BUILDING BRANDS FOR LIFE. TODAY AND FOR FUTURE GENERATIONS.

PZ Cussons Nigeria Plc / Annual Report and Accounts 2024

FOR EVERYONE, FOR LIFE, FOR GOOD.

Financial performance in FY24 has been materially impacted by the devaluation of the Naira which commenced in June 2023.

Financial Highlights (₦)

Revenue

34% Change

2024	**152,249,309**
2023	113,964,309

Operating (Loss) / Profit

(1649%) Change

2024	**(127,430,417)**
2023	8,224,027

(Loss) / Profit before Taxation

(629%) Change

2024	**(108,195,002)**
2023	20,463,739

Taxation

(626%) Change

2024	**32,171,333**
2023	(6,115,395)

(Loss) / Profit after Tax

(630%) Change

2024	**(76,023,669)**
2023	14,348,344

Non-controlling Interest

(623%) Change

2024	**(7,614,976.2)**
2023	1,455,558.4

(Loss) / profit attributable to equity holders of parent company

(631%) Change

2024	**(68,408,693)**
2023	21,892,786

At year end: Share capital

0% Change

2024	**1,985,238**
2023	1,985,238

At year end: Share capital

(157%) Change

2024	**(27,506,835)**
2023	48,360,059

Data per 50k share
Based on 3,970,477,045 ordinary shares of 50k each:

Basic and diluted earnings per share (Naira)

(631%) Change

2024	**(17.23)**
2023	3.25

Number of employees

(6%) Change

2024	**946**
2023	996

Stock exchange quotations in Naira (Company):

30% Change

2024	**22**
2023	16.9

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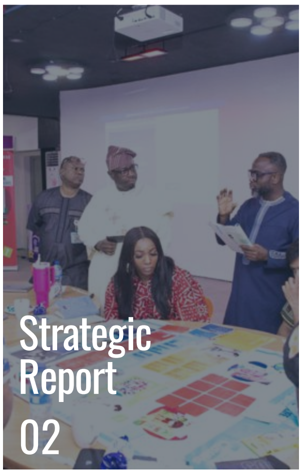
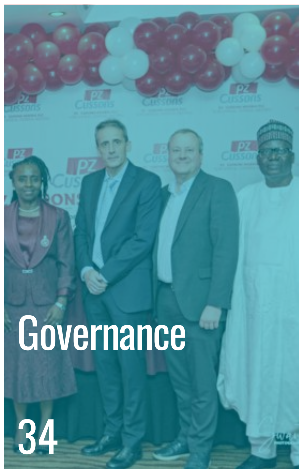
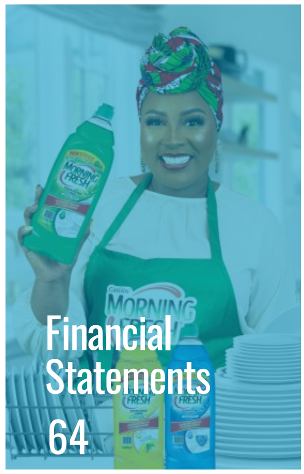
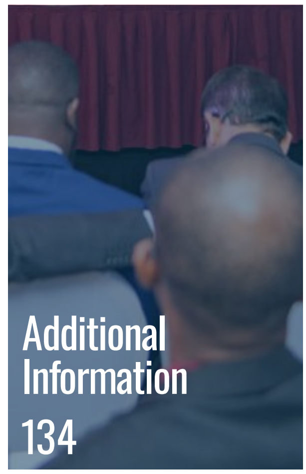






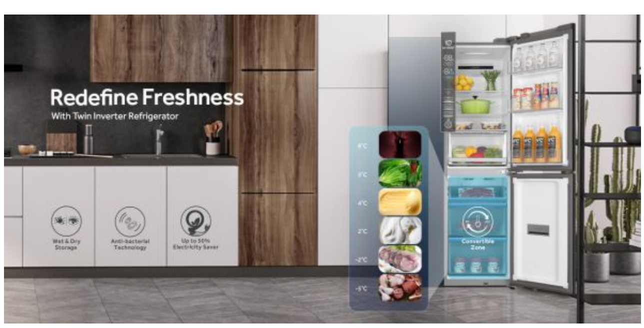


STRATEGIC REPORT

GOVERNANCE

FINANCIAL STATEMENTS

ADDITIONAL INFORMATION



STRATEGIC REPORT

FEARLESS, PIONEERING AND PASSIONATE, OPEN AND HONEST, TRUE TO OURSELVES AND PROUD OF WHO WE ARE

AS INDIVIDUALS WE ENGAGE WITH COURAGE AND AUTHENTICITY

- Accountability and integrity in all we do
- Reaching out and connecting, sharing views, taking feedback
- Speaking up and making a difference

Read more online
www.pzcussons.com/investors

PZ Cussons Nigeria Plc at a glance

WHO WE ARE AND WHAT WE DO.

PZ Cussons Nigeria Plc (PZ Cussons or the Company) is a dynamic consumer products group. We have created some of the world's best-loved and most trusted brands in the Personal and Home Care categories. Our brand portfolio includes trusted brands like Premier, Morning Fresh, Cussons Baby, Imperial Leather, Carex, Canoe, Venus, Joy, Haier Thermocool, Robb and Stella.

WHERE WE OPERATE

We operate across Nigeria and export some of our brands to Ghana, Benin, Sudan, Chad and the Congo.

BUILDING BRANDS

We build brands that our consumers trust and love.

FOR LIFE

We have a rich heritage dating back 140 years with products that touch and improve consumers' lives.

TODAY

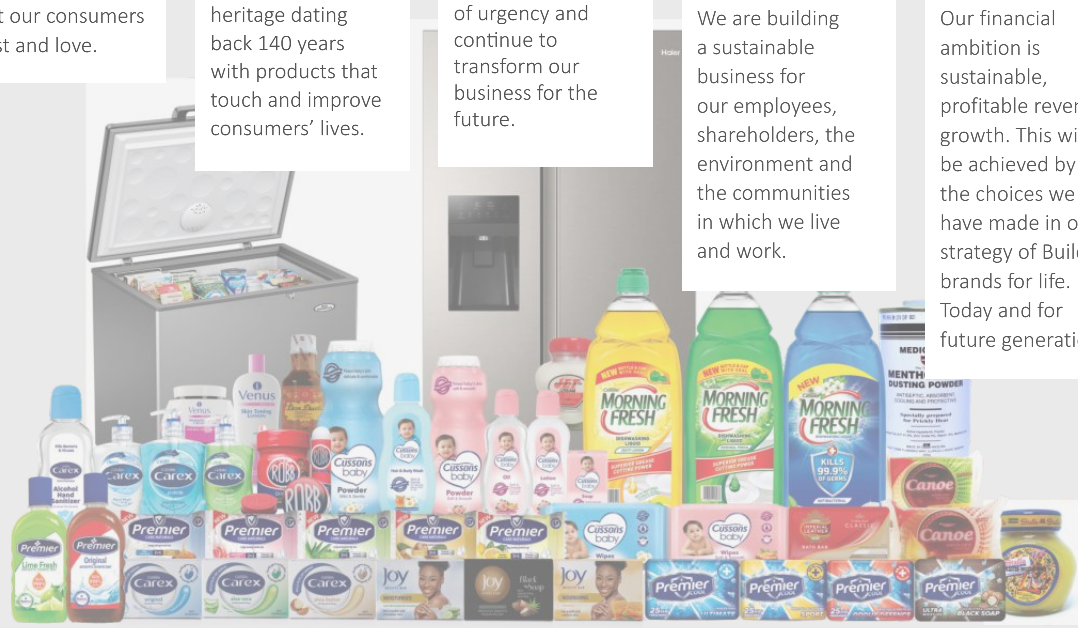
We act with a sense of urgency and continue to transform our business for the future.

FOR FUTURE GENERATIONS

We are building a sustainable business for our employees, shareholders, the environment and the communities in which we live and work.

OUR FINANCIAL AMBITION

Our financial ambition is sustainable, profitable revenue growth. This will be achieved by the choices we have made in our strategy of Building brands for life. Today and for future generations.



Our Brands

WE ARE A BRANDED CONSUMER GOODS BUSINESS.

MUST WIN BRANDS

PORTFOLIO BRANDS

PORTFOLIO OF LEADING BRANDS IN EACH CATEGORY

Our brands are leading in each category and outperforming our competitors:

No. 1 in Baby Soap & Oil

No. 1 in Manual Dishwash

No. 1 in Family Soaps

No. 1 in Major Cooling Appliances

Chair's Statement

to shareholders at the 76th Annual General Meeting to consider Annual Report and Financial Statements 2024

A YEAR OF RESILIENCE AND GROWTH.

"Despite a turbulent year, your Company achieved revenue growth of 34%, driven by strategic pricing, market expansion, and optimisation. Our four key categories—Hygiene, Baby, Beauty, and Electricals — experienced solid year-on-year growth in both revenue and gross profit."

Mrs Ifueko M. Omoigui Okauru, MFR
Chair

DISTINGUISHED SHAREHOLDERS,

On behalf of the Board of Directors, it is my distinct pleasure to welcome you to the 76th Annual General Meeting of our Company, where we will consider the Annual Report and Financial Statements for the year ending 31 May 2024.

Today, I want to reflect on the past year's performance, identify the challenges we faced, and highlight the proactive steps taken to overcome them. I also want to share the strategic direction that will continue to drive shareholder value.

PERFORMANCE OVERVIEW

A Year of Resilience and Growth:

Despite a turbulent year, your Company achieved revenue growth of 34%, driven by strategic pricing, market expansion, and optimisation. Our four key categories—Hygiene, Baby, Beauty, and Electricals—experienced solid year-on-year growth in both revenue and gross profit.

However, the severe Naira devaluation resulted in an unavoidable Foreign Exchange loss of N157.9 billion. This, in turn, led to an Operating Loss of N127.4 billion and a negative asset position. While significant, these losses underscore the extraordinary external pressures that shaped our financial outcome.

OPERATING ENVIRONMENT

External Pressures:

The Naira's depreciation critically affected various parts of our operations. Foreign currency liabilities were revalued, leading to major foreign exchange rate losses. Additionally, soaring costs for materials, goods, and services compounded the challenges we faced. Though our Margin Improvement (MI) programme partially alleviated these pressures, pricing up our products became unavoidable, impacting demand.

Consumer Behaviour:

Inflation heavily impacted consumers' disposable incomes, leading the average Nigerian family to allocate over 50% of their income on essential food purchases. Consequently, consumers have rationed spending on other categories, placing pressure on product volumes in our core segments.

Operational Challenges:

The shortage of forex liquidity in the banking system, especially during the first half of the year, coupled with local policy changes, led to delays in the procurement of imported materials and goods Nonetheless, our finance and supply chain teams worked diligently to mitigate these effects. We intensified efforts to increase local content and reduce dependency on foreign exchange, keeping costs reasonable through continuous dialogue with local suppliers.

Strategic Response and Opportunities

In response to these challenges, our commercial teams capitalised on the strength of our locally loved brands and Route-to-Market (RTM) strategies, significantly enhancing our store visibility and sales performance. Notably, our Family Care division expanded its network of directly covered outlets, and our Haier Thermocool Brand exclusive showrooms continued to serve as the backbone of our revenue generation.

> Soaring costs for materials, goods, and services compounded the challenges we faced. Though our Margin Improvement (MI) programme partially alleviated these pressures, pricing up our products became unavoidable, impacting demand."

Mrs Ifueko M. Omoigui Okauru, MFR
Chair

We remain focussed on expanding beyond Nigeria's borders, with intensified efforts to grow our international footprint.

The Strength of Our People

Our people remain our most valuable asset. Their resilience, dedication, and ability to navigate through these turbulent times deserve immense recognition. On behalf of the Board, I extend a heartfelt thank you to all our employees and their families for their unwavering commitment.

Looking Ahead

While the past 12 months presented significant challenges, they also created opportunities—opportunities we have seized to strengthen our operations and build a more resilient future. We are committed to delivering long-term, sustainable growth for our shareholders, navigating the economic headwinds with the same resilience we've shown in the past year.

BUSINESS REVIEW

Family Care

Our Hygiene, Baby and Beauty categories, delivered 31% revenue growth, despite economic challenges. All Must-Win Brands—Premier Cool, Morning Fresh, Cussons Baby, and Joy—showed exceptional performance, each achieving double-digit growth.

- Premier Cool maintained its leadership in the family soap segment in Nigeria, while Premier Cool Menthol continued to dominate as the bestselling cooling soap. The brand successfully launched the 'Share the Pressure' campaign on International Men's Day, which focussed on mental health awareness, resonating deeply with our audience.

- Morning Fresh, the leader in the dishwashing liquid segment, differentiated itself with impactful campaigns and launched a limited-edition Stock Keeping Unit (SKU) for International Women's Day, celebrating women's roles in family care. The 'Take a Pause 2' campaign further boosted brand engagement by spotlighting and rewarding women through social media initiatives.
- Cussons Baby, now in its third consecutive year of double-digit revenue growth, capitalised on its strong brand equity. Key initiatives like the Cussons Baby Cares campaign and the Mama's Nest initiative provided educational content and healthcare partnerships, which were instrumental in expanding its presence in Nigeria and select West African markets.
- Joy, another high performer, experienced significant growth in both volume and topline, with the 'My Life, My Script' campaign reaching millions of women and inspiring them to find personal happiness. The launch of Joy Black further strengthened the brand's presence in the beauty category.
- Stella, a beloved brand in Northern Nigeria and export markets, saw remarkable growth in revenue and volume, driven by consumer-focused initiatives. Our future growth strategy for Stella will focus on "De-seasonalisation"—increasing year-round demand—and "Domestication", which involves boosting our share in domestic markets by improving distribution and seeding innovations in products like lotions.
- Robb engaged its audience through a powerful brand campaign with the message 'Robb In, Pain Out', increasing consumer touchpoints through outdoor, radio, and digital platforms. Robb's product portfolio will expand in FY25 with the launch of Robb Extra Menthol, a deep hot balm for effective pain relief.

Electricals

The Electricals segment faced a challenging consumer landscape in FY24, characterised by market volatility and shifting customer expectations. However, our commitment to innovation and customer-centric strategies enabled strong market performance.

Haier Thermocool continued to lead the way with innovations in energy efficiency, reducing operational costs for consumers and increasing product durability. Our dedication to environmental sustainability was evident in the integration of R32 refrigerants in our air conditioners, aligning with global initiatives to reduce greenhouse gas emissions.

Moving forward, Haier Thermocool will continue to advance growth through strategic innovation, leveraging deep customer insights, and exploring new market opportunities. We are well-positioned to build on these successes in the coming year.

Supply Chain

Despite facing freight disruptions and vendor reliability issues, our Supply Chain team demonstrated exceptional resilience and agility in maintaining operational efficiency. Key initiatives included:

- Transitioning power generation to a reliable third party for our Ikorodu Factory, with similar discussions underway for our Aba Soap Factory.
- Localising key equipment for Robb packaging to avoid sourcing it from overseas, thereby saving valuable foreign exchange.
- Leasing out idle assets to generate additional revenue.

We remain focussed on improving supply chain margins through material localisation, product innovation, and building team capabilities to swiftly address risks and opportunities as they arise.

