Nigerian Aviation Handling Company Plc

Unaudited Financial Statement For The Period Ended 30th June, 2024

Contents

Consolidated and Separate Statement of Comprehensive Income

For the period ended 30th June, 2024.

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		Group				Company			
	Notes	Jan. - Jun, 2024	Jan. - Jun. 2023	Apr. - Jun. 2024	Apr. - Jun. 2023	Jan. - Jun, 2024	Jan. - Jun. 2023	Apr. - Jun. 2024	Apr. - Jun. 2023
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Revenue	5	16,000,938	10,487,748	8,023,371	6,193,923	15,065,678	10,095,694	7,450,693	5,979,770
Operating costs	9a	(7,200,884)	(5,515,478)	(3,640,443)	(2,948,771)	(6,765,063)	(5,347,627)	(3,376,325)	(2,857,670)
Gross Profit		8,800,054	4,972,270	4,382,928	3,245,152	8,300,614	4,748,067	4,074,367	3,122,100
Other Income	6	358,287	203,489	329,574	150,882	353,956	41,991	328,036	23,687
Administrative Costs	9b	(4,026,630)	(2,113,334)	(1,916,272)	(1,160,650)	(3,843,227)	(1,991,720)	(1,815,104)	(1,099,004)
Expected Credit Reversal/(Losses)		-	-	-	-	-	-	-	-
Profit from operations		5,131,711	3,062,425	2,796,230	2,235,384	4,811,343	2,798,338	2,587,299	2,046,783
Finance Income	7	43,199	4,809	28,081	(28,594)	43,199	4,809	28,080	(28,594)
Finance costs	7	(427,323)	(93,927)	(345,385)	(47,855)	(421,976)	(88,580)	(342,711)	(44,290)
Profit/(Loss) before tax		4,747,587	2,973,307	2,478,926	2,158,935	4,432,566	2,714,567	2,272,668	1,973,899
Income tax expense	8(a)	(1,413,058)	(633,754)	(739,871)	(455,920)	(1,354,167)	(610,778)	(695,250)	(444,128)
Profit/(loss) after tax		3,334,529	2,339,553	1,739,055	1,703,015	3,078,398	2,103,789	1,577,417	1,529,771
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		3,334,529	2,339,553	1,739,055	1,703,015	3,078,398	2,103,789	1,577,417	1,529,771
Attributable to:									
Profit/ (loss) attributable to owners of the company		3,334,529	2,325,255	1,739,055	1,695,087	3,078,398	2,103,789	1,577,417	1,529,771
Non-controlling interest	9	-	14,298	-	7,928	-	-	-	-
		3,334,529	2,339,553	1,739,055	1,703,015	3,078,398	2,103,789	1,577,417	1,529,771
Earnings per share									
Basic earnings per share (Kobo)	10	171	119	89	87	158	108	81	79
Diluted earnings per share (Kobo)	10	171	119	89	87	158	108	81	79

Consolidated and Separate Statement of Financial Position
As at 30th June, 2024

	Notes	Group		Company	
		Jun. 2024	Dec. 2023	Jun. 2024	Dec. 2023
		₦'000	₦'000	₦'000	₦'000
Assets					
Property, plant and equipment	11	6,957,385	7,549,881	6,862,863	7,436,593
Intangible assets	12	196,434	204,055	102,345	109,925
Investment property	13	270,530	276,156	270,530	276,156
Right of use asset	11a	655,932	636,198	618,107	652,619
Investment in subsidiaries	14	-	0	205,000	205,000
Deposit for shares	14	-	0	-	0
Total non-current assets		**8,080,281**	**8,666,290**	**8,058,845**	**8,680,293**
Current assets					
Inventories	17	550,102	498,143	550,102	498,143
Trade and other receivables	19	11,348,618	10,102,417	7,369,287	6,339,895
Intercompany receivables	20	-	0	541,975	580,268
Other current assets	16	-	0	-	0
Loan to Subsidiary	16	-	0	3,210,000	3,210,000
Prepayments	18	8,248,645	5,134,983	7,801,234	4,842,061
Debt instrument at amortized value	21	-	0	-	0
Cash & cash equivalent	22	6,065,045	2,909,126	5,315,120	2,022,443
Total current assets		**26,212,410**	**18,644,669**	**24,787,717**	**17,492,810**
Total assets		**34,292,691**	**27,310,959**	**32,846,562**	**26,173,103**
Equity					
Share capital	23	974,531	974,531	974,531	974,531
Share premium	24	1,752,336	1,752,336	1,752,336	1,752,336
Dividend reserves	26				
Retained earnings	25	7,774,181	9,400,480	6,811,037	8,693,467
Total equity attributable to equity holders of the Company		10,501,048	12,127,347	9,537,904	11,420,334
Non-controlling interests	26	-	0	-	-
Total equity		**10,501,048**	**12,127,347**	**9,537,904**	**11,420,334**
Liabilities					
Loans and borrowings	27	-	0	-	0
Lease Liabilities	27b	990,674	1,122,453	990,674	1,132,193
Deferred tax liabilities	8C	985,117	985,117	986,857	986,857
Total non-current liabilities		**1,975,792**	**2,107,570**	**1,977,532**	**2,119,050**
Current tax liabilities	8B	1,244,431	2,775,559	1,141,834	2,686,789
Trade and other payables	28	17,531,164	8,670,615	17,260,037	8,398,092
Intercompany Payable	20	-	0	-	0
Lease Liabilities	27b	-	22,566	-	22,566
Loans & Borrowing	27	2,852,450	1,460,115	2,852,450	1,460,115
Deferred Income	29	187,807	147,187	76,806	66,157
Total current liabilities		**21,815,851**	**13,076,042**	**21,331,127**	**12,633,719**
Total liabilities		**23,791,643**	**15,183,612**	**23,308,658**	**14,752,769**
Total equity and liabilities		**34,292,691**	**27,310,959**	**32,846,562**	**26,173,103**

This Financial statement was approved by the Board of Directors on 29th July. 2024 and signed on its behalf by:

Indranil Gupta

Indranil Gupta
Group Managing Director/CEO
FRC/2022/PRO/DIR/003/656485

Mr. Adeoye Emiloju
Chief Financial Officer
FRC/2019/ICAN/00000019815

Consolidated and Separate Statement of changes in Equity
For the period ended 30th June, 2024

	Attributable to equity holders of the Group					
	Share Capital	**Share Premium**	**Retained Earnings**	**Total**	**Non-controlling Interest**	**Total Equity**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
As at 1 January 2024	**974,531**	**1,752,336**	**9,400,480**	**12,127,347**	**-**	**12,127,347**
Bonus Issue of 1 for 5 units of Shares	-	-	-	-	-	-
Restatement Due to IFRS 9 Adoption/adj	-	-	(10,209)	**(10,209)**	-	(10,209)
Carrying Balance at 1 Jan 2024	**974,531**	**1,752,336**	**9,390,271**	**12,117,138**	**-**	**12,117,138**
Profit for the year	-	-	3,334,529	3,334,529	-	**3,334,529**
Other comprehensive income:						
Adjustments passed within the year	-	-	-	-	-	-
Restated Balance Due to IFRS Adoption in Consolidation			-	-		-
Restated Balance from Arik Air Impairment Bal	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**3,334,529**	**3,334,529**	**-**	**3,334,529**
Transaction with owners recognised directly in equity						
Dividend payable to owners	-	-	-	-	-	-
Dividend Paid	-	-	(4,950,619)	(4,950,619)	-	**(4,950,619)**
Total transactions with owners of the Company	**-**	**-**	**(4,950,619)**	**(4,950,619)**	**-**	**(4,950,619)**
As at 30th June. 2024	**974,531**	**1,752,336**	**7,774,181**	**10,501,048**	**-**	**10,501,048**

