of the period	110,795	3,067,061	30,349	34,118	-	67,393	-	3,309,716
<b>Balance as at June 30, 2022</b>	<b>1,983,954</b>	<b>36,941,468</b>	<b>208,083</b>	<b>613,834</b>	<b>1,999,613</b>	<b>418,660</b>	<b>-</b>	<b>42,165,612</b>
Balance as at January 1, 2021	1,636,392	26,895,891	120,391	509,639	2,046,302	251,551	-	31,460,166
Charge/(writeback) for the period	236,767	6,978,516	57,343	70,077	(46,689)	99,716	-	7,395,730
<b>Balance as at December 31, 2021</b>	<b>1,873,159</b>	<b>33,874,407</b>	<b>177,734</b>	<b>579,716</b>	<b>1,999,613</b>	<b>351,267</b>	<b>-</b>	<b>38,855,896</b>
<b>Net Book Value</b>								
Balance as at June 30, 2022	9,254,771	134,002,446	107,289	225,655	98,049	157,066	178,227,755	322,073,037
Balance at December 31, 2021	9,357,682	136,987,112	121,874	137,955	98,049	169,164	174,803,817	321,675,653

#### 5a. PROPERTY, PLANT & EQUIPMENTS (COMPANY)

Cost	Land & Building ₦'000	Plant & Machinery ₦'000	Furniture & Fittings ₦'000	Motor Vehicle ₦'000	Truck ₦'000	Office Equipment ₦'000	CWIP ₦'000	Total Cost ₦'000
Balance as at January 1, 2022	10,253,300	170,030,777	140,079	624,349	2,097,662	142,350	103,460,505	286,749,022
Addition	-	82,395	14,837	62,218	-	5,462	1,631,245	1,796,157
<b>Balance as at June 30, 2022</b>	<b>10,253,300</b>	<b>170,113,172</b>	<b>154,916</b>	<b>686,567</b>	<b>2,097,662</b>	<b>147,812</b>	<b>105,091,750</b>	<b>288,545,179</b>
Balance as at January 1, 2021	10,245,896	169,752,823	123,694	624,349	2,097,662	112,617	336,476	183,293,517
Addition	7,404	277,954	16,385	-	-	29,733	103,124,029	103,455,505
<b>Balance as at December 31, 2021</b>	<b>10,253,300</b>	<b>170,030,777</b>	<b>140,079</b>	<b>624,349</b>	<b>2,097,662</b>	<b>142,350</b>	<b>103,460,505</b>	<b>286,749,022</b>
<b>ACCUMULATED DEPRECIATION</b>								
Balance as at January 1, 2022	1,846,970	33,535,576	100,711	524,024	1,999,613	111,698	-	38,118,592
Charge of the period	106,490	2,993,579	14,356	17,487	-	14,450	-	3,146,362
<b>Balance as at June 30, 2022</b>	<b>1,953,460</b>	<b>36,529,155</b>	<b>115,067</b>	<b>541,511</b>	<b>1,999,613</b>	<b>126,148</b>	<b>-</b>	<b>41,264,954</b>
Balance as at January 1, 2021	1,624,424	26,490,386	74,323	477,277	2,046,302	85,112	-	30,797,824
Charge/(writeback) for the period	222,546	7,045,190	26,388	46,747	(46,689)	26,586	-	7,320,768
<b>Balance as at December 31, 2021</b>	<b>1,846,970</b>	<b>33,535,576</b>	<b>100,711</b>	<b>524,024</b>	<b>1,999,613</b>	<b>111,698</b>	<b>-</b>	<b>38,118,592</b>
<b>Net Book Value</b>								
Balance as at June 30, 2022	8,299,840	133,584,017	39,849	145,056	98,049	21,664	105,091,750	247,280,231
Balance at December 31, 2021	8,406,330	136,495,201	39,368	100,325	98,049	30,652	103,460,505	248,630,430

#### 5.1 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

No recent revaluation has been done by the company. The Directors are of the opinion that the carrying value of property, Plant & machinery approximate its fair value.