Quality:

Our commitment to excellence is maintained through the Six Pillar Quality System: Leadership, Design, Procurement, Manufacturing, Distribution and Trade. This evolving Quality Culture ensures that all materials and products across our portfolio meet global standards—from suppliers to consumers. We fully adhere to ISO 9001:2015 and ISO 22716 standards.

> Joy, another high performer, experienced significant growth in both volume and topline, with the 'My Life, My Script' campaign reaching millions of women and inspiring them to find personal happiness. The launch of Joy Black further strengthened the brand's presence in the beauty category."

Mrs Ifueko M. Omoigui Okauru, MFR
Chair

Procurement:
We identified cost savings, supply resilience, and sustainability as core priorities. Effective spend management and a multi-sourcing strategy have mitigated risks while fostering competitive supplier relationships. The focus remains on further localising critical raw materials to reduce reliance on foreign exchange.

Manufacturing:
Our factories consistently deliver high-quality products through innovative processes that meet diverse consumer needs, all while prioritising environmental sustainability. Our robust manufacturing infrastructure is designed to meet increasing demand while ensuring health and safety standards. As an ISO-certified organisation, we continue to adhere to ISO 9001, ISO 14001, and ISO 45001 standards to maintain compliance across all operations.

Distribution:
Despite territorial and regional challenges, our distribution network remains strong and agile, ensuring high customer service levels. Our Supply Chain team, working closely with logistics partners, has effectively managed the impact of rising fuel and diesel costs. Distribution centres—both central and regional—continue to support our sales growth strategy.

Aftersales Service:
Aftersales service has become a key differentiator in our electrical business. Under our transformation agenda, we launched “Project Rhino” to bring service centres closer to customers across Nigeria by relocating them near exclusive showrooms owned by our dealers in strategic city locations.

Future Plans:
Looking ahead, we will focus on improving supply chain margins through material localisation, product innovation, and building team capabilities. We remain committed to swiftly responding to emerging risks and opportunities.

> We continued our commitment to Sustainable Oil Palm and Paper Sourcing. We remain committed to 100% No Deforestation, Peat, or Exploitation (NDPE) palm oil supply and by 2025, we aim to use 100% certified or recycled paper in all packaging.”

Mrs Ifueko M. Omoigui Okauru, MFR
Chair

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

Our commitment to sustainability continues to drive meaningful change.

In FY24, we reduced our carbon footprint by 32% and cut energy use by 38% through strategic energy efficiency projects across our operations such as outsourcing power generation at our Ikorodu factory and securing reliable gas supplies for our soap factory.

Our long-term goals include achieving zero waste to landfill in critical areas by 2030, a target we are steadily progressing toward with a 16% reduction in landfill waste in Fy24.

In the area of plastic consumption, we made a bold move by reducing plastic use by 15%–20% in key brands like Morning Fresh, using recycled materials in our packaging.

We are also proud of our community engagement efforts. Our staff actively participated in a community service day, recovering over 100kg of plastic waste, which was recycled in partnership with Greenhill Recycling, contributing to a reduction of 596kg of carbon emissions.

Additionally, we continued our commitment to Sustainable Oil Palm and Paper Sourcing. We remain committed to 100% No Deforestation, Peat, or Exploitation (NDPE) palm oil supply and by 2025, we aim to use 100% certified or recycled paper in all packaging.

Operational water consumption was reduced by 29% compared to FY21 and 7% last year. Our continuous improvement program helps us drive progress toward our water reduction targets.

At PZ Cussons Nigeria, we understand our environmental and societal impact, taking responsibility to address these effects through collaboration with vendors, clients, and communities.

We continue to support the National Office for Technology Acquisition and Promotion (NOTAP) through donations of laboratory equipment to five universities. This initiative aims to bridge the gap in research infrastructure and promote the use of local research in our industry. We also sponsored two doctoral fellows, reinforcing our commitment to local talent development. Additionally, we supported the reconstruction of a school building at Emirate Secondary School in Argungu, Kebbi State, which had been damaged by fire.

Human Resources: Developing Our People
This year, we strengthened our talent pipeline through leadership workshops and a focus on building successors' capabilities. Our Employee Engagement initiatives, such as Energetic Thursday 2.0, fostered a positive work culture across all our sites, enhancing collaboration and communication. We also successfully adopted a hybrid work model that promotes well-being and work-life balance.

We remain dedicated to empowering our workforce to deliver on our business commitments despite the tough economic climate. The success of these initiatives reflects our commitment to nurturing a culture that values our people as our greatest asset.

Board Changes

Since the last Annual General Meeting, Professor Fabian Ajogwu, SAN OFR, and Mr. Kevin Massie have resigned from the Board. On behalf of the shareholders, we express our gratitude for their contributions.

In addition, we are pleased to announce the appointment of Mr. Kareem Moustafa to the Board, subject to ratification at this meeting.

Mallam Ballama Manu and Mrs. Oluwatoyin Odutayo, who are due for retirement by rotation, have both expressed their willingness to continue serving on the Board, and we will be presenting them for reappointment.

Directors' Remuneration

We seek your approval for an adjustment to the Directors' remuneration, which has remained unchanged for five years. The proposed increase reflects the growing responsibilities and personal sacrifices made by the Directors in these challenging times. The adjustment is carefully aligned with our cost management strategy.

Extraordinary General Meeting (EGM) Update

During the EGM held in March 2024, we informed shareholders about the Company’s negative net asset position. The Board, along with its financial adviser, is exploring solutions to address this issue and is optimistic about returning the Company to profitability.

Dividend

Unfortunately, we are unable to declare a dividend this year due to the significant operational and financial challenges faced by the Company.

FUTURE STRATEGY

Looking to FY25, our focus will be primarily on addressing our negative net asset position to return to profitability through three critical paths:

1. Optimising Our Balance Sheet and Enhancing Financial Management: Streamlining operations, controlling costs, optimising cash flow, and managing debt effectively through a variety of ways to support profitable sustainable growth and finance new initiatives.

2. Brands, Product Innovation and Market Expansion: Continue investing in our locally loved brands expanding into underserved consumer segments and developing innovative products tailored to local consumer preferences to drive growth. We will enhance further product availability through strategic trade partnerships to meet the evolving needs of our consumers and significantly grow export volumes to mitigate our foreign exchange vulnerabilities.

3. Digital Transformation: Leveraging further e-commerce and digital marketing strategies to reach a broader audience and adapting to changing consumer shopping behaviours. This includes optimising online presence, engaging in social media marketing, and enhancing customer experience through digital channels.

CONCLUSION

The macroeconomic environment may remain volatile, but we are steadfast in our resolve to navigate these challenges and embrace the opportunities they present. We are hopeful that we will soon return to a position of profitability, supported by a clear strategy and the dedication of our people.

On behalf of the Board, I express our deepest gratitude to you—our shareholders, employees, distributors, and stakeholders—for your perseverance and unwavering support. We remain confident that our collective efforts will lead us toward a brighter and more sustainable future.

Final Remarks

There is light at the end of the tunnel. Together, we will continue to rebuild, strengthen, and grow, ensuring lasting value for all shareholders.

Sincerely,

Mrs Ifueko M. Omoigui Okauru, MFR
Chair, Board of Directors

Our Categories

CONSUMER BRANDS TO REMEMBER AND ENJOY.

HYGIENE

Homecare Segment
The homecare segment in Nigeria witnessed a decline within the last one year as consumers began to trade down on homecare specialised solutions arising from the negative impact of global inflation and tough economic challenges on consumers purchasing power. The dishwash and fabric care category of the segment remain very relevant categories being a must-have option in every home.

MORNING FRESH

Morning Fresh has consistently upheld its strong heritage as Nigeria's No 1 Best-selling Dish-Wash" by remaining relevant with delivering unparalleled superior grease-cutting performance and leveraging superiority claims communication to support hero Stock Keeping Units (SKUs): "10X Multi action", "Kitchen Care Expert". The Brand drove profitability during the year via strategic Revenue Growth Management (RGM) initiatives as well as the flawless execution of brand consumer and trade activities which supported an overall net sales (NNS) growth of 37% over previous year despite a tough competitive landscape.

Morning Fresh has consistently upheld its strong Heritage as Nigeria's No 1 Best-Selling dish-wash" by remaining relevant with delivering unparalleled superior grease-cutting performance.

Morning Fresh continues to build equity and drive thought leadership within the category via a 360 integrated marketing mix and exceptional retail execution delivering +5% growth on Top-of-Mind awareness over previous year. This year, Morning Fresh leveraged Women's celebratory period (March-May) to celebrate women for the nurturing role they play via the execution of a 360-degree brand purpose campaign tagged "Take a Pause 2".

The Brand purpose campaign involved the launch of a limited edition which was specially curated to deliver on category's key need issues with bold consumer callouts on product pack– Emotional: 'You are One in a Million; Thank you for every drop of Care' and Functional: 10X Multi Action. The "Take a Pause 2 Campaign" encouraged consumers to nominate and spotlight women in their lives that show care for a chance to be rewarded a special care hamper from the brand. The campaign was a huge success as the brand recorded a significant growth of 151% on NNS within the period, reached more than 25 million of its target audience and garnered positive reviews across social media platforms.

CANOE

The fabric care segment witnessed dwindling profitability as a result of increased commodity cost arising from Forex fluctuations. The Canoe brand drove profitability via strategic RGM initiatives including the launch of a new size (180g) that further supported overall penetration strategy within the homecare space.

ROBB

> The Robb product lineup includes effective pain-relieving ointments, nasal inhalers designed to alleviate nasal congestion and mentholated dusting powder for soothing relief.

Robb, a widely recognised and leading name in the healthcare segment of Nigeria, has an established presence in Nigeria and neighbouring West African markets. The Robb franchise is designed to support the consumers' quest for well-being, in the midst of a prevailing hustle culture.

The Robb product lineup includes effective pain-relieving ointments, nasal inhalers designed to alleviate nasal congestion and mentholated dusting powder for soothing relief. Robb ointments are relied on for effective relief from muscle aches and pains, while being gentle on the skin.

In FY24, the brand engaged its audiences through an equity building brand campaign. The campaign embodied a single-minded message- "Robb In, Pain Out" across key consumer touch points; outdoor communication, radio and digital platforms. Brand partnerships were also established with two A-list Brand Ambassadors in person of Samuel Animashaun Perry "Broda Shaggi" and Ali Nuhu.

Robust innovation research and development workstreams were implemented in FY 24 to support our future innovation pipeline. Robb Extra Menthol, a deep hot balm for effective pain relief will be launched in FY25 as one of a series of consumer centric products.

BEAUTY

The beauty segment within the skin cleansing category continues to thrive and experience innovations, with consumers increasingly willing to invest in products that enhance and care for their skin. This segment accounts for approximately 52% of the total value in skin cleansing. Joy Soap still maintains a strategic position in the beauty category, particularly within the traditional smaller pack segment (56g – 70g). The brand is currently No 3 in the beauty bath soaps segment.

Stella pomade's appeal extends overseas with 44% of total sales coming from exports thus giving the business an advantage of Forex earnings.

STELLA POMADE

With the harsh conditions of the harmattan season in Nigeria and broader African markets, Stella Pomade remains a preferred brand for millions of consumers delivering superior and long lasting moisturisation. The brand has also remained a top driver for the PZ local and global business, with a steady growth trajectory across both volume and value.

The past year has been particularly challenging, with high commodity costs, inflation, currency fluctuations, and fuel scarcity impacting the business environment. Nonetheless, Stella Pomade achieved remarkable growth, underscoring its resilience and market appeal. Stella Pomade reported a +49% increase in value and a +10% rise in sales volume compared to the previous year. These figures reflect the strong resonance of Stella's products with its consumer base and the effectiveness of the Company's strategic initiatives.

Key strategies contributing to this growth include optimising supply during the harmattan season and implementing strategic trade promotions throughout the year. Stella Pomade's achievements this year demonstrate its strong market presence and strategic acumen. The Company remains focused on leveraging its strengths and exploring new opportunities for continued success.

Beyond the Nigerian market, Stella Pomade's appeal extends overseas with 44% of total sales coming from exports thus giving the business an advantage of Forex earnings.

As we forge ahead, Stella Pomade is committed to continuous volume and value growth by continuing to de-seasonalise its product offerings and innovating with modern formats that leverage the Stella brand's equity and legacy whilst prioritising the expansion of distribution in key markets and channels.

JOY

Joy soap still maintains a strategic position in the beauty category.

Despite the challenges in the past fiscal year marked by rising commodity costs, high inflation and devaluation, Joy achieved notable growth in FY'24. NNS increased by +34%, volume grew by +8 % and brand power grew by +6bps.The growth recorded was fuelled by several strategic initiatives which include brand equity building, customer marketing and revenue growth activities which focused on driving consumer engagement and optimising pricing strategies.

As part of the equity building activities, the brand launched the season 2 of its marketing campaign #MyLifeMyScript, spotlighting and leading conversations on societal biases – such as body shaming, pressure to get married and equal access to housing that prevent women (joyful mavericks) from living fully and being the best version of themselves.

The campaign was cascaded to consumers using multichannel engagement across various consumer touchpoints. The messaging was quite impactful, reaching over 31 million consumers via paid, organic and earned media and with a high engagement rate of 19%.

Overall, the campaign delivered on its objectives of landing a differentiated proposition for Joy in Skin cleansing – Beauty segment using bold Consumer Claims i.e. 7x Skin Restoring (Joy black) and Enjoy 3x Glow (Joy nourishing). As well as positioned Joy as a portfolio that delivers to the specific beauty needs of women both functional and emotive.

Looking into the future, the past successes will be a pedestal for Joy to launch its innovations that deliver on consumers' needs while optimising distribution in key channels to drive further growth in the beauty segment, setting the stage for continued success in the coming year.

PREMIER COOL

Premier Cool, a revered brand in the male grooming sector continues to be the leading brand in the antibacterial soap segment with more units of Premier Cool sold than other brands in the same category in the market.

The Premier brand has seen consecutive years of revenue growth with Premier Cool delivering a 36% growth compared to the previous year. Value performance exceeded the prior year by 14% driven largely by strategic price adjustments and strong demand for the Premier Cool Deo Ultimate 60g variant.

In line with the International Men's Day (IMD) 2023 Global Campaign 'Zero Suicide', Premier Cool launched a brand-building equity campaign –"Share The Pressure". This campaign was a call to action encouraging men to speak up to improve their mental well-being and prevent suicide.

Premier cool launched a brand-building equity campaign –"Share the Pressure". This campaign was a call to action encouraging men to speak up to improve their mental well-being and prevent suicide.

The campaign's objectives were to improve brand meaningfulness, create differentiation, and increase mental availability ahead of other brands in the antibacterial category.

Execution

To activate this campaign, Premier Cool introduced a limited-edition pack that had

1. 100 personalised male names and affirmative messages on the outside and inside pack wrap
2. QR codes directing to the campaign website which housed information on how to share the pressure and other help links and resources.
3. A mental helpline (070002PREMIERCOOL) to connect men with mental health specialists.

The mental helpline was in partnership with Mentally Aware Nigeria Initiative (MANI), the largest youth-run mental health organisation in West Africa, with over 1500 volunteers pan Nigeria and 35,000+ mental health support given since inception.