	Attributable to equity holders of the Parent					
	Share Capital	**Share Premium**	**Retained Earnings**	**Total**	**Non-controlling Interest**	**Total Equity**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
As at 1 January 2024	**974,531**	**1,752,336**	**8,693,467**	**11,420,334**	**-**	**11,420,334**
Bonus Issue of 1 for 5 units of Shares	-	-	-	-	-	-
Restatement Due to IFRS 9 Adoption/Adj			(10,209)	**(10,209)**		**(10,209)**
Carrying Balance at 1 Jan 2024	**974,531**	**1,752,336**	**8,683,258**	**11,410,125**	**-**	**11,410,125**
Profit for the year	-	-	3,078,398	3,078,398	-	**3,078,398**
Other comprehensive income:						
Defined benefit plan actuarial gains (losses)	-	-	-	-	-	-
Prior year deferred tax adjustment	-	-	-	-	-	-
Restated Balance from Arik Air Impairment Bal.	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**3,078,398**	**3,078,398**	**-**	**3,078,398**
Transaction with owners recognised directly in equity						
						-
Dividend payable to owners	-	-	-	-	-	-
Dividend Payment	-	-	(4,950,619)	(4,950,619)	-	**(4,950,619)**
Total transactions with owners of the Company	**-**	**-**	**(4,950,619)**	**(4,950,619)**	**-**	**(4,950,619)**
As at 30th June. 2024	**974,531**	**1,752,336**	**6,811,037**	**9,537,904**	**-**	**6,459,506**

NIGERIAN AVIATION HANDLING COMPANY PLC

Shareholding Structure/Free Float Status

Description	30-Jun-24		30-Jun-23	
	Units	Percentage (In relation to Issued Share Capital)	Units	Percentage (In relation to Issued Share Capital)
Issued Share Capital	1,949,062,500	100%	1,949,062,500	100%
Details of Substantial Shareholdings (5% and above)				
[Name(s) of Shareholders]				
Godsmart Nigeria Ltd	525,278,312	26.95	525,278,312	26.95
White Cowry Industries Limited	178,643,862	9.17	178,643,862	9.17
Awhua Resources Limited	138,945,487	7.13	138,945,487	7.13
Total Substantial Shareholdings	**842,867,661**	**43.24**	**842,867,661**	**43.24**
Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests				
[Name(s) of Directors]				
Dr. Seinde Fadeni Oladapo	-	-	-	-
Mr. Indranil Gupta	-	-	-	-
Mr. Akinwumi Godson Fanimokun (Direct)	7,031,932	0.36	6,731,932	0.35
Mr. Salman Taofeeq Oluwatoyin	-	-	-	-
Mrs Adebisi Oluwayemisi Bakare (Direct)	38,059	-	-	-
Mr. Tajudeen Moyosola Shobayo (Direct)	19,508,768	1.00	14,532,944	0.75
Prof. Enyinna Ugwuchi Okpara (Direct)	39,600	0.00	39,600	0.00
Mr. Abdulhamid Aliyu	-	0.00	-	0.00
Rev. Victor Abimbola Olaiya	-	0.00	-	0.00
Dr. Peter Olusola Obabori	-	-	-	-
Mrs. Abimbola Adunola Adebakin	-	-	-	-
Prince Saheed Lasisi (Direct)	6,556,985	0.34	6,146,913	0.32
Total Directors' Shareholdings	**33,175,344**	**1.70**	**27,451,389**	**1.41**
Details of Other Influential shareholdings, if any (E.g. Government, Promoters)				
[Name(s) of Entities/ Government]	-	-	-	-
Total of Other Influential Shareholdings	**-**	**-**	**-**	**-**
Free Float in Unit and Percentage	**1,073,019,495**	**55.05%**	**1,078,743,450**	**55.35%**
Free Float in Value	**N37,341,078,426.00**		**N18,446,512,995.00**	

Declaration:

A) NAHCO Plc with a free float percentage of **55.05%** as at June 30, 2024 is compliant with The Exchange's free float requirements for companies listed on the Main Board.
B) NAHCO Plc with a free float percentage of **55.35%** as at June 30, 2023 is compliant with The Exchange's free float requirements for companies listed on the Main Board.

Note:

* Share Price as at June 30, 2024 **N34.80**
* Share Price as at June 30, 2023 **N17.10**

Consolidated and Separate Statement of Cash Flows
For the period ended 30th June, 2024

		Group		Company	
	Notes	Jun. 2024	Dec. 2023	Jun. 2024	Dec. 2023
		₦'000	₦'000	₦'000	₦'000
Cash Flows from Operating Activities					
Profit before Tax		4,747,587	8,679,029	4,432,566	7,964,655
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation: PPE	11	604,336	945,691	595,951	926,473
Depreciation: Investment property	13	5,626	11,278	5,626	11,278
Amortisation of intangible asset	12	7,621	16,935	7,578	16,850
Depreciation of right of use of assets		36,737	48,693	34,512	48,693
Assets written off		-	57,222	-	57,222
Unrealised exchange loss	9	-	204,063	-	204,063
Expected Credit (reversals)/ losses	9c	-	797,917	-	738,243
Unrealised exchange gain	6	30,049	(278,254)	28,210	-
Deferred rent released to profit or loss	29	(116,667)	(202,789)	(116,667)	(202,789)
Finance cost	7	427,323	202,041	421,976	202,041
Finance income	7	(43,199)	(19,985)	(43,199)	(19,985)
Provisions no longer required	6	1,843,971		1,858,607	-
		2,795,797	1,782,812	2,792,595	1,982,089
		7,543,383	10,461,841	7,225,161	9,946,744
Working Capital adjustments:					
(Increase)/Decrease in inventories		(51,959)	(48,678)	(51,959)	(48,678)
(Increase)/Decrease in trade and other receivables		(1,246,201)	(6,439,445)	(1,029,392)	(3,132,341)
(Increase)/Decrease in intercompany receivables		-	-	38,293	47,625
(Increase)/Decrease in prepayments		(3,113,662)	(3,331,687)	(2,959,173)	(3,319,493)
(Decrease)/increase in trade and other payables	28	8,860,549	2,729,563	8,861,945	2,865,577
(Decrease)/increase in interest bearing borrowings		(1,392,335)	1,460,115	1,392,335	1,460,115
		3,056,393	(5,630,132)	6,252,049	(2,127,195)
Cash generated from operations		**10,599,776**	**4,831,709**	**13,477,210**	**7,819,549**
Taxation paid	8(b)	(2,944,522)	(461,934)	(2,899,123)	(423,231)
Net cash flows from operating activities		**7,655,254**	**4,369,775**	**10,578,087**	**7,396,318**
Cash Flows from Investing activities					
Purchase of property, plant and equipment	11	-	(931,677)	-	(921,494)
Purchase of Intangible Assets	12	-	(11,325)	-	(11,325)
Investment in subsidiaries		-	-	-	(65,500)
Rent received	29	(291,261)	220,436	127,317	220,436
Refund of Deferred Income	29	-	(1,000,000)	-	(1,000,000)
Interest received	7	43,199	19,985	43,199	19,985
Net cash flows (used in)/ from investing activities		**(248,062)**	**(1,702,581)**	**170,516**	**(1,757,898)**
Cash Flows from Financing activities					
Repayment of bond (Loan)	27	(1,460,115)	-	(1,460,115)	-
Interest paid		-	(38,039)	-	(38,039)
Finance cost	7	(427,323)	-	(421,976)	(100,000)
Dividends paid	25	(4,950,619)	(2,338,876)	(4,950,619)	(2,338,876)
Payment of interest on lease	28b	-	(182,744)	-	(182,744)
Medium Term Loan	27	2,852,450		2,852,450	-
Loan To Related Party				(3,210,000)	(3,210,000)
Payment of Lease Liability	28b	(265,666)	-	(265,666)	-
Net cash flows used in financing activities		**(4,251,274)**	**(2,559,659)**	**(7,455,927)**	**(5,869,659)**
Net (decrease)/increase in cash and cash equivalents		3,155,918	107,535	3,292,676	(231,239)
Cash at bank and in hand, beginning of year		2,919,533	2,811,998	2,031,851	2,263,090
Cash at bank and in hand, end of Period	22	**6,075,451**	**2,919,533**	**5,324,527**	**2,031,851**
Cash & cash equivalents at 30th June. 2024	22	**6,075,451**	**2,919,533**	**5,324,527**	**2,031,851**

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

1.