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021
<b>6. RIGHTS OF USE ASSET</b>	₦'000	₦'000	₦'000	₦'000
	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
Building leases	3,047,051	3,136,394	33,693	123,036
Addition	-	-	-	-
Accumulated Depreciation of ROU	(2,513,238)	(2,099,934)	(2,106)	(91,028)
<b>Balance at end of period</b>	<b>533,813</b>	<b>1,036,460</b>	<b>31,587</b>	<b>32,008</b>
<b>7. INVENTORIES</b>				
Raw Materials	21,399,064	11,415,957	11,549,033	2,504,859
Work In Progress	518,892	327,155	387,629	221,749
Finished Goods	238,269	3,454,544	212,448	3,252,043
Packaging, Energy & Consumables	2,073,644	1,358,665	1,610,827	900,838
Goods in Transit	-	8,370,150	-	8,370,150
<b>Balance at end of period</b>	<b>24,229,869</b>	<b>24,926,471</b>	<b>13,759,937</b>	<b>15,249,639</b>
There is no write-down of inventories recognised as an expense during the period.				
None of the inventories of the Company were pledged as security for loans as at the reporting date.				
<b>8. TRADE AND OTHER RECEIVABLES</b>				
Prepayments	2,555,346	292,269	2,531,282	275,482
Trade Debtors	1,798,442	1,740,877	1,798,442	1,740,877
Other Receivables	74,225,373	50,126,930	74,219,595	50,126,278
<b>Balance at end of period</b>	<b>78,579,161</b>	<b>52,160,076</b>	<b>78,549,319</b>	<b>52,142,637</b>
All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.				

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021
	₦'000	₦'000	₦'000	₦'000
<b>9. CASH AND SHORT TERM DEPOSITS</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
Cash in Hand	4,582	169,574	2,549	151,788
Cash in Bank	41,639,476	30,169,211	41,608,288	30,162,572
<b>Balance at end of period</b>	<b>41,644,058</b>	<b>30,338,785</b>	<b>41,610,837</b>	<b>30,314,360</b>
<p>Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.</p> <p>The Company has not pledged part of its short-term deposits in order to fulfil collateral requirements with any Banks. Cash and Bank equivalent is exclusive of overdraft balance.</p> <p>For the purpose of the statement of cash flow, cash and cash equivalents comprise the following as at:</p>				
Cash in Hand	4,582	169,574	2,549	151,788
Cash in Bank	41,639,476	30,169,211	41,608,288	30,162,572
Overdraft	(18,359,527)	(2,851,413)	(18,359,527)	(2,851,413)
<b>Balance at end of period</b>	<b>23,284,531</b>	<b>27,487,372</b>	<b>23,251,310</b>	<b>27,462,947</b>

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

	Unaudited YTD 30TH JUNE 2022	Audited YTD 30TH JUNE 2021	Unaudited YTD 30TH JUNE 2022	Audited YTD 30TH JUNE 2021
	₦'000	₦'000	₦'000	₦'000
<b>10. SHARE CAPITAL</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
<b>10a. AUTHORISED</b>				
18,000,000,000 Ordinary shares of N0.50k each	9,000,000	-	9,000,000	-
40,,000,000 Ordinary shares of N0.50k each	-	20,000	-	20,000
<b>10b. ISSUED AND FULLY PAID</b>				
18,000,000,000 Ordinary shares of N0.50k each	9,000,000	-	9,000,000	-
40,,000,000 Ordinary shares of N0.50k each	-	20,000	-	20,000