For the duration of the campaign, over 1,314 people scanned the codes on the soap packs and 500+ called and received support from MANI counsellors through the dedicated helpline.

To kickstart the campaign, Premier Cool partnered with 2 of its brand ambassadors (Elozonam Ogbolu, and Daniel Etim) with a cumulative social following of 1.6 million to create a 60-second video speaking on the campaign and encouraging their male followers to join the conversation.

In addition, a documentary series with five men was produced. Each centred on the struggles and pressures of relationships, work and just being a man. This was accompanied by digital media amplification on Instagram, Facebook, 3rd party platforms. Nano and micro-influencers were engaged to reinforce the campaign message. X trends chart takeover on International Men's Day to give the campaign more visibility and talkability.

Television and Out of Home (OOH) were deployed pan Nigerian reaching 3.3million people cumulatively with the message of sharing the pressure.

In retail, the campaign key visuals were deployed in 100 stores to improve share of shelf and drive brand-to-shopper connection. In addition, QR codes were embedded on Point of Sales Materials (POSM) encouraging consumers in-store to learn more about the campaign and participate.

An experiential event was organised on International Men's Day at the Hard Rock Café, Lagos to get men in a relaxed and safe atmosphere to talk about their pressures and connect. This event saw our brand ambassadors alongside Jude Lemfani Abaga "MI Abaga", a famous musical artist and Chinonso Egemba "Aproko Dr" a renowned social media influencer lead a panel discussion where they encouraged Nigerian men to share the pressures that they face and seek help when needed. In attendance were the brand ambassadors, mental health experts, brand teams, social media influencers, media houses, and consumers.

With this campaign, Premier Cool was able to reinforce its position as the brand that cares for the personal and emotional well-being of men while supporting its hero SKUs with the limited-edition packs.

In FY 25, our goal is to continue to disrupt the category with one-of-a-kind communication messages and innovations to grow and premiumize our offering. We are expanding our presence in key channels and regions while boosting visibility across key touchpoints to ensure that our brand remains 1st in the minds of our consumers.

BABY

CUSSONS BABY

Cussons Baby continues to lead in key baby skincare formats across Nigeria. Our extensive product range, covering a number of categories within the baby care space is inclusive of Baby Soap, Baby Oil, Lotion, Powder, Wipes, and more, catering to all baby skincare needs from birth.

Cussons Baby is committed to empowering parents with the knowledge and baby care products best for their babies.

The brand has seen three consecutive years of double-digit revenue growth. In FY24 alone, volume performance exceeded the prior year by 14% with value performance also rising by 57% driven by strong demand on key formats. An impressive heritage coupled with solid brand equity, and effective distribution network nationally and in select West African markets, are some of the drivers of this growth.

Cussons Baby's Hospital Program

Now in its third consecutive year, the Cussons Baby Cares Campaign focuses on partnering with hospitals and healthcare professionals to educate pregnant and nursing mothers on best practices in general childcare, maternal health, and baby skincare. The initiative provides education through local languages and hands-on demonstrations, reflecting our commitment to empowering parents at every stage of their baby's development, with the knowledge and products that best support their baby's needs.

A key brand initiative in the year was the "Cussons Baby Cares Campaign", which embodied experiential activations such as the Cussons Baby Cares Hospital campaign and engaging digital content through the Mama's Nest initiative. Our expansion in the baby category over the years, has been powered by a consumer-focused strategy, emphasising consumer driven innovation, brand equity building and enhancing the availability of our baby skincare products through strategic trade partnerships.

In FY24, the program successfully reached 921,000 mothers across 2,500 hospitals. Additionally, 200,000 third trimester mothers received hygiene products, in line with Cussons Baby's dedication to supporting mothers and their children throughout their growth journey. As a testament to its impact, the program has been recognised by the Advertisers Association of Nigeria (ADVAN) African Awards for marketing excellence.

Mama's Nest

Cussons Baby is committed to empowering parents with the knowledge and baby care products best for their babies. The Mama's Nest initiative supports this objective by delivering educational content digitally, centred on motherhood, pregnancy and childcare.

On Mama's Nest, expert professionals and experienced mothers have real conversations around a carefully curated curriculum, to capture best practices in motherhood and childcare. The videos are accessible on social media platforms, catering to online audiences.

FY 25 will feature strong brand visibility and innovation to further grow our categories. We are expanding our presence even further into channels that matter and boosting visibility across various trade channels to continue to serve our consumers better.

ELECTRICALS

The past fiscal year presented a challenging consumer landscape characterised by volatile market conditions and shifting customer expectations. In response to these challenges, Haier Thermocool demonstrated exceptional resilience and agility. Our continued commitment to innovation, customer-centric strategies, and operational excellence enabled us to sustain strong market performance and consistently deliver exceptional value.

Moving forward, Haier Thermocool is dedicated to advancing growth through strategic innovation, leveraging deep customer insights, and exploring new market opportunities. With a focus on both short-term adaptability and long-term sustainability, we are well-positioned to build on our successes in the year ahead.

Strategic Focus on Innovation:
Haier Thermocool's commitment to innovation has been instrumental in advancing our product portfolio, particularly in enhancing energy efficiency across key product lines. A notable achievement is the complete transition of our front-load automatic washing machines to inverter technology. This shift has significantly improved energy efficiency, reduced operational costs, and increased product durability, delivering enhanced performance and greater value to our customers.

Additionally, we expanded our product range with the introduction of our inverter range cabinet air conditioners. These models offer superior cooling performance while reducing energy consumption by whooping 70%, positioning Haier Thermocool as a leader in energy-efficient solutions for a rapidly evolving, climate-conscious market.

Our commitment to environmental sustainability is exemplified through the integration of R32 refrigerants in our air conditioner range. This eco-friendly refrigerant significantly reduces the environmental impact compared to conventional refrigerants, aligning with global initiatives aimed at curbing greenhouse gas emissions and fostering a greener future. Through these innovations, Haier Thermocool continues to lead the industry, delivering state-of-the-art products that not only meet the evolving needs of consumers but also adhere to stringent environmental standards.

Haier Thermocool's commitment to innovation has been instrumental in advancing our product portfolio, particularly in enhancing energy efficiency across key product lines.

Customer Satisfaction and Experience:

To better serve our customers and enhance accessibility, Haier Thermocool launched a laundromat service within our state-of-the-art Gold Showroom in Lagos. This initiative offers a convenient, practical solution to meet consumers' laundry needs while simultaneously strengthening our brand's engagement with the local community.

Additionally, we proudly expanded the Gold Showroom footprint to Abuja, giving an upscale retail space that showcases our premium range of products in an elegant and interactive setting. Designed to provide an immersive shopping experience, the showroom reinforces our commitment to elevating the customer journey and solidifying our leadership in the home appliances sector.

In recognition of the growing importance of digital connectivity, Haier Thermocool introduced a dedicated WhatsApp service to streamline customer interactions and support. This real-time communication channel enables us to offer immediate assistance, respond to enquiries, and provide a more personalised experience. The integration of WhatsApp aligns with our commitment to enhancing accessibility and engagement with our valued customers.

Additionally, we launched the Haier Thermocool "OwnYourStyle" campaign, allowing customers to personalise their luxury refrigerators with prints of their loved ones. This unique offering transforms a functional appliance into a personalised statement piece, fostering deeper emotional connections and strengthening brand loyalty. By enabling this level of customisation, Haier Thermocool continues to differentiate itself in a competitive market, delivering greater customer satisfaction and ensuring a distinctive brand experience.

Operational Excellence Commitment:

Haier Thermocool's commitment to operational excellence has been demonstrated through significant advancements in our supply chain, after-sales services, factory performance, and quality assurance. We streamlined logistics to improve efficiency, adopted state-of-the-art production techniques to ensure product consistency, and strengthened our quality control processes to deliver superior products. Investments in employee development have driven innovation and enhanced service delivery, while our sustainable practices continue to align with global environmental objectives. At the core of our operations is a customer-centric approach, where feedback is actively integrated to continually improve the customer experience.

This unwavering focus on operational excellence has been instrumental in driving our success and delivering exceptional value to our customers.

Business Model

WE BUILD BRANDS ENABLING US TO CREATE VALUE FOR ALL OUR STAKEHOLDERS.

Our competitive advantage

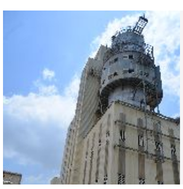
Our strength is in being a multi-local rather than multi-national business, with the level of focus, experience and dedication to our priority markets that this brings.

Our brands

High-quality, trusted and well-loved brands

Our people

Diverse, skilled and passionate employees. Leaders at all levels

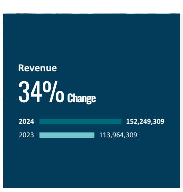


Our infrastructure

World-class manufacturing and distribution capabilities in selected geographies

Our stakeholders

Close working relationships with customers, consumers, suppliers and communities



Our financials

Growth in areas that matters in challenging environment

What we do

We are a branded consumer goods business.

Trial and loyalty

Delight consumers through the use of our products.

Sales and distribution

Establish customer partnerships and channels to deliver our products to wherever our shoppers shop.

Advertising and marketing

Invest in multi-channel advertising and marketing campaigns to connect with consumers and build memorable, trusted and well-loved brands.

All underpinned by our purpose, culture, values, governance and ethics

Insight and innovation

Obtain insights into current consumer needs and longer-term trends.Through continuous innovation, use these insights to continuously develop brands and products that consumers want and desire

Sourcing and manufacturing

Service consumer demand by sourcing ethically-responsible raw materials and manufacturing them into high-quality finished products, either in our own world-class facilities or through carefully-selected, trusted third-party supplier relationships

The value we create

Our business model creates shared, sustainable value for all our stakeholders.

FOR CONSUMERS

Innovative, high-quality and trusted brands

FOR CUSTOMERS

Our retail partners and customers benefit from selling our leading brands

FOR EMPLOYEES

Engaged teams and relationships, training and development opportunities and a supportive culture and values

FOR INVESTORS

A plan to transform PZ Cussons into a business with a more focused portfolio and stronger brands, delivering sustainable, profitable growth

FOR SOCIETY

Community and charitable initiatives linked to our priority markets

FOR THE ENVIRONMENT

Sustainability at the heart of what we do. Sustainable sourcing practices on plastic, paper and palm oil; for better products and reduced carbon emissions, water use and landfill waste; for better operations

Our People

BUILDING AND SUSTAINING A HIGH-PERFORMANCE CULTURE.

AS **INDIVIDUALS** WE ARE

BOLD

FEARLESS, PIONEERING AND PASSIONATE, OPEN AND HONEST, TRUE TO OURSELVES AND PROUD OF WHO WE ARE

IN OUR **TEAMS** WE ARE

ENERGETIC

DYNAMIC AND PROACTIVE, CAPABLE AND FLEXIBLE, EMBRACING CHANGE AND MOVING FAST INTO THE FUTURE

AS A **BUSINESS** WE ARE

STRIVING

RAISING THE BAR, PUSHING PERFORMANCE, AIMING HIGH AND ACHIEVING MORE

OUR SHARED **CULTURE** BRINGS US

TOGETHER

ONE FAMILY, MANY VOICES; SUPPORTED, INCLUDED, RESPECTFUL, EMPOWERED, AND WITH JOY IN WHAT WE DO

Developing People

This financial year was another eventful one filled with various people priorities geared towards enabling our workforce to deliver on our commitments to the business and all stakeholders. As a business, we experienced the first year with a Nigerian Managing Director steer the leadership of the PZ consumer business (family care). This with other internal promotions and appointments are testaments of our commitment to elevate and project homegrown leaders whilst promoting talent mobility across the business.

We continued to strengthen our talent pipelines and bench strengths through diverse leadership workshops for our executive leadership team whilst other leadership programmes were implemented for other management staff. Other development programmes had a mix of classroom, experiential learning through project participation, coaching, mentoring, job rotations, hybrid/face-to-face functional and technical training, in addition with the use of 3600 feedback tools aimed to groom relatable skills needed in a Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) world. We continued to build our talents and successors capabilities, ensured we had positive energy across all workforce echelon. Despite the tough business climate, employees were enabled and empowered to deliver our commitments to the business despite the micro and macro-economic challenges.

Employee engagement took an incremental dimension this year as we had initiatives that centred on employees' total wellbeing such as various health, wellness and mental health talks, fitness activities (Energetic Thursday 2.0) across our various sites whilst encouraging healthy lifestyles.

People and Culture

Our People culture is interwoven in the fabric of our core **VALUES** , and our people are unarguably our greatest asset being the **BEST** at what they do. They are **Bold** achievers who consistently enliven the resilient **Energetic** Naija spirit, **Striving** through difficult micro/macro socio-economic terrains this financial year, but passion and grit engraved in our oneness spirit (**Together**), driven to deliver irrespective of the tough performance year. The growth mindset is embodied in our day-to-day ways of working, which sees us determined to deliver even in uncommon circumstances.

Our long serving employees whose meritorious service over the years to PZ Cussons continues to be celebrated and acknowledged; we also ensure to appreciate those who consistently exude our BEST values as Bold, Energetic, Striving role models who work Together with colleagues across business units and teams to achieve stellar performance; this we do on a monthly and quarterly basis. We adopted these people strategies and more to embed and entrench our BEST values in our working DNA.

We have successfully adopted a hybrid work arrangement which supports our total wellbeing agenda. The work culture in PZ Cussons fosters camaraderie, creativity, collaboration, healthy competition, networking and constant communication through various fun initiatives like our annual engagement day, regular physical and online town hall meetings, celebrating global events like the International Men's Day, International Women's Day and our energetic Thursday where we test our fitness and total wellbeing goals. We embarked on our maiden Clean and Restore the Environment (CARE) initiative where employees took to the street to rid the environment of plastics to demonstrate our connection with our communities where we operate driven by the objectives to reduce, reuse and recycle (3R).

KEN NWOKOLO
My Decision to Join PZ

Joining PZ Cussons was a decision to join a company that perfectly aligns with my passion for a challenging and rewarding experiences.

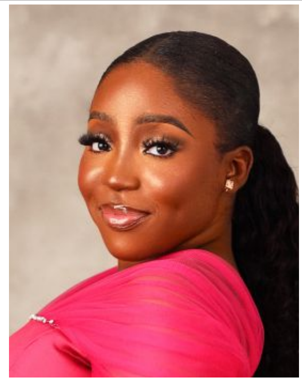
PZ Cussons is not just another multinational; it is a unique entity made up of diverse components that resonate deeply with me. The company's presence in various sectors, such as personal care, home care, and electricals, offers a dynamic environment that promises growth, innovation, and the opportunity to be part of something truly impactful.

Growing up in Nigeria, I have always been surrounded by the beloved and memorable brands that PZ Cussons has nurtured over the years. Iconic products like Imperial Leather Soap, Joy Soap, and Thermocool fridge/freezers have been integral parts of my life, shaping my childhood and leaving lasting impressions through their iconic and unforgettable advertisements. These brands are not just products; they are part of the fabric of Nigerian life, and joining the company that brought them to life feels like coming full circle.

Moreover, PZ Cussons stands out as a strong, recognisable brand across Nigeria. It is a multinational corporation with deep local roots, resonating with consumers at every level. The company's ability to balance its global reach with local relevance is a testament to its understanding of and commitment to the Nigerian market. This blend of international standards and local significance were a significant factor in my decision.