Nigerian Aviation Handling Company PLC ("nahco aviance" or "the Company") is a company domiciled in Nigeria with its registered office at Murtala Muhammed International Airport, Ikeja, Lagos. The consolidated financial statements of the Company for the period ended 31st December, 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Group is primarily involved in provision of services including aircraft handling, cargo handling, passenger handling, passenger profiling, crew transportation, energy and power distribution and leasing of ground handling equipment.

2.

Statement of compliance

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

The financial statements were authorised for issue by the Directors on 26th January, 2024.

Functional and presentation currency

These financial statements are presented in Nigerian Naira, which is the Parent's functional currency. Except as indicated, financial information presented in Naira has been rounded to the nearest thousands.

Basis of measurement

These financial statements are prepared on the historical cost basis.

Use of estimates and judgements

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.
The Group has several lease contracts that includes extension . The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew e (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) as it relates to each specific subsidiary to measure lease liabilities. The IBR is the rate of interest that the each entity in the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using the following steps:
Step 1:Reference rate: This is generally a government bond reflecting risk free rate. Repayment profile was considered when aligning the term of the lease with the term for the source of the reference rate.
Step 2:Financing spread adjustment: Use credit spreads from debt with the appropriate term by considering Company's stand-alone credit rating or similar Company credit rating.
Step 3: Lease specific adjustment: Use of market yield for the leased assets, as an additional data point and to check the overall IBRs calculated.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

Going concern

The group's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

Re-assessment of useful lives and residual values

The Group carries its PPE at cost in the consolidated and separate statements of financial position. The annual review of the useful lives and residual value of PPE result in the use of significant management judgements.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Impairment of non-financial assets

Impairment of non-financial assetsImpairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the consolidated and separate statements of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

3. Significant accounting policies

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

(a) Basis of Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries at 30th September, 2023 Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

• *Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)*

• *Exposure, or rights, to variable returns from its involvement with the investee*
• *The ability to use its power over the investee to affect its returnsGenerally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:*

• *The contractual arrangement(s) with the other vote holders of the investee*
• *Rights arising from other contractual arrangements*
• *The Group's voting rights and potential voting rights*

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Transactions eliminated on consolidation

Intra- company balances, and income and expenses (except for foreign currency translation gains or losses) arising from intra- company transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

(b) Foreign currency

Foreign currrency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at each reporting date are retranslated to the functional currency at exchange rates as at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in the functional currency translated at the exchange rate at the end of the year.

(c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are carried at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit and loss.

Subsequent costs

The cost of replacing part of an item of property or plant is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date the asset is completed and available for use. Depreciation ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives for the current and comparative period are as follows:

Buildings	50 years
Land	Over the lease period
Computer hardware	3-10 years
Furniture, fittings & equipment	2-10 years
Motor vehicles	4 years
Plant and machinery	5-15 years
Capital work-in-progress	Not depreciated

Depreciation methods, useful lives and residual values are reviewed at each financial year- end and adjusted if appropriate.

De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the (asset) is included in profit or loss in the year the asset is derecognised.

(d) Intangible assets

The Group's intangible assets comprise softwares that are not integral part of the related hardware. The intangible assets have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Intangible assets acquired separately

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

Notes to the consolidated and separate financial statements

For the period ended 30th June, 2024

Derecognition of intangible assets

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

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(e) Inventories

Inventories are shown at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories is determined on the basis of specific identification of their individual costs.

(f) Financial Instruments

(i) Financial assets

Recognition

Non-derivative financial instruments- recognition and measurement

The Group recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Group initially recognizes trade and other receivables on the date of transaction. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction cost of a financial asset measured at fair value through profit or loss is recognized as profit or loss. (b) Classification of non-derivative financial assets

Classification and measurement model of non-derivative financial assets are summarized as follows. The Group classifies financial assets at initial recognition as financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, equity instruments measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss.

(i) Financial assets measured at amortized cost

A financial asset that meets both the following condition is classified as a financial asset measured at amortized cost.

• The financial asset is held within the Group’s business model whose objective is to hold assets in order to collect contractual cash flows.

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction cost directly attributable to the asset. After initial recognition, carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

(ii) Debt instruments measured at fair value through other comprehensive income

A debt instrument that meets both the following condition is classified as a financial asset measured at fair value through other comprehensive income.

• The financial asset is held within the Group’s business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the consolidated and separate financial statements

For the period ended 30th June, 2024

A debt instrument measured at fair value through other comprehensive income is recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as "financial asset at fair value through other comprehensive income" in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to profit or loss when debt instrument is derecognized.

(iii) Financial assets measured at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as "at fair value through profit or loss" and measured at fair value with changes in fair value recognized in profit or loss.

A financial asset measured at fair value through profit or loss is recognized initially at fair value and its transaction cost is recognized in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognized in profit or loss, and presented in "finance income" or "finance cost" in the consolidated statement of income for the reporting period in which it arises. The Group does not designate any debt instrument as at fair value through profit or loss to remove or significantly reduce an accounting mismatch.

Cash and cash equivalents

Cash and cash equivalents comprise of cash, bank balances and call deposits with original maturities of three months or less.

Trade and other payables

Trade and other payables are stated at amortised cost using the effective interest method. Short-duration other payables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest would be significant.

Others

Other non-derivative financial instruments which comprise of loans and receivables, and other financial liabilities are measured at amortised cost using the effective interest method, less any impairment losses. Short-term trade receivables, other receivables, trade payables and other payables with no stated interest rate are carried at original invoice amounts where the effect of discounting is not significant.

(ii) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or has assumed an obligation to pay those cashflows to one or more recipients, subject to certain criteria.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

(i) Financial liabilities measured at amortized cost

The Group derecognizes its financial asset if the contractual rights to the cash flows from the investment expire, or the Group transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or continuously retained by the Group are recognized as a separate asset or liability.

ii. Non-derivative financial liabilities

(a) Recognition and measurement of financial liabilities

The Group recognizes financial debt when the Group becomes a party to the contractual provisions of the instruments. The measurement of financial debt is explained in (b) Classification of financial liabilities.

(b) Classification of financial liabilities

A financial liability other than those measured at fair value through profit or loss is classified as a financial liability measured at amortized cost. A financial liability at amortized cost is initially measured at fair value less transaction cost directly attributable to the issuance of the financial liability. After initial recognition, the financial liability is measured at amortized cost based on the effective interest rate method.

(ii) Financial liabilities measured at fair value through profit or loss

A financial liability measured at fair value through profit or loss is initially measured at fair value. After initial recognition, the financial liability is measured at fair value with subsequent changes recognized as profit or loss.

(c) Derecognition of financial liabilities

The Group derecognizes a financial liability when the financial liability is distinguished, i.e. when the contractual obligation is discharged or cancelled or expired.

Impairment of financial assets

The Group recognizes 12-month expected credit loss as loss allowance when there is no significant increase in the credit risk since initial recognition. When there is a significant increase in credit risk since initial recognition, expected credit losses for the remaining life of the financial assets are recognized as loss allowance. Whether credit risk is significantly increased or not is determined based on the changes in default risk. To determine if there is a change in default risk, following factors are considered. However, the Group always measures loss allowance for trade receivables at an amount equal to lifetime expected credit losses.