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021
	₦'000	₦'000	₦'000	₦'000
<b>11A. BORROWINGS</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
<b>Non-Current Borrowings</b>				
Bank borrowings	3,855,249	4,889,870	3,855,249	4,889,870
<b>Current</b>				
Short term Loan	226,304,752	241,159,110	226,304,752	241,159,110
<b>Total Borrowings</b>	<b>230,160,001</b>	<b>246,048,980</b>	<b>230,160,001</b>	<b>246,048,980</b>
<b>11B. MOVEMENT IN BORROWINGS ARE ANALYSED AS FOLLOWS:</b>				
Opening amount as at 1st January 2021	246,048,980	128,237,727	246,048,980	128,237,727
Additional drawdowns in the year	26,415,889	269,733,940	26,415,889	269,733,940
Principal repayments	(42,569,197)	(153,138,049)	(42,569,197)	(153,138,049)
Interest expenses	2,411,598	2,980,794	2,411,598	2,980,794
Interest paid	(2,147,269)	(1,765,432)	(2,147,269)	(1,765,432)
<b>Total Borrowings</b>	<b>230,160,001</b>	<b>246,048,980</b>	<b>230,160,001</b>	<b>246,048,980</b>
<b>11C. NET DEBT COMPRISES</b>				
Cash and cash equivalents	(41,644,058)	(30,338,785)	(41,610,837)	(30,314,360)
Borrowings - current	226,304,752	241,159,110	226,304,752	241,159,110
Borrowings - non-current	3,855,249	4,889,870	3,855,249	4,889,870
Borrowings - overdraft	18,359,528	2,851,413	18,359,528	2,851,413
<b>Net debt</b>	<b>206,875,471</b>	<b>218,561,608</b>	<b>206,908,692</b>	<b>218,586,033</b>

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021	Unaudited YTD 30TH JUNE 2022	Audited YTD 31ST DEC 2021
	₦'000	₦'000	₦'000	₦'000
<b>12. TRADE AND OTHER PAYABLES</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
Provisions and Accruals/ Accrued Audit Fees	61,750	61,750	61,750	61,750
Other Payables	4,415,461	3,061,757	4,204,985	2,965,019
Trade Creditors/ Other Current Liabilities	6,717,075	3,858,564	6,694,337	3,614,311
Withholding/ Value Added Tax Payables	32,693,105	31,363,213	25,316,158	25,322,732
<b>Total Borrowings</b>	<b>43,887,392</b>	<b>38,345,284</b>	<b>36,277,231</b>	<b>31,963,812</b>

## Notes to the Unaudited Financial Statements for the Six Months ended 30th June 2022

### 13. SHAREHOLDING STRUCTURE/FREE FLOAT DECLARATION

Description	30 JUNE 2022	
	Units	Percentage
Issue Share Capital	18,000,000,000	100%
<b>Details of Substantial Shareholdings (5% and Above)</b>		
Abdulsamad Rabi, (CON); Direct Holdings	16,172,601,967	89.85%
<b>Total Substantial Shareholdings</b>	<b>16,172,601,967</b>	<b>89.85%</b>
<b>Directors' Shareholdings (direct and indirect), excluding directors with substantial interest</b>		
Abdulsamad Rabi, (CON); (Indirect - Representing BUA Industries Limited)	500,485,433	2.78%
Ayodele Abioye	250,000	0.00%
Abdulrasheed Olayiwola	250,000	0.00%
Isyaku Rabi	630,000	0.00%
Saratu Umar	-	0.00%
Kabiru Rabi	1,401,654	0.01%
Chimaobi Madukwe	329,650	0.00%
Rashid Ur Imran	-	0.00%
Finn Arnoldsen	250,000	0.00%
<b>Total Directors' Shareholdings</b>	<b>503,596,737</b>	<b>2.79%</b>
<b>Other Influential Shareholdings</b>		
Rabi Abdulsamad Isyaku	473,628,201	2.63%
<b>Total Other Influential Shareholdings</b>	<b>473,628,201</b>	<b>2.63%</b>
<b>Free Float Units and Percentage</b>	<b>850,173,095</b>	<b>4.73%</b>
<b>Free Float in Value</b>		
Close Price - 30th June = N55.00	46,759,520,225	

#### Description

BUA Foods Plc with a free float value of N46,759,520,225.00 as at 30, June 2022 is compliant with the Nigerian Exchange Group's "The NGX" free float requirements for companies on the Main Board.



3RD FLOOR, BUA TOWERS, PC 32 CHURCHGATE STREET,  
VICTORIA ISLAND, LAGOS

+234 (1) 461 0669 - 70

[INFO@BUAFOODSPLC.COM](mailto:INFO@BUAFOODSPLC.COM)

[WWW.BUAFOODSPLC.COM](http://WWW.BUAFOODSPLC.COM)