Joining PZ Cussons was not just a career move for me; it was an opportunity to be part of a legacy that has shaped the lives of many. I am excited to contribute to the continued success of PZ Cussons and to be part of a team that values innovation, diversity, and excellence.

Kenechukwu Nwokolo
Head, Internal Audit - Africa, PZ Cussons Nigeria



Bolaji Akinbolusere
Seeking a Dynamic Environment

With a proven track record and enthusiasm in sales, I have consistently sought Fast Moving Consumer Goods (FMCG) organisations that provide a dynamic environment where I can hone my skills and advance my career.

PZ Cussons' reputation for market leadership and consumer-centric approach deeply resonates with me. The Company's commitment to delivering exceptional products aligns perfectly with my passion for building lasting customer relationships.

When the opportunity arose to join PZ Cussons, I saw it as a platform to not only build a successful career but also to contribute to a brand that has been making a significant difference globally. Joining PZ Cussons presents a unique opportunity to leverage my sales expertise and contribute to the Company's continued success. I am eager to immerse myself in a fast-paced environment where I can apply my skills to drive sales, expand market share, and exceed targets.

I believe that PZ Cussons offers the ideal platform for me to thrive and make a substantial impact. I am confident in my ability to contribute to the team's success while achieving my professional goals.

Bolaji Akinbolusere
Golden Outlet Channel Manager – PH (Nigeria Graduate Cohort)
PZ Cussons Nigeria

BOLUWATIFE ADEDUGBE

A Journey of Purpose: Why I Chose PZ Cussons

In my earlier years, I had dreamt of becoming a lawyer, securing fundamental human rights of Nigerians. However, passion led me to purpose; finding that marketing had quickly not just become a career choice for me but a calling. Growing up, I was captivated by the stories the brands told, the way they could touch hearts, inspire dreams, and bring change to people's lives. It was this deep-seated passion that led me to pursue a path in marketing, but I knew that I wanted more than just a job—I wanted to be part of a family, a community that shared my values and vision.

When I first learned about PZ Cussons, I was drawn not just to its global presence but to its commitment to making a difference in the lives of everyday Nigerians. I saw a company that was not just selling products but was building legacies, nurturing relationships, and fostering growth in the communities it served. PZ Cussons' dedication to innovation, sustainability, and social impact resonated deeply with me. It was everything I had ever dreamed of being part of—a place where my passion for marketing could align with a higher purpose.

The moment I walked into the PZ Cussons office for my interview, I felt an overwhelming sense of belonging. The warmth of the people, the collaborative spirit, and the genuine care for each other's well-being made me realise that this was not just a workplace; it was a family. The interview was not just about assessing my skills; it was a conversation about my dreams, my aspirations, and how I could contribute to the PZ Cussons story. It was then that I knew, without a doubt, that this was where I was meant to be.

Writing this now, I am reminded of how that moment shaped my journey. Joining PZ Cussons was not just a career move—it was a step into a world where I could grow, learn, and make a meaningful impact. I am proud to be part of a team that values creativity, integrity, and, above all, people. This is more than just a job for me; it is a chance to be part of something bigger, something that truly makes a difference.

This is why I chose PZ Cussons. And every day, I am grateful to be part of this incredible family.

Boluwatife Adedugbe
Category Manager; Haier Thermocool Refrigerator
HPZ Ltd.

Ojochogwu Peter Akpa

A Defining Moment

Joining the PZ Cussons family stands out as a defining moment in my career My journey to PZ Cussons was driven by a combination of professional aspirations and personal values.

As I look back, joining this esteemed organisation feels like a perfect alignment with my career goals and my passion for making a tangible impact.

The Initial Attraction:

The initial attraction to PZ Cussons was undeniable. The company's impressive reputation for excellence in the consumer goods sector, the diverse portfolio of trusted brands and the Company's commitment to quality were highly appealing. However, it was PZ Cussons' focus on empowering local communities and fostering economic growth in Nigeria that truly captured my interest. Also, the dedication to sustainability and ethical practices speak volumes about the values that drive the organisation.

Alignment with Personal Values:

One of the most compelling reasons for joining PZ Cussons was the alignment of the Company's values with my own. The emphasis on sustainability and social responsibility is not just a corporate strategy but a core part of the Company's culture. My own passion for environmental stewardship and community engagement found a perfect match in PZ Cussons' mission to positively impact lives globally while driving business success. The Company's initiatives in supporting local businesses and improving livelihoods resonated with me. This alignment between my personal values and the company's mission was a key factor in my decision making.

Professional Growth and Opportunities:

I was excited by the professional growth opportunities that PZ Cussons offers. The potential for professional growth within PZ Cussons was another significant factor in my choice. The Company's dedication to training and development, along with its clear path for career progression, offered an exciting opportunity to advance my skills and make a meaningful contribution. The prospect of working with a team that values innovation and excellence was particularly motivating.

Memorable Experience:
One standout moment for me was participating in the PZ Cussons Annual Sales Conference that took place in July, 2024 in Lagos, Nigeria. The collaborative environment and the strategic discussions about expanding our presence in each of our respective territory and the country at large highlighted the Company’s forward-thinking approach. It was an eye-opening experience that confirmed my belief that PZ Cussons is a place where my contributions would be valued and impactful.

Impact and Fulfilment:
Since joining PZ Cussons, the impact has been profound. Working here has allowed me to implement effective sales strategies and build strong relationships with local partners. The support and resources provided by the Company have enabled me to achieve significant milestones, enhancing both my professional skills and personal satisfaction.

Looking Ahead:
I am eager about the future with PZ Cussons. The Company's vision for growth in Nigeria aligns with my own aspirations to drive success in the Jalingo region and its environs. I look forward to continuing to contribute to our sales objectives, exploring new opportunities, and supporting the company’s mission of making a positive difference.

In Conclusion:
Joining PZ Cussons has been a transformative experience that perfectly matches my professional ambitions and personal values. I am grateful for the opportunity to be part of a company that not only excels in its field but also makes a meaningful impact in communities like ours. I am excited about the future and committed to contributing to our shared success.

Ojochogwu Peter Akpa

Territory Sales Manager – Jalingo (Taraba State) PZ Cussons Nigeria

Supply Chain

PZ Cussons' supply chain has faced significant developments and challenges this year, including freight disruptions and process integrations. Despite these obstacles, the PZ Cussons' supply chain has remained agile and focussed, supporting business growth through strategic planning, operational discipline, and project execution.

Our factories have consistently delivered high-quality products Key achievements include:

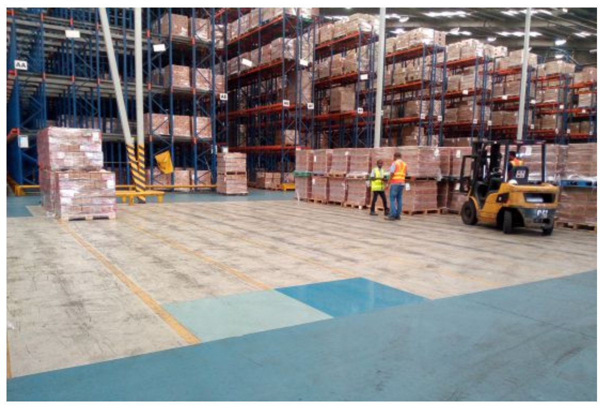
- Transitioning power generation to PARAS Energy and Natural Resources Ltd for Ikorodu Factory, with discussions ongoing for Aba Soap Factory.
- Relocating the Calahan Press to ensure continuous supply of quality lids and bases for the Robb Category.
- Leasing out of idle assets.

Our Quality Culture keeps evolving and ensures that all materials and products in our various portfolio meet global standards, from the suppliers until the product reaches the consumer. Guided by our Quality policy and adhering to ISO 9001:2015 and ISO 22716 standards, we maintain quality excellence through our Six Pillar Quality System: Leadership, Design, Procurement, Manufacturing, Distribution, and Trade.

Our factories have consistently delivered high-quality products using innovative manufacturing processes, catering to diverse family needs while being environmentally conscious. Manufacturing infrastructure is robust, meeting increasing demands, and prioritising health and safety.

Our distribution network remains strong and agile ensuring high customer service levels despite the territorial and regional challenges in the various states. All the Distribution Centres as well as the Regional Distribution Centres continue to support the sales growth strategy through efficient primary and secondary distribution. Supply Chain team have worked tirelessly in conjunction with our Logistic partners to manage the impact of the high fuel and diesel cost which skyrocketed towards the exit of the financial year without compromising customer service levels. Our evolving distribution strategy has maintained high customer service levels despite regional challenges.

Aftersales service, a key aspect of customer service, has become a significant differentiator for us, enabling premium pricing. In our transformation agenda, we launched Project Rhino in FY20/21 to bring service centres closer to customers across Nigeria by relocating them from depots to areas near exclusive showrooms owned by our dealers in strategic city locations.



FY24 MARKET VISITS - EAST, WEST, NORTH AND SOUTH OF NIGERIA

Haier THERMOCOOL

BENEFITS

- Improvement in housekeeping standard in Aftersales Service Centres.
- Improved sales on washing machine through improvement in Roller Jet and Pulsator.
- Identification and improvement of rust on refrigerator middle beam and rib reinforcement.
- Use of correct Thermocool logo in showrooms.
- Development of standard procedure for handling our discontinued units in Service Centres and Showrooms.
- Creation of a two-way communication with consumers.
- Provided bases for increase in number of AC Free installers.
- Improvement in GWP and QBOS of showrooms and Service Centres.
- Insight provided has led the business to explore opportunities around AC indicator light improvement which is still work in progress.

Engaging real plus manager on the 'LAST' customer complaint

FORWARD TOGETHER BEYOND BOUNDARIES

Sustainability Report

IT'S IN THE DNA OF PZ CUSSONS TO BE A FORCE FOR POSITIVE CHANGE.

AT PZ CUSSONS NIGERIA PLC, WE RECOGNISE THE EFFECTS WE HAVE ON THE ENVIRONMENT AND SOCIETY, ACCEPT ACCOUNTABILITY FOR RESOLVING THESE EFFECTS, AND COLLABORATE WITH OUR VENDORS, CLIENTS, AND COMMUNITIES TO CHANGE THINGS.

Our company's purpose—For Everyone, For Life, For Good—steers us in considering the consumers, customers, communities we serve, our employees, and the environment in our business decisions. Our Environmental and Social Impact (ES) framework, branded 'Better for All', is in line with this mission, and our sustainability strategy ensures that everyone within the business understands their role in achieving our goals. This framework is further reinforced by the Key Performance Indicators (KPIs) we have established. A comprehensive GROUP-wide materiality assessment has confirmed and prioritised the focus areas within this framework.

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS AND GLOBAL COMPACT

The 17 UN Sustainable Development Goals (SDGs), and the targets associated with them, offer a blueprint for achieving a more peaceful and prosperous world by 2030. To deliver the SDGs, businesses must focus their efforts where their actual and potential impact is greatest. In line with this, we have identified the SDGs where we can have the greatest impact as a business, and the specific targets aligned to these goals that are most relevant to us and our activities. This sustainability report shows where these goals guide our actions.

FOR EVERYONE

Our impacts on people:

This addresses our impact on people, our employee's safety and wellbeing, and the communities that we serve.

FOR LIFE

Our environmental impacts:

This addresses our environmental impacts on the atmosphere through our carbon emissions impact; on the earth through the sourcing decisions we make and the way we manage waste and packaging; and on the oceans through our use of water and the impact of our products

FOR GOOD

Our behaviours as a business:

This addresses how we behave as a business and the decisions we make, including the way we market and sell our products, management of our supply chain, ES and corporate governance.

In FY 24 we strengthened our commitment by joining the UN Global Compact, the largest corporate sustainability initiative in the world. By becoming a participant, we have committed to aligning our strategy and operations with the UN's Ten Principles in human rights, labour, environment, and anti-corruption. We will also commit to submitting an annual Communication on Progress report.

United Nations Global Compact

Governance

OUR SUSTAINABILITY STRATEGY IS OVERSEEN BY THE BOARD THROUGH ITS AUDIT AND RISK MANAGEMENT COMMITTEE.

The leadership team proposes the strategy to the Board Audit and Risk Management Committee for recommendation to the Board for approval, and monitors progress towards sustainability KPIs. Reporting to the leadership team, the Sustainability Governance Committee (SGC) includes representatives from various business functions. The SGC oversees program delivery, KPI tracking, and sharing best practices. To achieve our corporate KPIs, functional and site teams report to the SGC and meet regularly to develop and implement strategies. The Sustainability Working Committee integrates sustainability into operations and engages stakeholders to meet social and climate objectives, with each site and business unit having its own committee made up of members from engineering, manufacturing, procurement, marketing, aftersales, and technical teams.

GOVERNANCE STRUCTURE

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Decision & Monitoring	**The Board** Oversight & accountability of strategy and performance target
Decision, Collaboration & Monitoring	**Leadership Team** Direction of travel approval, makes operational and investment decisions, corporate KPI's monitoring; full Profit & Loss (P&L) accountability; oversight of internal & external communications; full P&L accountability **Sustainability Governance Committee** Oversight of delivery programs, corporate KPI's tracking by functions and sites and best practice sharing, put in place the building blocks to achieve corporate KPI's
Delivery	**Sustainability Working Committee** The Committee comprises of dedicated team of employees who are charged with integrating sustainability into our operations and engaging our diverse stakeholder group with the aim of achieving our social and climate related objectives. Each site and business unit has its own sustainability working committee and their members are drawn from engineering, manufacturing, procurement, marketing, after sale and Technical.

FOR EVERYONE

OUR IMPACT ON PEOPLE

Contributing positively to the lives of customers and consumers, our employees, and the communities we serve. Our commitment is to produce high quality and safe products, honest advertising of our products, health, safety, and wellbeing of our workers and supporting our local communities.

HEALTH & SAFETY

All our manufacturing sites hold ISO9001 for quality standards and are Good Manufacturing practices (GMP) certified to ISO 22716.

Our sites also hold ISO45001, and in FY24, we have made significant health & safety improvements across our KPIs. We are enhancing our safety culture by emphasising behavioural safety and addressing leading safety indicators.

In FY24, we achieved a 50% reduction in health & safety incidents compared to the previous year, with no lost time incidents recorded.

	FY21	FY22	FY23	FY24	Change vs FY12 Baseline	Change vs Prior year
Fatalities	0	0	0	0	0	0
L TI/yr (Lost Time Incidents)	0	0	0	0	(33)	0
Λ TIFR (Lost Time Incident Frequency Rate)	0	0	0	0	(0.41)	0
AAIFR (All Accident Incident Frequency Rate)	0.32	0.31	0.22	0.12	(1.79)	(0.10)

COMMUNITIES

We want to create positive social change in the communities where we operate. Our Code of Ethical Conduct requires that our charitable donations be free from political affiliations or conflicts of interest.

In FY24, we rolled out our Charity Partnership Framework across the Group to identify gaps and improve our community programme

Our thoughts and emotions play a crucial role in how we live, much like our physical health, mental wellbeing can experience fluctuations. To boost mental health awareness within the communities we serve and assist our customers with their mental health needs, our Premier Cool brand teamed up with Mentally Aware Nigeria (MANI) to offer access to a counsellor or mental specialist. We provide a hotline 0700 PREMIERCOOL for our customers to relieve their stress.