- External credit rating of the financial asset
- Downgrade of internal credit rating
- Operating results, such as decrease in sales, decrease in working capital, asset deterioration and increase in leverage

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

(g) Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as deductions from equity, net of any tax effects.

Dividend on ordinary shares

Dividends on the Group's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Group's shareholders.

(h) Taxation

Income tax on the profit or loss for the year comprises current tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date and any adjustment required for prior period.

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is not recognised for the temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

(i) Impairment

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in profit or loss.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

(j) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are measured in accordance with the Group's accounting policies. Thereafter, the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

(k) Employee benefits

Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

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

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(m Revenue recognition

Services

Revenue recognition
Services
Revenue from services rendered is recognised in profit and loss in accordance with IFRS 15. All services are rendered and completed at a point in time. Revenue is recognised at the time the peformance obligation is ended

The group is involved in aviation cargo, aircraft handling, crew and passenger transportation service delivery and power distribution. When the services under a single arrangement are rendered in different reporting periods, the consideration is allocated on a relative fair value basis between the services.

Rental income
Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognised as other income.

Notes to the financial statements

Changes in accounting policies and disclosures

ii Impact of application of IFRS 9 Financial instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company and its subsidiaries applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other

The effect of adopting IFRS 9 as at 1 January 2018 was, as follows:

The nature of these adjustments are described below:

a Classification and measurement

Under IFRS 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the company's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of IFRS 9 did not have a significant impact to the Company. The following are the changes in the classification of the Company's financial assets:

Trade and other receivables, cash and short-term deposits classified as Loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Debt instruments at amortised cost beginning 1 January 2018.

The Group Company has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Company's financial liabilities.

In summary, upon adoption of IFRS 9, the Company had the following required or elected reclassifications as at 1 January 2018.

b Impairment of Financial assets

The adoption of IFRS 9 has fundamentally changed the company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

Upon adoption of IFRS 9, the company recognised impairment on the company's short-term deposits of N6.85 million and reversal on Trade receivables of N370 million which resulted in an increase in Retained earnings of N363.87 million as at 1 January 2018.

Set out below is the reconciliation of the ending impairment allowances in accordance with IAS 39 to the opening loss allowances determined in accordance with IFRS 9:

NAHCO PLC
Changes in accounting policies and disclosures
New and amended standards and interpretations

M. **IFRS 16 Leases**

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 does not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption, with the date of initial application of 1 January 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 January 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

(n) Finance income and expense

Finance income comprise of interest on funds invested. Finance costs comprise interest expense on borrowings, exchange differences on financial instruments and bank charges.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position except for foreign currency translation differences recorded in other comprehensive income.

Policy on leases prior to 1 January 2019

(o) Leased assets

Leases in term of which the Company, as a Lessee, assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

(p) Lease Payments

Payments made, as a Lessee, under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is the subject to a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Company the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other considerations required by such an

Policy on leases from 1 January 2020

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, plus any accrued lease liabilities or prepayments. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Office building 15-20 years

• Land 15-20years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the Accounting policies in section (2) Impairment of non-financial assets.

(r) Earnings per share

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

4. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, both for financial and non-

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of the future cash flows, discounted at the market

Other non-derivative financial

Fair value which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rates of interest at the reporting date. For trade and other creditors with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

5. Revenue

The Company's revenue represents the amount invoiced to customers for passenger handling, ground handling and cargo less trade discounts but excluding value added tax.

	Group		**Company**	
	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	N'000	₦'000	N'000
Revenue from Contracts with Customers:				
Passenger/ Aircraft handling	10,228,775	7,034,574	9,872,501	6,892,611
Leasing/ Disinfection, Other Services	316,966	81,454	316,966	81,454
Revenue from Contracts with Customers	**10,545,741**	**7,116,028**	**10,189,467**	**6,974,065**
Other Revenue				
Cargo handling (Import Cargo)	4,190,095	2,674,288	3,611,109	2,424,197
Cargo handling (Export Cargo)	586,842	369,493	586,842	369,493
Equipment rental and maintenance	1,209,160	661,876	1,209,160	661,876
Other Revenue	**5,986,097**	**3,705,657**	**5,407,110**	**3,455,566**
Discount Allowed/Sales Comm	(530,900)	(333,937)	(530,900)	(333,937)
Total Revenue	**16,000,938**	**10,487,748**	**15,065,678**	**10,095,694**

Passenger/ Aircraft Handling: Income from passenger handling includes invoices raised for check in formalities, passenger profiling, security and baggage handling (loading and offloading).

Cargo Handling: These include invoices raised for; cargo documentation services for airlines, import and export cargo facillitation through Nigeria's biggest network of customs bonded warehouses in Lagos, Kano, Abuja and Port-harcourt, Kaduna and Enugu, using Galaxy computerisation system, which ensures safe storage and easy retrieval of cargoes.

Equipment rental and maintenance: The Company leases its equipment to airlines for services that are not covered in the Standard Ground Handling Agreement.

6 Other Income

	Group		Company	
	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	N'000	₦'000	N'000
Rental income from investment property	116,667	101,415	116,667	101,415
Foreign exchange(loss)/gain -realized	30,049	73,791	28,210	(83,443)
Sundry Income	165,702	17,136	163,210	12,872
Profit on disposal of PPE		-	-	-
Average Cost Variance	-	(30)	-	(30)
Invoice Price Variance	44,503	9,432	44,503	9,432
Income from training services	1,365	1,745	1,365	1,745
Provision no longer required	-	-	-	-
	358,287	**203,489**	**353,956**	**41,991**

7 Finance income and expense

	Group		Company	
	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	N'000	₦'000	N'000
Finance income:				
Interest income on Bond reserve	-	-	-	-
Interest income on Treasury bills	-	-		
Interest income on fixed & bank deposits	43,199	4,809	43,199	4,809
Accrued Interest income on Loan (Note 16)	-	-	-	-
Interest income on debt instruments	-	-	-	-
Other Finance Income	-	-	-	-
	43,199	**4,809**	**43,199**	**4,809**
Interest expense on financial				
Interest on Bond	-	-	-	-
Other Bond charges	-	-	-	-
Bank and other Charges	354,604	-	354,604	-
Other Interest expense	5,347	5,347	-	-
Interest cost on lease liabilities	-	-	-	-
Finance Cost Lease	67,372	88,580	67,372	88,580
Finance expense	**427,323**	**93,927**	**421,976**	**88,580**
Net finance costs	**(384,124)**	**(89,118)**	**(378,777)**	**(83,771)**

The above finance income and expenses relate to transactions on financial assets and liabilities through Statement of Comprehensive Income.

Notes to the consolidated and separate financial statements

For the period ended 30th June, 2024

8. Taxation

(a) The tax charge for the period comprises:

	Group		Company	
	Jun-24	Jun-23	Jun-24	Jun-23
	N'000	N'000	N'000	N'000
Company income tax	1,050,738	631,929	997,327	610,778
Police Trust Fund	-	-	-	-
NASENI Fund Expense	-	-	-	-
Education tax	33,851	1,826	28,372	-
Prior Year Underprovision	328,468	-	328,468	-
	1,413,058	633,755	1,354,167	610,778
Deferred tax	-	-	-	-
	1,413,058	633,755	1,354,167	610,778

(b) The movement on the current tax payable account during the year was as follows:

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	N'000	N'000	N'000
Balance, beginning of year	2,775,895	792,962	2,686,789	740,704
Charge for the year (Note(a))	1,413,058	3,032,146	1,354,167	2,956,595
Actual Payment made during the year	(2,944,522)	(461,934)	(2,899,123)	(423,231)
Witholding Tax offset	-	(587,279)	-	(587,279)
Balance, end of period	1,244,431	2,775,895	1,141,834	2,686,789

(c) The movement on the deferred tax payable account during the period/year was as follows:

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	N'000	N'000	N'000
At 1 January	985,117	878,207	986,857	879,947
Effect of adoption of IFRS 9	-	-	-	-
At 1 January restated	985,117	878,207	986,857	879,947
Charge for the period/year	0	106,910	0	106,910
As at 3oth June. 2024	985,117	985,117	986,857	986,857

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

9. Profit from operations

Profit for the year attributable to:

	Group		Company	
	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	₦'000	₦'000	₦'000
Owners of the company	3,334,529	2,325,254	3,078,398	2,103,789
Non-controlling interests	-	14,298	-	-
	3,334,529	**2,339,552**	**3,078,398**	**2,103,789**

Profit for the year has been arrived at after charging (crediting):

(a) Operating Costs;

	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	₦'000	₦'000	₦'000
Payroll Costs	3,305,382	3,560,578	3,276,577	3,411,266
Depreciation, Amortisation	556,258	388,118	554,749	386,333
Diesel	548,301	353,368	498,301	351,716
Oil, Motor Repairs & fuel expenses	85,519	37,686	82,228	37,645
Trainings (Internal & External)	86,670	100,233	86,020	100,233
Outstation & Estacode Allowance	41,200	3,567	41,078	3,176
Air Ticket (Local & Foreign)	39,174	7,215	39,174	6,878
Other Security Expenses	24,476	6,615	24,476	6,616
Machineries &Equipemt Spares	304,231	136,636	304,231	136,636
Computer Consumables & Network Exps	18,334	9,493	17,342	9,433
Electricity	94,450	54,673	94,135	53,888
Insurance	89,153	52,497	87,363	51,296
Printing & Stationaries	15,100	14,229	13,967	13,431
Subscriptions	1,017	9,153	252	7,966
Relocation Expenses (Staff & Equipments)	37,119	32,636	37,119	32,636
Equipment Lease Rental	239,611	104,587	239,611	130,587
Aircraft Disinfectant Expenses	1,228	661	1,228	661
Local Transport	2,279	1,350	1,471	1,315
Office Maintenance	5,201	1,346	5,201	1,216
Warehouse Maintenance	45,543	19,849	16,350	19,336
Concession Expenses	924,808	500,266	907,843	507,805
Other Operating Costs	735,833	120,722	436,348	77,558
	7,200,884	**5,515,478**	**6,765,063**	**5,347,627**

	Jun-24	Jun-23	Jun-24	Jun-23
9(a) Other Operating Costs:	₦'000	₦'000	₦'000	₦'000
Clearing Charges	77,327	13,270	77,327	13,270
Office Plant, Equipment, Fittings & Value Added servi	81,799	18,983	3,799	628
Postages, Telex, Newspaper & Periodicals	34,715	5,128	34,715	5,128
Office Rent	21,508	16,838	4,956	16,838
Hotel Accomodation & AGM Expense	1,760	3,233	1,760	3,233
Other Motor Running Expenses & Vehicles Licence	11,216	2,756	11,182	1,936
Consumables	53,439	41,139	18,212	17,150
Staff Uniform				-
Operational Cost - Inland Freights/Logistics/Others	97,443		-	-
Maintenance	12,791	-	12,791	-
Year end Gifts	58,754	-	56,804	-
Long Service Award	-	-	-	-
Palliative Support Allowance	174,063	-	174,063	-
Hajj Expenses	-	-	-	-
Others	111,019	19,375	40,740	19,375
	735,833	**120,722**	**436,348**	**77,558**

Details of Other Costs:

(b) Administrative Expenses:	**Group** Jun-24	Jun-23	**Company** Jun-24	Jun-23
	₦'000	₦'000	₦'000	₦'000
Payroll Costs	1,347,889	829,507	1,300,345	794,598
Directors Remuneration	25,504	40,000	25,504	40,000
Board Expenses	419,792	199,462	341,429	184,779
Depreciation, Amortisation & Impairment	52,119	63,280	42,976	54,842
Trainings (Internal & External)	98,734	14,885	97,184	14,885
Outstation & Estacode Allowance	98,591	57,961	93,294	57,961
Hotel Accomodation	134,390	86,022	134,390	86,002
Air Ticket (Local & Foreign)	150,010	41,717	150,010	41,717
Outsourced Security	38,326	27,830	38,326	27,080
Other Security Expenses	85,493	26,454	84,703	25,704
Computer Consumables & Network Exps	48,021	28,621	47,086	28,621
Electricity	33,286	68,888	32,386	53,888
Insurance	13,204	12,795	11,648	12,378
Printing & Stationaries	44,850	37,383	44,089	35,508
Audit Fees	20,680	10,750	16,125	8,466
Office Maintenance	53,198	30,160	50,941	30,160
Warehouse Maintenance	25,794	16,561	25,794	16,561
Advertisement	20,842	7,190	4,091	7,190
Corporate Social Responsibility,Corporate gifts & year	143,981	21,516	141,818	21,516
Public Relation, Business Promotion & Business Dev.	510,519	216,013	510,519	203,082
Subscriptions	224,992	30,024	224,579	28,642
Professional Fees ***	152,644	70,524	150,034	70,524
Other Administrative Expenses	283,771	175,791	275,956	147,616
	4,026,630	**2,113,334**	**3,843,228**	**1,991,720**

(b) Other Administrative Expenses:	**Group** Jun-24	Jun-23	**Company** Jun-24	Jun-23
	N'000	**N'000**	**N'000**	**N'000**
Other Motor Running Expenses	6,503	2,122	5,256	1,246
Telephone	8,274	4,557	7,547	4,222
Entertainment	27,648	4,483	27,291	4,372
Postages, Telex, Newspaper & Periodicals	6,354	2,541	6,354	2,541
Consumables	5,326	5,709	5,326	5,709
Utilities-other	-		-	-
Bank Charges	66,503	21,895	63,297	10,205
Cleaning ,Donation,Visa,Filling,licence	47,522	32,054	47,522	32,054
Clearing Charges	-	-		21,645
Palliative Support Allowance	80,795	-	80,093	-
Long Service Award	-	-		-
Others	34,846	102,430	33,270	65,622
	283,771	**175,791**	**275,956**	**147,616**

Professional Fees * : are as analysed below;**	**Group**		**Company**	
	Jun-24	Jun-23	Jun-24	Jun-23
	N'000	N'000	N'000	N'000
Consulting Fees	139,170	48,742	136,560	48,742
Registrar's Fees	2,508	12,265	2,508	12,265
Legal Fees	10,966	9,517	10,966	9,517
	152,644	**70,524**	**150,034**	**70,524**

(c) Expected Credit Reversal/(Losses)

Impairment losses on financial assets	**Group**		**Company**	
	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	₦'000	₦'000	₦'000
Impairment losses for the year	-	615,525	-	615,525
Expected Credit Losses Recognized	-	-	-	-
	-	615,525	-	615,525

Depreciation	**Group**		**Company**	
	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	₦'000	₦'000	₦'000
Depreciation of property, plant and equipment	603,259	407,107	556,136	406,591
Amortisation of intangible assets	7,621	562	7,578	562
Depreciation of investment property	-	11	-	11
Depreciation of right of use of asset	34,011	43,717	34,011	34,011
	644,890	**451,397**	**597,725**	**441,175**

	Group		**Company**	
Depreciation Charge	Jun-24	Jun-23	Jun-24	Jun-23
	₦'000	₦'000	₦'000	₦'000
Operating Costs	556,258	388,118	554,749	386,333
Admin expenses	88,632	63,280	42,976	54,842
	644,890	**451,398**	**597,725**	**441,175**

	Jun. 24	**Jun. 23**
	₦'000	₦'000
10 Profit attributable to ordinary shareholders	3,334,529	2,325,254
Weighted average number of ordinary shares	1,949,062	1,949,062
Basic EPS	171	119