The business held a community service day where the staff went out into our local communities to clean the environment and collect plastic waste and engage with residents, providing information about plastic wastes. The initiative was pioneered by the Morning Fresh brand who partnered with Greenhill recycling to recycle the plastic recovered from the environment. A total of 100kg of plastic was recovered during the activity preventing 596kg of carbon emission.

For over 11 years, we have been providing potable water for our host communities through our water to community initiatives. In FY 24, the business gave our host communities 182,772,000 litres of water which is equivalent to annual water usage by 3000 people.

As part of its commitment to education, the PZ Foundation completed the upgrade of the Emirate Secondary School in Argungu, Kebbi state. One of the school's buildings, a story building, got burnt and the foundation had to intervene by upgrading the building spending a total of ₦32 million on the project. Cussons Baby collaborated with hospitals to empower mothers and expectant mothers through education on common child and skin care challenges, as well as best practices. Through the program, mothers were educated on how best to take care of their babies' tender skin given its unique peculiarities. The program supported 2000 hospitals, reaching 921,417 mothers across the country and gifted 200,000 new mothers Cussons Baby products to start off their babies with a health skin regime.

To bring research infrastructure in our universities and other research institutions to world standard, the business partnered with National Office for Technology Acquisition and Promotion (NOTAP) to equip 5 universities to upgrade their laboratory by providing laboratory equipment. A total of ₦500 million was spent on the project for the five universities at ₦100 million per university.

For over 11 years, we have been providing potable water for our host communities through our water to community initiatives.
In FY 24, the business gave our host communities 182,772,000 litres of water which is equivalent to annual water usage by 3000 people.

As part of its commitment to education, the PZ Foundation completed the upgrade of Emirate secondary school in Augungu, Kebbi state. One of the school's buildings, a story building got burnt and the foundation had to intervene by upgrading the building spending a total of ₦32 million on the project.

We also joined the Business for Societal Impact (B4SI) network to help us measure and understand our social impact.

In the next year, we will look to optimise our social impact, continue to encourage partnerships that align with our corporate purpose and brands, with an additional emphasis on employee engagement.

FOR LIFE

OUR ENVIRONMENTAL IMPACT

We Protect our planet by addressing our impacts on the environment, the atmosphere, the earth, and oceans. We strive to reduce our environmental footprint by cutting carbon emissions, making careful sourcing choices, and managing packaging, waste, and water use. We track our performance in key areas such as:

- Carbon emissions
- Water usage
- Landfill waste
- Plastic consumption and disposal
- Sustainable palm oil and paper sourcing

All our sites comply with local regulations and group standards, and all manufacturing sites will be ISO14001 certified in FY24. Our factories follow a continuous improvement program to further reduce carbon emissions, water usage, and landfill waste.

REDUCING CARBON EMISSIONS

Reducing carbon emissions is a priority for our business. Our Scopes 1 and 2 near-term reduction targets and our Scope 3 long-term commitments align with science-based methodology.

In FY24, our Scopes 1 and 2 carbon footprint dropped by 32% from the baseline, and we cut energy use by 38% compared to FY23. These gains are due to outsourcing power generation at our Ikorodu factory in Nigeria, securing a reliable gas supply contract for our Aba factory in Nigeria, and ongoing energy efficiency improvements across all operations.

Target	**FY24 Current reporting year**	FY23 Previous reporting year
Achieve a 42% reduction in Scope 1 & 2 carbon emissions (aligned with science-based targets) by 2030	32% increase compared to baseline	13% increase compared to baseline
Achieve net zero emissions across Scope 1, 2 and 3 by 2045	Scope 3 calculated and verified at the group level	Scope 3 calculated and verified at the group level
Achieve carbon neutrality in our operations by 2025	N/A	N/A

	FY24 Current Reporting year	**FY23**	**FY21 Baseline year**
Energy consumption used to calculate emissions (MWh)	91,906,834	147,890.527	135,192,104
Scope 1			
Emissions from activities for which Company owns or controls including combustion fuel & operation of facilities (Scope 1) (tCO2e)	18,831	24,002	20,008
Scope 2			
Emissions from purchase of electricity, heat, steam and cooling purchased for own use (Scope 2) (tCO2e)	1,798	8,469	10,472
Total Scope 1&2			
Total gross scope 1 and 2 (tCO2e)	20,629	32,471	30,480

Note: All emissions have been calculated following to the Greenhouse Gas Protocol (GHG Protocol). Scopes 1 and 2 emissions have been calculated using actual data.

WASTE

In FY24, we reduced our absolute amount of overall waste to landfill by 37% compared to a FY21 baseline. We are progressing towards our target of zero waste to landfill by 2030 provided the appropriate infrastructure exists.

We aim to reduce the amount of solid waste sent to landfill year on year, and all our factories and locations have waste reduction programmes in place, achieving a 5% reduction in Fy24 compared to FY23. We study and map our landfill waste to identify improvement actions, which we implement via our continuous improvement programme.

Target	FY24 Current Reporting year	FY23 Previous Reporting year	FY21 Baseline year
By 2030, we aim to send zero waste to landfill in locations where appropriate infrastructure exits	37% reduction compared to baseline (86.9 Tonnes)	34% reduction compared to baseline (91.8 Tonnes)	138.4 Tonnes

WATER

Reducing the amount of water, we use is essential, and we have a continuous improvement programme to ensure we use it effectively.
In FY24, we reduced our water consumption per tonne of finished product by 7% compared to a FY21 baseline. Our absolute operational water consumption was reduced by 29% compared to a FY21 baseline and 7% reduction versus last year.

Target	FY24 Current Reporting year	FY23 Previous Reporting year	FY21 Baseline year
Reduce water intensity by 30% from 2021 baseline by 2030	7% reduction compared to baseline (11.41m3/t of production)	16% reduction compared to baseline (10.36m3/t of production)	12.3m3/t of production

Note:
Operational water is defined as the total water used net of water in our finished products. Water intensity is defined as the operational water use per tonne of production.

PLASTICS AND PACKAGING

The packaging agenda is high on our list of priorities. Reducing our packaging footprint is as important as it is challenging.
This year, we developed specific actions to improve the sustainability, both environmental and social of our Morning Fresh brand by including 30% plastic bottles and we have achieved an overall inclusion level of 15%-20% across our Morning Fresh plastic packaging.

Our paper target aligns with our business strategy and underscores our commitment to sustainability. We are actively increasing the use of certified or recycled paper, ensuring that our materials come from responsibly managed, certified forests such as Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or equivalent certification. This approach not only makes the most use of precious forest resources, but also reduces the pressure to harvest more trees.

Target	FY24 Current Reporting year	FY23 Previous Reporting year
Reduce virgin plastic in our packaging by one third by 2030 from 2021 baseline	15.1% reduction compared to baseline	10.7% reduction compared to baseline
Unsure 100% recyclable, reusable or compostable packaging by 2030	83%	82.9%
Use 100% certified or recycled paper by 2025	100%	97%

Note:
The data covers over 90% (by tonnage) of our manufactured and third-party sourced consumer goods. Certification and recycled content are based on supplier documentation and has not been independently verified or physically reviewed.

BIODIVERSITY

We purchase and source raw materials that, in some cases, impact biodiversity and forests. Our most significant purchases are paper based materials and palm oil. We have been disclosing data on the impacts of our deforestation yearly to CDP at the group level.

Target
Continue to use 100% responsible palm oil in our products (no deforestation, peat or exploitation) 100% of our paper will be certified or recycled by 2025

We continue working towards 100% No Deforestation, No Peat, No Exploitation (NDPE) palm oil supply and have committed to use 100% certified or recycled paper by 2025.

FOR GOOD

We behave ethically as a business through our decisions and our corporate, environmental, and social impact governance processes.

We operate in an open, honest, and fair business environment with our suppliers, customers, and business partners. Our ethical principles, rooted in respect and integrity, guide our dealings with all stakeholders, ensuring they feel valued and respected.

The policies and standards which govern our approach include:

- Code of Ethical Conduct
- Modern Slavery Statement
- Supplier Code of Conduct.

Code of Ethical Conduct

The Code of Ethical Conduct (EC Code) outlines our ethical principles and the behaviours we expect within our organisation. Applicable to all employees, contractors, directors, senior management, joint venture partners, suppliers, agents, consultants, and advisers, the EC Code serves as a comprehensive guide. The Code addresses our stance on animal testing, anti-slavery and forced labour, supply chain due diligence, our obligations to employees, and the prevention of financial crimes, including a zero-tolerance policy for bribery and corruption, prohibiting any form of bribes, kickbacks, or facilitation payments. Additionally, it details the protections in place for whistle-blowers. The EC Code is further reinforced by several other internal policies.

In FY24 we conducted our annual EC Code confirmation survey which was completed by all eligible employees. The confirmation sought feedback on the level of embeddedness of our EC Code and how well it was understood across our business. The feedback showed a strong understanding of the EC Code and the procedures in place to make whistle-blowing reports.

The new joiners process is working well, and with the use of Workday and the Trace International Learning Management System (LMS) portal, all new joiners are tracked to ensure they have read the EC Code and completed the Anti-Bribery & Corruption training.

GOVERNANCE

OUR ENERGETIC VALUE IN ACTION.

WE ARE UP FOR EVERY CHALLENGE.

- Adapting with agility to stay ahead
- Responding at speed, building momentum
- Evolving to overcome every obstacle in our way

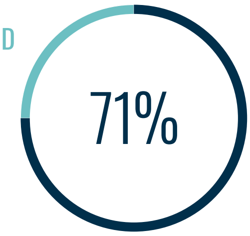
Read more online
www.pzcussons.com/investors

Our Board

A DIVERSE AND EXPERIENCED BOARD.

ETHNIC BACKGROUND

- Nigerian (71%)
- Foreigners (29%)



Mrs. Ifueko M. Omoigui Okauru, MFR (C)

Independent Non-Executive Director/Chair

Appointed: 1 April 2021 and became the Chair of the Board on 25 January 2023

Skills & experience: Mrs Ifueko M. Omoigui Okauru, MFR, is a tri-sector expert in matters affecting the development of Nigeria with a special focus on the role of revenue generation in driving economic and social development. Ifueko has a rounded experience at the helm of affairs in the private, public, and non-governmental sectors of the economy, and holds several honours and awards in recognition of services rendered to Nigeria and other capacity.

Mrs Okauru holds a First-Class Bachelor's degree in Accounting from the University of Lagos, Nigeria, a Master's in Management Science from Imperial College London and a Master's in Public Administration from Harvard University, Cambridge, MA.

She is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), a Fellow of the Chartered Institute of Taxation of Nigeria (CITN), a Fellow of the Compliance Institute, Nigeria (CIN), a member of the International Fiscal Association and a member of the Tax Advisory Group of the International Lawyers Project. She holds an honorary doctorate degree from the Benson Idahosa University, Benin-City.

Mrs Okauru is the Managing Partner of Compliance Professionals Plc – a coalition of specialised consultants that caters for transformation in revenue generation processes and use of technology for lasting and sustainable outcomes, specialised tax advisory, governance, risk and compliance services. She sits on the Boards of MTN Nigeria Plc (Chairman, Tier 1, Procurement Committee, Member, Remuneration, HR, Social and Ethics, Audit and Statutory Audit Committees) and Nigeria Breweries Plc (Member, Audit, Risk and Ethics Committees). She is Chairman, Afya Care Nigeria Limited (a healthcare investment firm) and Chairman, ReStraL Ltd

In her non-governmental service to humanity, Mrs Okauru is the Chairman of the Nigeria Tax Research Network; President of the Queen's College Old Girls Association (2019–2023), spanning a four-year tenure that has seen significant strategy and structural change geared towards championing contributions to Queen's College Lagos (a premier girls-only school, founded in 1927), its alumnae, girls and women development in general; and Chairman of the Board of DAGOMO Foundation Nigeria (Limited by Guarantee), a family based Non-Governmental Organisation currently focused on ageing and elder care related advocacy.

Board appointments she has held in the past include Independent Director, Seplat Petroleum Development Company (now Seplat Energy Plc) (Chairman, Corporate Governance, Culture and Compliance Committee; Member, Audit, Corporate Social Responsibility, Finance, Risk Management and HSSE Committees); Commissioner of the Independent Commission for the Reform of International Corporate Taxation (ICRICT), Chairman, Board of Trustees of the Lagos State Employment Trust Fund (LSETF), Independent Director, Central Securities Clearing System (CSCS), and Diamond Bank Plc.

From May 2004 to April 2012, Mrs. Okauru was the first female Executive Chairman of the Federal Inland Revenue Service (FIRS) and Chairman of the Joint Tax Board (JTB) comprising representatives of all taxing tiers of government of Nigeria. During her tenure, she spearheaded comprehensive tax reforms that led to development of the 1st National Tax Policy, modification of tax legislation and remarkable improvement in the effectiveness of Tax Administration. She led tax policy development, legislative and administrative changes that placed domestic and international tax collaboration as critical to growth. Tax collection in the FIRS and in the States grew significantly under her leadership.

On the international tax front, under Mrs Okauru's watch, Nigeria was a founding member of the African Tax Administration Forum (ATAF), acting as its Pioneer Chairman of the Audit Committee. Nigeria was also the initiator of the West African Tax Admin Forum (WATAF) which is now fully operational. She was a member of the United Nations Committee of Experts on International Cooperation in Tax Matters and coordinator of its capacity building sub-committee, set up under her guidance. She initiated the Double Taxation Agreement (DTA) model review, concluded in 2013. In recognition of her achievements at the FIRS, she was named the 2019–2020 Africa Initiative for Governance (AIG) Visiting Fellow for Practice at the Blavatnik School of Government, University of Oxford, for her contributions to the reform of the Public Service in Nigeria.

From July 1996 to April 2004, she was the Chief Responsibility Officer of ReStraL Ltd., a company she founded in 1996 and built to a position of excellence in the Management/Strategy Consulting space, before leaving to take up appointment at the FIRS. From 1983 to March 1996, she worked across the broad spectrum of Audit, Tax and Consulting services in the firm of Arthur Andersen & Co. (now split into three firms – KPMG Professional Services, Accenture (now Verraki Partners in Nigeria), and Andersen). She became partner and head of the firm's successful strategy consulting practice before her exit in 1996.

When not working, Mrs. Okauru enjoys dancing, singing, and solving puzzles. She is also engaged in reflecting on and exploring issues that push the Nigerian and African development agenda. She is married to Mr. Asishana Bayo Okauru, and they have four children.

She was appointed an Independent Non-Executive Director at PZ Cussons Nigeria Plc on 1 April 2021 and became the Chair of the Board on 25 January 2023.

Mr. Dimitris Kostianis (E)

Chief Executive Officer

Appointed: 1 June 2023

Skills & experience: In a global career spanning 28 years with PZ Cussons, Mr Kostianis has held diverse roles across businesses in four (4) countries – United Kingdom, Kenya, Nigeria and Indonesia.

He joined the PZ Cussons Group as a Management Trainee working in Business Development in Eastern Europe, and then he moved to Kenya to undertake the role of Business Development Manager for East Africa. In the years post that, he became involved across sub-Sahara Africa through a number of senior leadership roles. That included joining the Africa Executive Leadership Team with responsibility for the sustainable growth of the business in sub-Sahara Africa and managing the Joint Venture (JV) with Haier across West Africa. In 2018, he moved to Indonesia to undertake the responsibility of leading the business in Indonesia, Asia.