Notes to the consolidated and separate financial statements

For the period ended 3oth June, 2024

11. Property, plant and equipment

	Building	Plant & Machinery	Motor Vehicles	Computer Equipment	Furniture& Equipment	Right of Use Assets	Capital WIP	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
COMPANY								
COST								
At 1 January 2024	**4,017,947**	**9,294,116**	**1,210,948**	**1,684,606**	**578,693**	**-**	**229,585**	**17,015,896**
Additions/Adj								-
Reclassified	-	-	-		-	-		-
Transfer	-	-	-	-	-	-	-	-
As at 30th Jun. 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	11,355	1,462	-	-	12,817.09
Transfer	-	-	-	(10,512)	(21,620)	-	-	(32,132.69)
Disposals	-	-	-	-	-	-	-	-
	-	**-**	**-**	**843**	**(20,158)**	**-**	**-**	**(19,316)**
As at 30th Jun. 2024	**4,017,947**	**9,294,116**	**1,210,948**	**1,683,763**	**598,852**	**-**	**229,585**	**17,035,212**
Depreciation								
At 1 January 2024	**814,789**	**6,105,962**	**572,638**	**1,566,397**	**518,297**	**-**	**-**	**9,578,082**
Charge for the year/Adj				(1,686)		-	-	(1,686)
Disposal			-		-	-	-	-
Transfer	-	-	-	-	-	-	-	
As at 30th Jun. 2024	**-**	**-**	**-**	**(1,686)**	**-**	**-**	**-**	**(1,686)**
Charge for the year	40,518	304,264	165,458	27,147	58,564	-		595,951
Disposals	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-
	40,518	304,264	165,458	27,147	58,564	-	-	595,951
As at 30th Jun. 2024	**855,307**	**6,410,226**	**738,096**	**1,591,859**	**576,861**	**-**	**-**	**10,172,348**
NET BOOK VALUE								
As at 30th Jun. 2024	**3,162,640**	**2,883,890**	**472,853**	**91,904**	**21,991**	**-**	**229,585**	**6,862,863**
As at 31st Dec. 2023	**3,203,158**	**3,188,154**	**638,311**	**118,209**	**60,397**	**-**	**229,585**	**7,437,814**

11. Property, plant and equipment (Group)

	Building	Plant & Machinery	Motor Vehicles	Computer Equipment	Furniture& Equipment	Right of Use Assets	Capital WIP	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
GROUP								
COST								
At 1 January 2024	**4,106,062**	**9,351,359**	**1,250,947**	**1,712,183**	**638,922**	**-**	**229,585**	**17,289,059**
Additions	-	-	-	-	-		-	0
Assets Reclassified	-	-	(348,719)	(860,729)	-		-	(1,209,448.00)
Transfer	-	-	-	-	-		-	-
As at 30th Jun. 2024	-	-	**(348,719)**	**-860,729**	-	-	**0**	**(1,209,448)**
Additions	-	-	-	15,245	1,870		-	17,115.38
Transfer	-	-	-	(10,512)	(21,620)		-	(32,133)
Disposals	-	-	-	-	-	-	-	-
Reclassification	-	-	-	**4,732.89**	**(19,750.20)**		-	**(15,017.32)**
As at 30th Jun. 2024	**4,106,062**	**9,351,359**	**902,228**	**846,721**	**658,673**	-	**229,585**	**16,094,628**
Depreciation								
At 1 January 2024	**828,715**	**6,148,225**	**612,637**	**1,586,638**	**565,365**	**-**	**-**	**9,741,579**
Charge for the year								-
Disposal								-
Transfer								-
As at 30th Jun. 2024	-	-	-	-	-	-	-	-
Charge for the year	41,400	306,590	165,458	29,400	61,488	-	-	604,336
Disposals	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-
	41,400	306,590	165,458	29,400	61,488		-	604,336
As at 30th Jun. 2024	**787,315**	**5,841,635**	**447,179**	**1,557,238**	**503,877**	**-**	**-**	**9,137,244**
NET BOOK VALUE								
As at 30th Jun. 2024	**3,318,747**	**3,509,725**	**455,050**	**(710,517)**	**154,795**	**-**	**229,585**	**6,957,385**
At 31 December 2023	**3,277,347**	**3,203,134**	**638,311**	**125,545**	**73,558**	**-**	**229,585**	**7,547,480**

Notes to the consolidated and separate financial statements

For the period ended 30th June. 2024

11. Right of use of Asset

	ROU	Leasehold Land	Total
	₦'000	**₦'000**	**₦'000**
COMPANY			
COST			
At 1 January 2024	**894,987**	**50,219**	**945,206**
Additions	-	-	-
Disposals	-	-	-
Transfer	-	-	-
	-	-	-
As at 30th June. 2024	**894,987**	**50,219**	**945,206**
Depreciation			
At 1 January 2024	**280,512**	**12,075**	**292,587**
Charge for the year	34,011	501	34,512
Disposal	-	-	-
Transfer	-	-	-
As at 30th June. 2024	**34,011**	**501**	**34,512**
As at 30th June. 2024	**314,523**	**12,576**	**327,099**
NET BOOK VALUE			
As at 30th June. 2024	**580,464**	**37,643**	**618,107**
As at 31st Dec. 2023	**614,475**	**38,144**	**652,619**

GROUP	ROU	Leasehold Land	Total
COST	**₦'000**	**₦'000**	**₦'000**
At 1 January 2024	**971,463**	**50,219**	**1,021,682**
Additions	-	-	-
Disposals	-	-	-
Transfer	-	-	-
As at 30th June. 2024	-	-	-
As at 30th June. 2024	**971,463**	**50,219**	**1,021,682**
Depreciation			
At 1 January 2024	**316,938**	**12,075**	**329,013**
Charge for the year	36,236	501	36,737
Disposal	-	-	-
Transfer	-	-	-
As at 30th June. 2024	**36,236**	**501**	**36,737**
As at 30th June. 2024	**353,174**	**12,576**	**365,750**
NET BOOK VALUE			
As at 30th June. 2024	**618,289**	**37,643**	**655,932**
As at 31st Dec. 2023	**654,525**	**38,144**	**692,669**

Notes to the consolidated and separate financial statements

For the period ended 30th June, 2024

12. Intangible assets

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
Cost				
Balance at 1 January	551,993	551,993	457,520	347,284
Additions	-	-		110,236
As at 30th Jun. 2024	551,993	551,993	457,520	457,520
Amortisation				
Balance at 1 January	347,938	331,003	347,597	330,746
Amortisation for the year	7,621	16,935	7,578	16,851
As at 30th Jun. 2024	355,559	347,938	355,175	347,597
Carrying amounts				
As at 30th Jun. 2024	196,434	204,055	102,345	109,923

13. Investment property

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
Cost				
As at 1 January	419,722	419,722	419,722	419,722
Additions	-	-	-	-
Disposals				
As at 30th Jun. 2024	419,722	419,722	419,722	419,722
Depreciation				
Balance at 1 January	143,566	132,288	143,566	132,288
Charge for the year	5,626	11,278	5,626	11,278
Disposals				
As at 30th Jun. 2024	149,192	143,566	149,192	143,566
Carrying amounts				
As at 30th Jun. 2024	270,530	276,156	270,530	276,156

The fair value of the investment property as at 30th June. 2024 was N760million (2023: N687Million). Total rental revenue from the investment property as at 30th Jun. 2024 was N116.7million. The fair value of the properties are based on valuation performed by **Biodun Olapade & Co**. accredited independent valuers. (FRC/2024/COY/402341) with their staff lead valuer in person of **Yetunde Adekoya** (FRC/2023/PRO/NIESV/004/629776) is a renowned specialist in valuing this types of investment properties.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

13 Investment property - Contd

	Company & Group	
	Jun-24	Dec-23
	₦'000	₦'000
Rental Income derived from Investment Properties	116,667	208,633
Direct operating expenses (including repairs and maintenance) generating rental income (included in cost of sales)	(11,165)	(10,319)
	105,502	198,314
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in cost of sales)	-	-
Profit arising from investment properties	**105,502**	**198,314**

The group has no restrictions on the realisability of its investment properties and no contractual obligations to purcahse, construct or develop investment properties or for repairs, maintenance and enhancements.

14. Investment in subsidiaries

	Company	
	Jun-24	Dec-23
	₦'000	₦'000
Shares in subsidiaries:		
Nahco FTZ Limited	10,000	10,000
Nahco Energy and Power Limited	125,500	25,500
Mainland Cargo Options Ltd	4,000	4,000
Nahco management Service	25,500	
Nahco travel & Hospitality	30,000	
Nahco Food & Beverages	10,000	
Deeposit for Shares in NFZ	-	-
Balance as at the end of the period	205,000	39,500

Details of the Group's subsidiaries at the end of the reporting period are as follows:

(I) NFZ Limited

The company holds N10 million ordinary shares of N1 in this subsidiary, representing 100 percent of the issued share capital of N10 million. The principal activity of this subsidiary is the management and operation of Free Trade Zone which includes: leasing of plant and equipment, logistics, warehousing, transhipment, manufacturing and provision of related services. NAHCO FTZ was granted approval to operate at the Murtala Mohammed International Airport, Lagos as NFZ by the Nigerian Export Processing Zone Authority (NEPZA) in February 2014 and the applicable fees have been paid. The Company has since commenced activities towards making the zone operational

(II) NAHCO Energy, Power & Infrastructure Limited

The Company holds N25.5 million ordinary shares of N1 in this subsidiary representing 63 percent of the issued share capital of N40.5 million. The remaining shares are held by RHG, a shareholder of Nigerian Aviation Handling Company Plc. The company intends to carry out energy and power distribution in Nigeria.

Intercompany balance between the holding company and its subsidiaries have been eliminated on consolidation.

14. Investment in subsidiaries - continued

(III) Mainland Cargo Options Limited

The Company holds 4 million ordinary shares in the subsidiary representing 40% of the issued share capital of N10 Million. The remaining 60% are owned by NAHCO Energy and Power Limited. In addition, the business strategy, operations and the board of the Company are under the control of Nigerian Aviation Handling Company Plc. The Company is into cargo logistics and started operations in 2015.

15. Deposit For Shares

	Company	
	Mar-22	Dec-21
	₦'000	₦'000
Balance at 1 January	-	-
Transfer of Equipment from NAHCO FTZ	-	-
Intercompany Settlement	-	-
Additions	-	-
Balance as at the end of the period	-	-

This relates to the value of Equipments transferred back to NAHCO by NAHCO FTZ during the year 2019, which initially was recognized as deposit for shares in NAHCO FTZ.

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

15. Loan to Subsidiary

	Company	
	Jun-24	Dec-23
	₦'000	₦'000
As at 1st January	3,210,000	-
Impact of IFRS 9 adjustment		-
Restated balance as at 1/1/2024		-
Accrued Interest	-	-
Payment	-	-
Reversal of prior year adjustment		-
Additions	-	-
Balance as at the end of the period	3,210,000	-
Disclosed as follows;		
Due within 12 months	-	-
Due after 12 months	3,210,000	-
	3,210,000	-

This represents the loan of N3.2bIn granted by the company to its subsidiary, NAHCO MGT Services Limited in December 2024 .This facility is payable after 12 months time.

16 Other non- current assets

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
Other non- current assets comprise of :				
	₦'000	₦'000	₦'000	₦'000
Bond Repayment Fund-				
As at at 1 January	-	0	-	0
Interest income on bond	-	-	-	-
Other bond charges				
Additions during the year	-	0	-	0
	-	-	-	-
Interest distributions	-	-	-	-
Periodic liquidation on Principal	-	-	-	-
Carrying amounts	-	-	-	-
As at 31st Mar. 2024				

Notes to the consolidated and separate financial statements
For the period ended 30th June, 2024

17. Inventories

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	N'000	₦'000	N'000
Spare parts	356,102	317,549	356,102	317,549
General & Medical	34,429	61,818	34,429	61,818
Diesel & Lub.	159,571	118,776	159,571	118,776
	550,102	**498,143**	**550,102**	**498,142**

18. Prepayments

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
Prepayments comprise:				
Deposit for property & equipment	6,145,216	1,596,963	5,867,489	4,426,344
Prepaid insurance	119,682	42,490	114,964	216,483
Prepaid Stock	599,951	10,772	599,951	78,269
Others	1,383,796	153,071	1,218,830	120,965
	8,248,645	**1,803,296**	**7,801,234**	**4,842,061**

Amount in Deposit for assets is largely made up of assets paid for but yet to be delivered or deployed for use.

19. Trade and other receivables

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
Trade and other receivables comprise:				
Trade receivables (Note 30)	7,407,436	6,168,062	6,795,278	5,722,203
Less Impairment **(Note 30)**	(1,395,312)	(1,265,543)	(1,373,057)	193,057
	6,012,124	4,902,519	5,422,220	4,529,146
With holding tax receivable	1,672,073	1,822,124	1,621,187	1,786,057
Advance For Project Altitude		3,341,984		0
Other receivables	3,664,422	35,790	325,879	24,692
	11,348,618	**10,102,417**	**7,369,287**	**6,339,895**

Trade receivables are invoices on ground handling services issued to customers net of taxes and impairment on the debts. The group's credit policy allows a 30 day credit period for all its customers. Other receivables consist of advances to staff and witholding tax clearing balances for routine services to be carried out. This is to be retired within fourteen (14) days or on the completion of projects

20 Intercompany receivables

	Company	
	Jun-24	Dec-23
	₦'000	₦'000
NFZ	60,403	33,196
NAHCO Energy, Power and Infrastructure Ltd	420,760	420,760
Mainland Cargo Options	-	0
Nahco Management Services Ltd.	106,484	131,984
Nahco Travels and Hospitality Ltd.	(20,000)	10,000
Nahco Food & Beverages ltd.	(10,000)	
	557,647	595,940
Impairment for the year	(15,672)	(15,672)
	541,975	580,268
Net Intercompany Receivable/(Payables) `	**541,975**	**613,664**

Intercompany (payable)/receivables are payments received by Plc/made on behalf of the subsidiaries. The subsidiaries have been informed. Intercompany (payable)/receivables are eliminated in the consolidated accounts of the Group.

21 Debt instrument at amortised cost

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	₦'000	₦'000	₦'000
As At 1st January	-	487,431	-	355,883
Liquidation	-	(487,431)	-	(355,883)
Treasury bills	-	368,628	-	0
Impairment	-	(12,745)	-	-
Federal Govt Treasury bills	-	**355,883**	-	-

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For the period ended 30th June, 2024

22 Cash and cash equivalents

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	₦'000	₦'000	₦'000
Bank and cash balances	627,941	1,514,801	120,068	1,079,359
Domicilliary accounts	5,347,066	790,674	5,204,459	488,863
Fixed deposits	100,444	614,058	0	463,629
	6,075,451	**2,919,533**	**5,324,527**	**2,031,851**
Impairment of Short Term Deposits	(10,406)	(10,407)	(9,408)	(9,408)
	6,065,045	**2,909,126**	**5,315,120**	**2,022,443**

included in short term deposits is the investment placed for unclaimed dividend as at 31st Dec. 2023 Short term deposits are made for varying period 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.

23 Share Capital

		Group		Company	
		Jun-24	Dec-23	Jun-24	Dec-23
		₦'000	₦'000	₦'000	₦'000
(a)	Authorised ordinary shares of 50 kobo each	974,531	974,531	974,531	974,531
(b)	Called-up and fully paid ordinary share capital: ordinary shares of 50 kobo each	974,531	974,531	974,531	974,531

All shares rank equally with regard to the company's residual assets.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

24 Share premium

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	N'000	N'000	N'000
Balance at the end of the period	1,752,336	1,752,336	1,752,336	1,752,336

Share premium is the excess paid by shareholders over the nominal value for their shares.