Overall, he is significantly experienced in high growth potential emerging economies, multiple categories (personal care, home care and consumer appliances), and alternative Route(s) to Market (modern retail, traditional trade, exclusive consumer appliances stores and digital commerce).

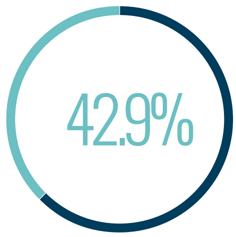
He has been leading teams in volatile environments with effective communication and engagement. He has been adapting to different cultures, and he is able to develop strong internal and external relationships.

He received a 1st Class Double Honours Master's degree in Engineering & Management from the University of Birmingham in the United Kingdom.

He was appointed the Chief Executive Officer (CEO) of PZ Cussons Nigeria Plc and a member of the Board on 1 June 2023.

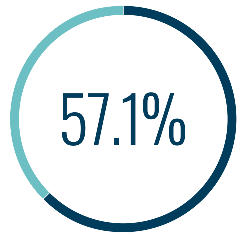
GENDER DIVERSITY

- Male (57.1%)
- Female (42.9%)



INDEPENDENCE

- Independence (57.1%)
- Non-independence (42.9)



Ms Joyce Coker (E)

Human Resources Director

Appointed: 1 July 2011

Skills & experience: Ms Joyce Coker joined the PZ Cussons Group on 1 July 2011 as the Human Resources Director. In 2014 she earned additional responsibility as the Regional Human Resources Director for the Africa PZ Group. She joined the Group with a wealth of experience across industries – Financial Services, Consulting, and Manufacturing/ Consumer goods having worked with top organisations like Universal Commercial Plc London, Accenture, Heirs Alliance, Unilever Nigeria & Unilever Group based in Kenya with responsibility across the East, West & Central Africa region. She earned her first degree from the University of Lagos and a Master of Arts in Human Resources Management from the University of Westminster, London and is an alumnus of the London Business School and Cambridge University Business School. She is a member of the Chartered Institute of Personnel Management, Nigeria, as well as the Institute of Directors.

She joined the Board of PZ Cussons Nigeria Plc on 15 September 2011.

Mr Kareem Moustafa (B) (G)

Non-Executive Director

Appointed: 20 September 2024

Skills & experience: Mr Moustafa was appointed General Counsel and Company Secretary of the Group in August 2024 after four years at PZ Cussons working across various parts of the Legal, Governance and Compliance function. Mr. Moustafa has significant experience in corporate and capital markets law, having trained at the British law firm Freshfields Bruckhaus Deringer LLP, primarily in their M&A and capital markets teams. He has worked in Australia, Japan, and the UK and delivered projects in emerging and developed markets globally. Before joining PZ Cussons, Mr Moustafa worked at Tullow Oil plc as senior legal adviser and deputy company secretary. He brings with him an international perspective and a deep understanding of the legal risks and opportunities faced by listed companies operating with a global footprint.

He was appointed to the Board of PZ Cussons Nigeria Plc as a Non-Executive Director on 20 September 2024.

Mallam Ballama Manu (B) (S)

Independent Non-Executive Director

Appointed: 22 November 2022

Skills & experience: Mallam Ballama Manu holds a BSc in Accounting (First Class Honours) from Ahmadu Bello University Zaria and an MSc in Accounting and Finance from the London School of Economics and Political Science. He was formerly the Executive Chairman of the Federal Inland Revenue Service and Acting President of The Nigerian Stock Exchange. Mallam Manu has served and is still serving on several Boards, including Union Bank Plc, Nigeria Deposit Insurance Corporation, Stanbic IBTC, and is currently the Chairman/Chief Executive Officer of Sicom Capital Services Limited.

He was appointed to the Board of PZ Cussons Nigeria Plc as an Independent Non-Executive Director on 22 November 2022.

Mrs Oluwatoyin Odutayo (G)

Independent Non-Executive Director

Appointed: 22 November 2022

Skills & experience: Mrs Toyin Odutayo is a global strategic and visionary technology leader with over 30 years extensive experience in technology strategy and digital transformation. She is the founder and managing partner at Benchmark IT Services and Applications Limited, where she leads technology initiatives for startups and SMEs in various sectors, including travel, financial services and lifestyle. Previously, she served on the board of Wakanow.com Limited and was the Executive Director in charge of Technology, where she developed Nigeria's foremost technology platform for travel sales. She was the information technology lead at Virgin Nigeria Limited and Oando Plc where she developed and implemented IT strategies for growth and efficiency. Mrs Odutayo holds a Master's in Business Administration (Cranfield School of Management), an MSc with Distinction in Information Systems Engineering (London South Bank University) and a BSc (Hons) in Computer Science (University of Lagos).

She was appointed to the Board of PZ Cussons Nigeria Plc as an Independent Non-Executive Director on 22 November 2022.

Committees

- B Board Audit & Risk Management Committee
- G Governance & People Committee
- S Statutory Audit Committee
- E Executive Director
- C Chair

Dr Suleyman Abdu Ndanusa, OON

B G S

Independent Non-Executive Director

Appointed: 16 November 2023

Skills & experience: : Dr Suleyman Abdu Ndanusa, OON is a Banker, a Lawyer, an Economist, a Certified National Accountant, a Stockbroker and a Chartered Secretary.

He graduated from Ahmadu Bello University, Zaria, with a BSc (2nd Class Upper) degree in Economics in 1978 and obtained an MBA in 1982 from the same University. He obtained an LLB degree from the University of Lagos in 2000 and was called to the bar in 2003. He is also a graduate of the prestigious Advance Management Programme (AMP) of Harvard Business School USA and the Advanced Leadership Programme (ALP) from Judge Business School, Cambridge University, UK. He is a holder of a Ph.D. MGMT (Corporate Governance) from the University of San Juan, and a holder of Ph.D. in Security and Strategy from Nasarawa State University.

He was the Board Chairman of the Securities and Exchange Commission (SEC), Nigeria, from January 2013 to April 2015, having previously served as the Director General from 1999 – 2004. He was the Chairman/ProChancellor of IBB University Lapai in Niger State (2009-2015). He is also the Chief Executive Officer (CEO) of Global Mandate Consulting Limited, Abuja; a multi-disciplinary consulting firm providing services in corporate governance, risk management, economic research, financial services sector and advisory on policy formulation.

Dr Ndanusa's career includes leadership roles at Spring Bank Plc, Nigeria where he served as Managing Director/ CEO from June 2007 – Dec 2008 (an interim arrangement to salvage the crises ridden Bank). Prior to his appointment, he was Lead Consultant in the Central Bank of Nigeria Bank Consolidation Monitoring Team. His banking experience goes as far back as 1987 when he became the Deputy Manager, Credit & Marketing, Continental Merchant Bank Nigeria Plc. (CMBN), he went on to serve in various other capacities in the same bank such as Manager, Credit & Marketing, Head of Department, Domestic Money Market & Treasury Dept. and Assistant General Manager & Head of Domestic Money Market & Treasury Dept.

He served as Special Assistant to the Honourable Minister of Commerce in 1999; He is a recipient of the National Honour "Officer of the Order of the Niger (OON)". He served as a Council Member, Nigeria Investment Promotion Commission; Member, Technical Committee on Privatisation (BPE); National Pensions Reforms Steering Committee. He has previously served on the Board of Directors of various corporations such as UAC Plc (2010-2013), Penman Pensions Ltd (2005-2014), and Suburban Telecoms (2008-2010), to mention but a few. He was a Director of, the Economic Intelligence Office of the National Security Adviser (NSA) 2005-2011. He became the Chairman, of Empire 2005-2011 Group Ltd, a Financial Services Group in 1996, having previously served as the Group Managing Director (GMD).

Dr Ndanusa was the President/Chairman of the Council of the Institute of Chartered Secretaries and Administrators of Nigeria (ICSAN) 2013-2015. He is a Fellow of the Association of National Accountants of Nigeria (ANAN). An Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN) and served as a co-opted member of the Council of the Institute, a fellow of the Chartered Institute of Stockbroker, a fellow of the Institute of Chartered Secretaries and Administrators (UK and Nigeria), and a fellow of the Institute of Directors

He was appointed to the Board of PZ Cussons Nigeria Plc on 16 November 2023.

Mr Kevin Massie

G B

Non-Executive Director

Appointed: 25 March 2022

Skill & experience: Mr Kevin Massie is an experienced Corporate Lawyer and Company Secretary with a demonstrated history of working in emerging markets. Mr. Massie has extensive experience in corporate law and governance across his career, having trained as a capital market and Mergers & Acquisition lawyer at leading firms in Canada before moving abroad to join Ashurst LLP in Dubai.

Mr Massie has held senior legal and governance roles focusing on emerging markets, including acing as General Counsel at Vivo Energy Plc and Associate General Counsel and Company Secretary at Tullow Oil Plc. He has significant international experience, having lived and worked in North America, Europe, Asia and Africa. He holds a Doctor of Law from Queen's University and a Bachelor of Arts in History and Political Science. Mr. Massie joined PZ Cussons Nigeria Plc as General Counsel and Company Secretary in June 2020 and is responsible for the global Legal, Governance and Compliance functions.

He was appointed as a Non-Executive Director of the Board of PZ Cussons Nigeria Plc on 25 March 2022.

Mr Duncan Anniss

B

Non-Executive Director

Appointed: 25 March 2022

Skills & experience: Mr Duncan Anniss is a CIMA-qualified Finance Director who is an expert at delivering strong financial management, leadership and control to support commercial growth and transformational change. His key strengths include re-engineering processes and strengthening internal control frameworks to enhance accuracy/ efficiency and instilling financial governance; steering key finance change initiatives, including global process standardisation, organisational restructuring and cost rationalisation. Mr Anniss has over 20 years of experience and holds a BSc (Hons) in Mathematics & Statistics from the University of Birmingham, United Kingdom. He is an Associate of the Chartered Institute of Management Accountants (ACMA) and a Global Chartered Management Accountant (CGMA).

He joined the PZ Group in 2021 and was appointed a Non-Executive Director of PZ Cussons Nigeria Plc on 25 March 2022 and retired with effect from 30 October 2023.

Prof. Fabian Ajogwu, OFR, SAN

G

Independent Non-Executive Director

Appointed: 4 September 2023

Skills & experience: Fabian Ajogwu is a Senior Advocate of Nigeria and Lagos Business School Professor of Corporate Governance. He is an Alumnus of the Said Business School of Oxford University, and an Alumnus of the Lagos Business School. Professor Ajogwu holds a Doctorate in Law from University of Aberdeen, Scotland; an MBA from the IESE Business School, University of Navarra, Barcelona; and Law degrees from the University of Nigeria, and the University of Lagos.

Professor Ajogwu is a Fellow and Director of the Society for Corporate Governance Nigeria; a Fellow of the Nigerian Institute of Chartered Arbitrators, Fellow of the African Leadership Initiative West Africa, Henry Crown Global Leadership of the Aspen Institute (2009 Class set), Fellow of the AIFA Reading Society, Fellow of the Society for Art Collection, and a member of the Oxford Philosophical Society. He served on the pioneer board of the Lagos Court of Arbitration between 2010 and 2020 and was Vice-President. He serves on the Governing Council of the Nigerian Institute of Chartered Arbitrators, as its Vice-President.

He served on the Governing Council of the Pan-Atlantic University (Lagos Business School), served as a member of the General Council of the Bar from 2015 to 2020, and the Council of Legal Education (Nigerian Law School) as the statutorily designated Distinguished Legal Author between 2010 and 2018. Professor Ajogwu is a member of the London Court of International Arbitration, and a member of the Lagos Court of Arbitration, and listed on its panel of neutrals. He is also a member of the International Council for Commercial Arbitration.

Professor Ajogwu assisted the Securities and Exchange Commission in drafting Nigeria's pioneer Code of Corporate Governance between 2001 and 2003. He chaired the Nigerian Communications Commission Committee on Corporate Governance between 2013 and 2014 which produced the pioneer NCC Code of Corporate Governance for the Telecommunication sector. He served on the Financial Reporting Council of Nigeria Committee on the 2018 National Code of Corporate Governance. He chairs the Body of Senior Advocates of Nigeria Committee on Continuing Legal Education.

He chairs the Novare Group in Nigeria (owners of Novare malls), ARM Harith Infrastructure Ltd (Nigeria's pioneer infrastructure fund), and NES Global, amongst others, as an Independent Non-Executive. He is a Non-Executive Director of Stanbic IBTC Holdings Plc and an Independent Non-Executive Director of Guinness Nigeria Plc.

He joined the Board of PZ Cussons Nigeria Plc on 4 September 2023.

Mr. Kamar Bakrin

Non-Executive Director

Appointed: 4 September 2023

Skills & Experience: Mr. Kamar Bakrin was, until recently, Operating Partner at Helios Investment Partners, the largest Africa-focused private equity firm, where he headed the Nigeria office. Prior to this, he was a Director at the Corporate office of the Nigerian conglomerate, the Honeywell Group; responsible for the Natural Resources and Power Infrastructure businesses.

Mr. Bakrin previously served as MD/CEO of Oando Energy Services during which he led the transition to a full oilfield services company. He was, before that, the Chief Executive of Oando Marketing after having been the Head of Corporate Development of Oando's holding company. Before returning to Nigeria, Mr. Bakrin was a Consultant with the Boston Consulting Group in the USA and has also worked with Colgate Palmolive, South Africa and Arthur Andersen (now KPMG).

Mr. Bakrin chairs the Boards of Arnergy Solar Ltd and Scidar, and serves on the Boards of Polysmart Ltd, Quest Energy Services (owners of Ascon Petroleum) and Asiko Energy Holdings.

Mr. Bakrin holds a Bachelor's degree in Agricultural Economics from the University of Ilorin and an MBA from Columbia Business School. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and a member of the Institute of Directors, Nigeria.

He was appointed to the Board of PZ Cussons Nigeria Plc on 4 September 2023 and retired with effect from 30 October 2023.

Our Management Team

Mr Dimitris Kostianis E

Chief Executive Officer

Appointed: 1 June 2023

Skills & experience: In a global career spanning 28 years with PZ Cussons, Mr Kostianis has held diverse roles across businesses in four (4) countries – United Kingdom, Kenya, Nigeria and Indonesia.

He joined the PZ Cussons Group as a Management Trainee working in Business Development in Eastern Europe, and then he moved to Kenya to undertake the role of Business Development Manager for East Africa. In the years post that, he became involved across sub-Sahara Africa through a number of senior leadership roles. That included joining the Africa Executive Leadership Team with responsibility for the sustainable growth of the business in sub-Sahara Africa and managing the Joint Venture (JV) with Haier across West Africa. In 2018, he moved to Indonesia to undertake the responsibility of leading the business in Indonesia, Asia.

Overall, he is significantly experienced in high growth potential emerging economies, multiple categories (personal care, home care and consumer appliances), and alternative Route(s) to Market (modern retail, traditional trade, exclusive consumer appliances stores and digital commerce).