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25 Retained earnings

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	N'000	N'000	N'000
Balance, beginning of year	9,400,480	6,368,770	8,693,467	6,131,193
Dividend paid	(4,950,619)	(2,338,876)	(4,950,619)	(2,338,876)
Total comprehensive income for the year	3,334,529	5,539,973	3,078,398	4,901,150
Re-statement due to IFRS Adoption consolidation	-	(169,387)	-	-
Audit Adjustment passed	(10,209)	-	(10,209)	-
Cardinal Stone Dividend Payment	-	-	-	-
	7,774,181	**9,400,480**	**6,811,037**	**8,693,467**

Retained earnings represent the income net of expenses from past periods, carried forward plus current period profit attributable to shareholders.

26 Non controlling interests

	Company	
	Jun-24	Dec-23
	N'000	N'000
As at 31 January	-	(69,387)
Share of prior year effect of implementtion of new standard	-	-
Share of current profit/(losses)	-	69,387
As at 3oth june. 2024	-	-

This represents the portion of the minority shareholder in the called up share capital of the subsidiary, NAHCO Energy and Power Limited, NAHCO Energy and Power Limited, together with their share of losses that are attributable to their proportion of the ordinary share capital.

27 Loans and borrowings

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	N'000	N'000	N'000	N'000
Unsecured at amortised cost:				
Balance at the beginning	1,460,115	-	1,460,115	-
Addition	2,852,450	1,460,115	2,852,450	1,460,115
Interest expense	-	-	-	-
Part Liquidation	(1,460,115)	-	(1,460,115)	-
Interest paid	-	-	-	-
As at 30th June. 2024	2,852,450	1,460,115	2,852,450	1,460,115
Current	2,852,450	1,460,115	2,852,450	1,460,115
Non-current	-	-	-	-
	2,852,450	1,460,115	2,852,450	1,460,115

The existing bond was restructured to enable principal liquidation on a semi annual basis over the remaining years of the bond. A premium of 0.5% was agreed as premium increasing the interest on tranche 2 to 15.75%. Also, tranche 1 bond was completely paid off and all liabilities discharged accordingly.

The Trustees, (First Trustees Limited), maintain an account into which monthly remittances by the Company are made towards offsetting the biannual interest payments as well as repayment of the capital sum. The Company's cashflow is therefore not expected to be affected on maturity as repayment would have been fully provided for.

27b

Company as a lessee

The Group has lease contracts for Building and warehouse used in its

operations. Leases of Warehouses generally have lease terms between 2

and 5 years. The Group’s obligations under its leases are secured by the

lessor’s title to the leased assets..

Set out below are the carrying amounts of right-of-use assets recognised

	Group	Company
	N'000	N'000
As at 1 January 2023 (restated)	1,021,682	945,206
Additions (Note ...)	-	-
Depreciation expense	36,737	34,512
As at 30th June, 2024	1,058,419	979,718

Set out below are the carrying amounts of lease liabilities (included under

	Group	Company
	N'000	N'000
As at 1 January	-	-
Additions	990,674	990,674
Accretion of interest	-	-
Payments		-
As at 30th June, 2024	990,674	990,674
Current	-	-
Non-current	-	-
	990,674	990,674

The following are the amounts recognised in profit or loss:

	Group	Company
	2023	2023
	N'000	N'000
Depreciation expense of right-of-use assets	36,737	34,512
Interest expense on lease liabilities	-	-
Total amount recognised in profit or loss	36,737	34,512

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For the period ended 30th June, 2024

28a Trade and other payables

Trade and other payables comprise:

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	N'000
Trade payables	4,308,789	4,283,858	4,189,182	4,206,830
Other payables	13,222,375	5,950,290	13,070,856	5,835,587
	17,531,164	**10,234,148**	**17,260,037**	**10,042,417**

28b Other payables

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
VAT Payable	295,724	357,489	295,724	357,489
WHT Payable	(31,003)	50,541	(33,918)	50,541
Other Deffered Income	-	-	-	-
Amount due to Government agencies	262,785	303,937	262,750	294,876
Concession fee; FAAN rental & service charge	2,144,491	1,383,018	2,144,491	1,383,018
Directors Retirement	-	173,541	-	173,541
Industrial Training Fund	130,244	305,576	130,244	305,576
Staff Participatory Scheme	237,523	439,159	237,523	439,159
Performance Bonus	405,910	603,800	405,910	600,000
Deffered Income	7,333,703	-	7,333,703	-
Unclaimed Dividend	644,084	687,625	644,084	687,625
Other Accruals	1,798,915	1,645,604	1,650,345	1,543,762
	13,222,375	**5,950,290**	**13,070,856**	**5,835,587**

Other Accruals include provisions made for Staff related benefits, Directors fee and other 3rd party sundry payables.

29 Deferred income/revenue

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
Balance as at 1 January	595,735	1,129,540	66,157	1,048,510
Deffered Income (Nig. Export Promotion Council)	-	(1,000,000)	-	(1,000,000)
Rent received during the year	(291,261)	668,984	127,317	220,436
Amount released to profit or loss	(116,667)	(202,789)	(116,667)	(202,789)
Balance at end of period	**187,807**	**595,735**	**76,807**	**66,157**

The above represents majorly, rent received in advance from investment properties and warehouses

30 *Impairment losses*

The aging of trade receivables at the reporting date was:

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
Current	5,613,582	1,863,485	5,155,174	1,854,303
1- 30 days	(28,360)	1,802,903	10,454	1,799,058
31-60 days	382,834	329,364	343,485	318,599
61-90 days	363,255	228,647	330,899	199,888
91-180 days	496,028	248,925	453,700	223,598
181-360 days	203,892	332,516	195,061	288,301
360 days above	353,951	758,717	306,505	534,217
	7,385,182	**5,564,557**	**6,795,278**	**5,217,964**
Impairment	(1,395,312)	(1,101,196)	(1,373,057)	(1,091,045)
	5,989,870	**4,463,361**	**5,422,221**	**4,126,919**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Company	
	Jun-24	Dec-23	Jun-24	Dec-23
	₦'000	₦'000	₦'000	₦'000
As at 1 January	1,096,903	951,196	1,086,752	941,045
Re-statement due to IFRS 9 adoption	-	-	-	-
Impairment recovered	-	-	-	-
Derecognition of Assets	145,707	145,707	145,707	145,707
Allowance for expected credit losses	-	-	-	-
As at 31st Dec. 2023	**1,242,610**	**1,096,903**	**1,232,459**	**1,086,752**

The impairment on trade receivables was in respect of receivables for which the Group has determined that there are objective indicators of impairment. Impairment losses have been recognised based on the difference between the carrying amounts and the present value of the estimated future cash flows on these receivables. The Group holds no collateral in respect of its trade receivables. Impairment loss on trade receivables is recognised in Statement of Comprehensive income.

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For the period ended 30th June, 2024

31 Liquidity Risk

Exposure to liquidity risk

	Jun-24	Dec-23
	N'000	N'000
Cash and cash equivalents (Note 22)	6,075,451	985,767
Debt instrument at amortized cost (Note 21)	-	-
Trade and other receivables (Note 19)	11,348,618	10,054,516
Total financial assets	17,424,070	11,040,283
Trade & Other payables (Note 28)	17,531,164	10,234,148
Lease Liabilities (Note 27b)	990,674	
Total financial liabilities	17,531,164	10,234,148
Net cover	(107,094)	806,136

The maturity profile of the Group's lease liabilites based on contractual undiscounted payments are disclosed as follows:

	On demand	Within 1 year	2-5years	> 5years
	N'000	N'000	N'000	N'000
Leas	136,806	205,428	730,977	2,590,141

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as at when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Securities Trading Policy

In compliance with 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule)
Nigerian Aviation Handling Company Plc maintains a 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 undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.