He has been leading teams in volatile environments with effective communication and engagement. He has been adapting to different cultures, and he is able to develop strong internal and external relationships.

He received a 1st Class Double Honours Master's degree in Engineering & Management from the University of Birmingham in the United Kingdom.

Oghale Elueni

Managing Director of the Africa Consumer Business

Appointed: 1 June 2023

Skills & experience: Mr Oghale Elueni is the Managing Director of the Africa Consumer Business and is responsible for leading P&L delivery, market share and business growth. He is also accountable for end-to-end operations management and organisational health across the Africa market. Before joining PZ Cussons, Mr Oghale Elueni served as General Manager, Sub-Saharan Africa, and Managing Director West Africa for SC Johnson.
More widely, he spent several years at Procter & Gamble in Africa and the US, holding several leadership roles across market strategy and planning; and commercial management roles for Walmart's International Customer Team, supporting emerging markets in Asia and Latin America, and health & beauty categories.

Ms Joyce Coker E

Human Resources Director

Appointed: 1 July 2011

Skills & experience: Ms Joyce Coker joined the PZ Cussons Group on 1 July 2011 as the Human Resources Director. In 2014 she earned additional responsibility as the Regional Human Resources Director for the Africa PZ Group. She joined the Group with a wealth of experience across industries – Financial Services, Consulting, and Manufacturing/Consumer goods having worked with top organisations like Universal Commercial Plc London, Accenture, Heirs Alliance, Unilever Nigeria & Unilever Group based in Kenya with responsibility across the East, West & Central Africa region. She earned her first degree from the University of Lagos and a Master of Arts in Human Resources Management from the University of Westminster, London and is an alumnus of the London Business School and Cambridge University Business School. She is a member of the Chartered institute of Personnel Management, Nigeria, as well as the Institute of Directors.

Brian Egan

Chief Finance Officer
Appointed: 1 January 2023

Skills & experience: Mr Brian Egan was appointed as an Interim Chief Finance Officer (CFO) of the Company effective 1st January, 2023.

Mr Egan has held the role of CFO of public companies listed in London on the FTSE 250 and other international stock exchanges including the Nigerian Exchange Limited and Ventures Exchange in Canada.

- He has broad corporate finance experience and has worked with international FMCGs, logistics, manufacturing, retail, and mining.
- Brian is also an expert at delivering strong financial management, leadership, and control to support commercial growth and transformational change.
- Brian has over 35 years of experience and holds a Bachelor of Commerce Degree (Hons) and a Postgraduate Diploma in Professional Accounting from the University College, Dublin. He is a Member of the Institute of Chartered Accountants in Ireland (FCA).

Rajkumar Kale

Commercial Director Electricals

Appointed: 1 June 2023

Skills & experience: Rajkumar Kale was appointed as the Commercial Director Electricals with effect from 1 June 2023. Mr Kale is a senior leader with 25 years of progressive accomplishments in steering business development, enhancing revenue growth and profitability with cross-functional experience in managing large teams across different geographies. He has strong strategic experience in Sales, Marketing and Aftersales service in the Consumer Durables, Imaging and Printing industries. Over the last 25 years, he has worked in large multinationals, building and leading sales, marketing and strategy teams.

He joined the Company in 2013.

Ifeanyichukwu Abadom

Supply Chain Director for Africa

Appointed: 1 October 2021

Skills & experience: Ifeanyichukwu Abadom was appointed as the Supply Chain Director for Africa with effect from 1 October 2021. Mr Abadom is a seasoned and talented professional with extensive experience across the various levels of Supply Chain management. He is an astute leader with over 20 years' experience, having worked across the continents of Africa and Europe.

He provides strategic direction, management of financial performance including planning, budgeting, driving & managing costs and managing the external and internal vendor base to the Africa Supply Chain team. In his role, he is responsible for the delivery of all products into all the PZ Cussons footprints across Africa.

During his prior role as Director of manufacturing operations at Honeywell Flour Mills, he was a member of the leadership team where he created and implemented manufacturing strategies that ensured business growth, adequate service delivery with proper cost control and overall supply chain optimisation. He was also responsible for research and quality, continuous improvement, engineering, and engineering Stores units.

Ifeanyichukwu is a chemical Engineer with a core area of speciality is in Process Optimisation & Control. He currently manages and oversees manufacturing sites and other supply chain functions in Nigeria, Ghana & Kenya.

Samson Moju

Head of Corporate Services & Projects

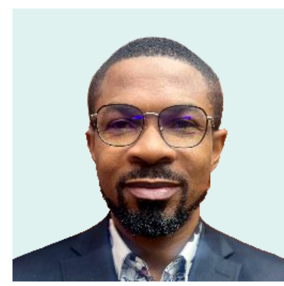
Appointed: 17 June 2024

Skills & experience: Samson Moju joined PZC in September 2019 as Regional Head of Information Technology having worked previously for Unilever and CHI Limited a subsidiary of The Coca-Cola Company "TCCC".

Samson is a results-oriented and strategic leader with over 2 decades of experience in technology management, strategic planning, and corporate governance.

He is the current Head of Corporate Services and Projects, He oversees key operational functions, ensuring the seamless execution of projects, corporate governance, and strategic business continuity plans. With a strong background in Information Technology, he leverages deep technical expertise to drive innovation, compliance and efficiency across various corporate functions.

Prior to this role, Samson served as the Head of Information Technology, where he was instrumental in transforming the IT infrastructure and driving digital transformation initiatives within the organisation. He recently transitioned to a corporate leadership position, where he oversees the organisation's corporate services portfolio, as well as strategic projects aimed at improving operational efficiency and cross-functional collaboration.



Austyne Umeh

Head of Digital & IT Transformation, Africa

Appointed: 17th June 2024.

Skills & experience: Austyne is a highly skilled and experienced Commercial & Technology leader with a strong business acumen and international working experience across Africa, Europe and Middle East. He is focused on delivering business value and growth through Technology and Digital alignment to business strategy and maintaining a high-performance team. A visionary leader, people and result focused, inspiration-driven, big picture thinker, innovative, value-driven with excellent communication and interpersonal skills.

Austyne has over 15 years of experience in the sector and a substantial portfolio of solutions and business values delivered across the FMCG and Manufacturing sectors. He was the Head of IT & Digital Transformation at Reckitt and a member of the leadership team where he initiated, developed and delivered on several Data, Digital and Business transformation projects across Sub Saharan Africa. His strong Commercial & Technology knowledge and excellent project management and delivery enabled a huge reduction in Technology cost and better service, a tech-driven Route-to-Market excellence, 2X direct coverage expansion, incremental sales Key Performance Indicators (KPI), brand penetration and share growth.

Austyne is a Computer Scientist, and his core areas of specialty include business transformation, process re-engineering, data analytics and training. He is currently leading the overall Digital & IT Transformation vision for PZ Cussons Africa in alignment with business strategy.

Report of the Directors

For the year ended 31 May 2024

ACCOUNTS AND RESULTS

The Board of Directors of PZ Cussons Nigeria Plc is pleased to present to members the consolidated and separate statements of financial position as at 31 May 2024 together with the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity, consolidated and separate statements of cashflows for the year ended on that date and notes to the financial statements including a summary of material accounting policies.

OPERATING RESULT

The following is the summary of Group's operating result as of 31 May 2024:

	2024 N'000	2023 N'000	Change %
Revenue	**152,249,309**	113,964,309	34
Operating profit/(loss)	**(127,430,417)**	8,224,027	(1,649)
Profit before taxation	**(108,195,002)**	20,463,739	(629)
Taxation	**32,171,333**	(6,115,395)	(626)
Profit for the year	**(76,023,669)**	14,348,344	(630)
Non-controlling interest	**(7,614,976)**	1,455,559	(623)
Profit attributable to equity holders of parent company	**(68,408,693)**	12,892,786	(631)

PRINCIPAL ACTIVITIES

The principal activities of the group are the manufacture, distribution and sale of a wide range of consumer products and home appliances through owned depots. These products are leading brand names throughout the country in detergent, soap, cosmetics, refrigerators, freezers and air-conditioners. The Group facilitates the distribution of products of a related entity - Harefield Industrial Nigeria Limited.

DIRECTORS AND THEIR INTEREST

The Directors who served as at 31 May 2024 and their interest in the shares of the company as recorded in the register of members for the purpose of Section 301 of the Companies and Allied Matters Act 2020 ("CAMA"), and in compliance with the Listing Requirements of the Nigerian Stock Exchange are as follows:

DIRECTORS

	2024		2023	
	Direct	Indirect	Direct	Indirect
Mrs. Ifueko Marina Omoigui Okauru, MFR	**59,713**	**Nil**	59,713	Nil
Ms. Joyce Coker	**3,889**	**Nil**	3,889	Nil
Mr. Dimitris Kostianis	**Nil**	**Nil**	Nil	Nil
Mr. Kevin Massie***	**Nil**	**Nil**	Nil	Nil
Mr Duncan Anniss*** (Up to 13 October 2023)	**Nil**	**Nil**	Nil	Nil
Mallam Ballama Manu	**Nil**	**Nil**	Nil	Nil
Mrs. Oluwatoyin Odutayo	**Nil**	**Nil**	Nil	Nil
Mr Kamar Bakrin (Up to 14 October 2023)	**Nil**	**Nil**	Nil	Nil
Prof. Fabian Ajogwu SAN (Up to 15 March 2024)	**Nil**	**Nil**	Nil	Nil
Dr. Suleyman Abdu Ndanusa OON	**Nil**	**Nil**	Nil	Nil

The above are the Directors holdings as at 31 May 2024

*** Mr. Massie and Mr. Anniss represented the interest of the majority shareholder PZ Cussons (Holdings) Limited UK with 2,909,349,788 shares.

INTEREST IN CONTRACTS

In accordance with Section 303 of the CAMA, Mallam Ballama Manu has notified the Company that he is a Non-Executive Director on the Board of Stanbic IBTC Holding PLC, the holding company of one of our bankers. No other Director has notified the Group of any declarable interest in any contract in which he/she was involved with the Group during the year.

DIRECTORS FOR ELECTION AND RE-ELECTION

In accordance with Article 90 of the Group's Articles of Association and Section 285 of the Companies and Allied Matters Act 2020, one-third of the number of Directors, based on the length of stay in office, must retire at the Annual General Meeting and they may offer themselves for re-election. Accordingly, Mallam Ballama Manu and Mrs Oluwatoyin Odutayo being eligible to retire at this Annual General Meeting have offered themselves for re-election.

RECORDS OF DIRECTORS ATTENDANCE

In compliance with Section 284 (2) of the CAMA, the Record of Directors' attendance at Board Meetings in the 2023/2024 financial year will be made available at the Annual General Meeting for inspection by members.

MEETINGS OF THE BOARD OF DIRECTORS

As a rule, the Board of Directors meets at least quarterly, and additional meetings are convened as required. Also, as allowed by the Company's Articles of Association, material decisions are sometimes taken between meetings by way of written resolutions.
At every quarterly meeting, the Directors are provided with comprehensive reports of the activities of the various business units as well as important corporate events. They are also briefed on all business developments between meetings. The Board met twelve times during the 2024 financial year.

The meetings were presided over by the Chairman. In all cases, written notices of meetings, the meeting agenda as well as the reports for consideration were circulated well ahead of the meetings. The minutes of the meetings were appropriately recorded and circulated.

ATTENDANCE AT MEETINGS

The Board has a formal schedule of meetings each year and met twelve times in the course of the year under review. The record of attendance of the Directors at the meetings is set below:

Director	21/06/23	09/04/23	30/10/23	08/11/23	16/11/23	08/12/23	20/12/23	12/01/24	07/02/24	08/02/24	13/03/24	28/03/23
Mrs. I. M.O. Okauru, MFR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. D. Kostianis	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. J. Coker	✓	✓	**AB**	**AB**	**AB**	**AB**	✓	✓	✓	✓	✓	✓
Mr. K. Massie*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr D. Anniss*	✓	✓	✓	**R**	**R**	**R**	**R**	**R**	**R**	**R**	**R**	**R**
Mallam B. Manu	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. O. Odutayo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof. F. A. SAN*	**NA**	**NA**	✓	✓	**AB**	✓	R	R	✓	✓	**R**	**R**
Mr K. Bakrin	**NA**	**NA**	**R**	**R**	**R**	**R**	**R**	**R**	**R**	**R**	**R**	**R**
Dr. S. A. Ndanusa OON*	**NA**	**NA**	**NA**	**NA**	**NA**	✓	✓	✓	✓	✓	✓	✓

√ Present
AB Absent
R Retired
NA Not Appointed

* Prof. Fabian Ajogwu OFR, SAN and Mr Kamar Bakrin were appointed on 04 September 2023
* Mr Kamar Bakrin resigned on 14 October 2023
* Mr. Anniss resigned on 30 October 2023
* Prof. Fabian Ajogwu OFR, SAN resigned on 15 March 2024
* Dr. Suleyman Abdu Ndanusa OON was appointed on 16 November 2023

MAJOR SHAREHOLDINGS

According to the Register of Members as of 31 May 2024, PZ Cussons (Holdings) Limited held 2,909,349,788 ordinary shares of 50 kobo each. This represents 73.27% of the paid-up capital of the Company.

ANALYSIS OF SHAREHOLDINGS

RANGE	No. of Holders	% Holders	Units	% Units
1–1,000	26,047	34.64	10,754,473	0.27
1,001–5,000	22,840	30.37	56,206,052	1.42
5,001–10,000	11,206	14.90	85,958,775	2.16
10,001–50,000	13,256	17.63	269,234,510	6.78
50,001–100,000	1,059	1.41	74,327,684	1.87
100,001–500,000	687	0.91	130,202,182	3.28
500,001–1,000,000	55	0.07	37,830,416	0.95
1,000,001–5,000,000	42	0.06	85,901,747	2.16
5,000,001–10,000,000	3	0.00	20,059,377	0.51
10,000,001–50,000,000	4	0.01	101,882,584	2.57
50,000,001–100,000,000	1	0.00	82,442,840	2.08
100,000,001–3,970,477,045	2	0.00	3,015,676,405	75.95
	75,202	**100%**	**3,970,477,045**	**100.00**

LIST OF 5% AND ABOVE SHAREHOLDINGS:

PZ Cussons (Holding) Limited	2,909,349,788	73.27%
	2,909,349,788	**73.27%**

Apart from PZ Cussons (Holdings) Limited, UK, no other shareholder held more than 5% of the paid-up capital of the Company as at 31 May 2024.

SHAREHOLDING STRUCTURE/FREE FLOAT STATUSSHAREHOLDING STRUCTURE/FREE FLOAT STATUS

Description	Unit 31 May 2024	Percentage	Unit 31 May 2023	Percentage
Issued Share Capital	**3,970,477,045**	**100%**	3,970,477,045	100%
Substantial Shareholdings (5% and above)				
PZ Cussons (Holdings) Limited, UK	**2,909,349,788**	**73.27%**	2,909,349,788	73.27%
Total Substantial Shareholdings	**2,909,349,788**	**73.27%**	2,909,349,788	73.27%
Directors' Shareholdings (direct and indirect), excluding Directors with substantial interests				
Ms. Joyce Coker	**3,889**	**0.00%**	3,889	0.00%
Mrs. I.M.O Okauru, MFR	**59,713**	**0.00%**	59,713	0.00%
	–	–	–	
Total Directors' Shareholdings	**1,063,602**	**0.03%**	1,063,602	0.03%
Other Influential Shareholdings				
CardinalStone	**194,992,457**	**4.91%**	–	0.00%
AMCON & PFA	**61,972,446**	**1.56%**	98,793,459	2.49%
Total Other Influential Shareholdings	**256,964,903**	**6.47%**	98,793,459	2.49%
Free Float in Units and Percentage	**803,098,752**	**20.23%**	**961,270,196**	**24.21%**
Free Float in Value	**N17,668,172,544**		**N16,245,466,312.40**	

DECLARATION:

(a) PZ Cussons Nigeria Plc, with a free float percentage of 20.23% as of 31 May 2024 is compliant with The Exchange's free float requirements for companies listed on the Main Board.

BOARD COMMITTEES

The Board has established Standing Committees whose terms of reference clearly spelt out roles, responsibilities and scope of authorities. To ensure compliance with the Best Practices in Corporate Governance each Committee is chaired by an Independent Non-Executive Director.

BOARD AUDIT AND RISK MANAGEMENT COMMITTEE

The Committee is to assist the Board in its oversight of the risk profile, risk management framework and risk review strategy. The Committee is to carry out periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the Group's risk profile.

The Committee is made up of three (3) members, namely:

Mallam Ballama Manu	Chairman
Dr. Suleyman Abdu Ndanusa OON	Member
Mr. Kevin Massie	Member

The Committee met seven times during the financial year. The table below summarises members' attendance at the meetings:

Name	No. of meetings held	No. of meetings attended
Mallam Ballama Manu	7	7
Mr. Duncan Anniss	7	2
Mrs. Oluwatoyin Odutayo*	7	1
Prof. Fabian Ajogwu SAN*	7	1
Dr. Suleyman A. Ndanusa OON*	7	5
Mr. Kevin Massie*	7	3

The meetings were held on 19 June 2023, 30 October 2023, 06 November 2023, 18 December 2023, 05 February 2024, 08 February 2024 and 25 March 2024.

* Mrs Oluwatoyin Odutayo was co-opted as a member on 6 November 2023
* Prof. Fabian Ajogwu SAN was co-opted as a member on 6 November 2023
* Dr. Suleyman A. Ndanusa became a member on 18 December 2023.
* Mr. Kevin Massie became a member on 5 February 2024

GOVERNANCE AND PEOPLE COMMITTEE

The Committee advises the Board on the appointment of Directors, corporate governance matters, staff welfare and remuneration, talent management and other strategic-employees' relations matters.

The Committee members are:

Mrs. Oluwatoyin Odutayo*	Chairman
Mr. Kevin Massie	Member
Prof. Fabian Ajogwu	Member

The Committee met eight times during the financial year and the table below shows the attendance at the meetings:

Mrs. Oluwatoyin Odutayo	8	8
Mr. Kevin Massie	8	8
Prof. Fabian Ajogwu SAN*	8	3
Mallam Ballama Manu*	8	2

The meetings were held on 19 June 2023, 19 July 2023, 21 July 2023, 10 August 2023, 22 September 2023, 13 December 2023, 26 January 2024 and 15 March 2024.

*Mallam Ballama Manu was co-opted as a member for the 21 July and 10 August 2024 meetings
*Prof. Fabian Ajogwu became a member on 22 September 2023 and resigned on 15 March 2024.

STATUTORY AUDIT COMMITTEE

The Committee is established to perform the functions listed in Section 404 (7) of the Companies and Allied Matters Act 2020. The Committee consists of five (5) members made of three representatives of the shareholders elected at the previous Annual General Meeting for the tenure of one year and two Non-Executive Directors. The meetings of the Committee were attended by the Head of Internal audit and representatives of PricewaterhouseCoopers , the Group's external auditors.

The following Directors served on the Committee during the year:
Mallam Ballama Manu
Dr. Suleyman A. Ndanusa OON*

The table below summarises the attendance at the Committee meetings during the year:

Name	No. of meetings held	No. of meetings attended
Mallam Ballama Manu	5	5
Dr. Suleyman Abdu Ndanusa OON	5	2
Hon. Bright Nwabughogu	5	5
Mr. Obatosho I. Obarinde (Deceased)	5	5
Mr. Oluwasegun Owoeye	5	5

The meetings were held on 20 June 2023, 30 October 2023,6 November 2023, 19 December 2023 and 26 March 2024.

*Dr. Suleyman Abdu Ndanusa became a member on 16 December 2023.

BOARD COMPOSITION

The Company's Articles of Association provide for a maximum of fifteen Directors. At the date of this report, the Board consists of seven Directors: Four Independent Non-Executive Directors, one Non-Executive Directors and two Executive Directors.

The profile of the Board comprises distinguished individuals with diverse skills and competencies in different areas of the Group's business. This continually ensures the realisation of the set corporate objectives.

In line with best practices, the position of the Chairman is distinct from that of the Group Chief Executive Officer.

The Chairman is Mrs. Ifueko M. Omoigui Okauru, an Independent Non-Executive Director while the Chief Executive Officer is Mr. Dimitris Kostianis. Furthermore, while the Chairman is responsible for providing overall leadership for the Company and ensuring the effective operation of the Board to achieve the Company's strategic goals, the Chief Executive Officer is responsible for coordinating the running of the business and implementing strategies.

INDEPENDENT DIRECTORS

In compliance with Section 275(1) of the CAMA and the Nigerian Code of Corporate Governance, more than a third, four (4) of the six Directors are Independent Directors having no significant shareholding interest or any special business relationship with the Group.

BOARD OPERATIONS

The Board is the ultimate governing body of the Group and it is responsible for its overall supervision and the protection of the interest of shareholders and other stakeholders. It ensures that the Group is appropriately managed to achieve strategic objectives.

The specific issues reserved for the Board include:

- The ultimate direction of the Group particularly the conduct and supervision of the business.
- Determination of the Group's organisation
- Risk Management and internal control
- Supervision with respect to compliance with the law
- Corporate Governance matters
- Communication with shareholders
- Review of business performance

The Board has delegated to Management the day-to-day running of the business and the Chief Executive Officer, who is the head of the Executive Management Team, is answerable to the Board.

BOARD APPOINTMENT AND INDUCTION

Directors are appointed to the Board following a declaration of vacancy at a Board meeting. New Directors are selected through carefully articulated selection guidelines that place emphasis on integrity, skills and competences relevant to the Group's goals and aspirations. The Policy confers on the Governance and People Committee the responsibility of identifying individuals with a track record of outstanding achievements and potential for value enhancement. The Committee's recommendation is subjected to further scrutiny by the Board before a decision is taken. The appointed director is made to undergo an induction programme to equip and familiarise him/her with the requisite knowledge and information about the Group and its business.

Furthermore, a newly appointed director receives a letter of appointment spelling out in detail the entitlements, terms of reference of the Board and its Committees and the Key Performance Indicators.

The appointment of the Director is presented to the subsequent Annual General Meeting for ratification.

INTERNAL CONTROL

The Board maintained a sound system of internal control to safeguard shareholders investments and the Group's assets. The system of internal control provides reasonable assurance against material loss. The responsibilities include oversight functions of internal audit and control, risk assessment and compliance, conformity and contingency planning, and formalisation and improvement of business process.

COMMUNICATION WITH SHAREHOLDERS

The Board is committed to an open and consistent communication policy with shareholders and other stakeholders. The guiding principle is that all shareholders should be given equal treatment in equal situations. Thus price sensitive information is published timely in full, simple and transparent format to all shareholders at the same time.

Furthermore, all shareholders have equal opportunity at the Annual General Meeting to present questions to the Board and make comments on any aspect of the financial statements.

INSIDER DEALINGS

The Group has regulations guiding Directors, members of the Audit Committee and other officers of the Group on periods when they, or persons connected to them cannot lawfully effect transactions on the shares of the Group as well as the disclosure requirements when effecting any transaction on the Group's shares.

DIVIDEND

The Board has not recommended dividend in respect of the year ended 31 May 2024 (2023: Nil). No provision for dividend is recognised in the financial statements for the year then ended because, dividend is recognised as a liability in the period it is approved by shareholders.

E- DIVIDEND

The Group consistently encourages its shareholders to embrace the e-dividend and e-bonus introduced in the capital market. This is to enable prompt crediting of shareholders account with dividend and their CSCS account with bonus shares. This will also eliminate the cost of posting dividend warrants and share certificate as well as the risk of being lost in the post.

PROPERTY, PLANT AND EQUIPMENT

Movement in property, plant and equipment during the year are shown in Note 4 of the financial statements. In the opinion of the Directors, the market value of the Group's property, plant and equipment is not lower than the carrying value shown in the financial statements.

DISTRIBUTORS AND SUPPLIERS

The Group has 4 distribution centres across the country with over 1,000 distributors.
The Group also obtains its requirements from both local and overseas suppliers. The principal overseas suppliers are associated companies within the PZ Cussons Group. The transactions are carried out at arm's length.

RESEARCH AND DEVELOPMENT

The Group's Research and Development efforts, supported through licensing and technical services agreement with overseas associated companies in the PZ Cussons Group are designed to ensure a constant programme of product improvement and new product introduction.

EMPLOYMENT OF DISABLED PERSONS

The Group's policy provides for due priority to be accorded to persons with disabilities in recruitment for any available position where their incapacity will not expose them to danger or serious disadvantage. Employees who become incapacitated in the course of their employment are retained and redeployed wherever possible within the context of the above policy.

HEALTH SAFETY AND WELFARE

The Group recognises the health and safety of its employees, customers, contractors and other stakeholders as a top priority and form an integral part of its business activities. We are committed to maintaining a safe working place at all times and in all sites, depots and business units across the country so as to avoid accidents and ill health due to work situation. We recognise that health and safety is fundamental to good manufacturing practice. The roll out of our world class manufacturing programme has ensured that our factories are pleasant workplaces.

ACQUISITION OF OWN SHARES

The Company did not purchase any of its own shares during the year.

GIFTS AND DONATIONS

During the year ended 31 May 2024, the Group contributed N60 million (2023:N50 million) to PZ Foundation. In accordance with Section 43 (2) of the Companies and Allied Matters Act 2020, the Group did not make any donation or gift to any political party, association or for any political purposes in the course of the year.

EMPLOYEE INVOLVEMENT AND TRAINING

The Group is committed to keeping employees informed regarding its performance and progress through regular briefings and meetings. Their views are sought wherever practicable on matters which affect them as employees. The Group believes that the professional and technical expertise of its managers constitutes a major asset, and investment in developing such skills continues to receive attention.

The Group's skill base has been steadily expanding with the range of training provided for career development within the Group.

STATEMENT OF COMPLIANCE

We hereby affirm that the Nigerian Code of Corporate Governance (“Code”) and the SEC Corporate Governance Guideline (“Guideline”) govern the operations of the Group and confirm that to the best of our knowledge, we are in compliance with the Code and the Guideline.

COMPLAINT MANAGEMENT POLICY

The Complaint Management Policy sets out the broad framework for the Group and its Registrars to attend to issues and concerns raised by shareholders and provide the opportunity for shareholders to give feedback to the Group.

The Group is dedicated to ensuring great standard of services to its shareholders by:

- Creating an efficient process for the management of shareholders' complaints and enquiries
- Ensuring that all matters relating to shareholders are adequately addressed; and
- Making information readily available to shareholders.

COMMUNICATION POLICY

The Group has in place a communication policy in accordance with the requirements of the Securities & Exchange Commission. The Board recognises the need to communicate and disseminate information regarding the operations and management of the Group to all relevant stakeholders (including Shareholders, regulatory authorities, media, analysts and the general public).

INDEPENDENT AUDITORS

The firm of PricewaterhouseCoopers served as the Independent Auditor during the year under review. The resolution appointing the external auditors was passed at the 75th Annual General meeting which was held on the 8th of December 2023 to approve the appointment of PricewaterhouseCoopers as independent auditor. PricewaterhouseCoopers have indicated their willingness to continue in office as Independent Auditor of the Group.

Dated 29 August 2024

ALSEC NOMINEES LIMITED
Company Secretaries
OLUBUKOLA OLONADE-AGAGA
FRC/2020/002/00000021128

FOR: ALSEC NOMINEES LIMITED
Company Secretary
FRC/2024/COY/119349
Lagos, Nigeria

Statement of Directors' Responsibilities

The Directors of PZ Cussons Nigeria Plc are responsible for the preparation of the consolidated and separate financial statements that gives a true and fair view of the financial position of the Group and Company as at 31 May 2024, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria, 2020 and the Financial Reporting Council of Nigeria (Amendment) Act11(as amended by the Financial Reporting Council of Nigeria (Amendment) Act, 2023) (FRCN Act).

In preparing these consolidated and separate financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
- making an assessment of the Group's ability to continue as a going concern;
- designing, implementing and maintaining an effective and sound system of internal controls throughout the Group and Company;
- maintaining adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and which enable them to ensure that the financial statements of the Group and Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Group and Company; and
- preventing and detecting fraud and other irregularities.

The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern for at least twelve months from the date of approval of these financial statements.

The consolidated and separate financial statements of the Group and Company for the year ended 31 May 2024 were approved by the Directors on 29 August 2024.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Mrs I.M.O Okauru, MFR	**Mr Dimitris Kostianis**	**Mr Brian Egan**
Chair	Chief Executive Officer	Chief Financial Officer
FRC/2016/ICAN/00000014169	FRC/2023/PRO/DIR/003/204573	FRC/2015/PRO/ANAN/001/00000011227

Certification of Financial Statements

In accordance with section 405 of the Companies and Allied Act of Nigeria, 2020, the Chief Executive Officer and the Chief Financial Officer certify that the consolidated and separate financial statements have been reviewed and based on our knowledge, the

- audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and
- audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company and the Group as of and for, the periods covered by the audited financial statements.

We state that Management and Directors:

- are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Company and the Group is made known to the officer by other officers of the Company, particularly during the period in which the audited financial statements report are being prepared,
- has evaluated the effectiveness of the Company and Group's internal controls within 90 days prior to the date of its audited financial statements, and
- certifies that Company and Group’s internal controls are effective as of that date.

We have disclosed:

- all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's and Group’s ability to record, process, summarise and report financial data, and has identified for the Company's and Group’s auditors any material weaknesses in internal controls, and
- whether or not, there is any fraud that involves management or other employees who have a significant role in the Company's and Group’s internal control; and
- whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The consolidated and separate financial statements of the Group and Company for the year ended 31 May 2024 were approved by the Directors on 29 August 2024.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Mrs. I.M.O Okauru, MFR
Chair
FRC/2016/ICAN/00000014169

Mr. Dimitris Kostianis
Chief Executive Officer
FRC/2023/PRO/DIR/003/204573

Mr. Brian Egan
Chief Financial Officer
FRC/2015/PRO/ANAN/001/00000011227

Report of the Audit Committee

To: The members of PZ Cussons Nigeria Plc

In In accordance with the provisions of section 404(7) of the Companies and Allied Matters Act, 2020, the Members of the Audit Committee of PZ Cussons Nigeria Plc having carried out our statutory functions under the Act, hereby report that:

a) the accounting and reporting policies of the Group and Company are in accordance with legal requirements and agreed ethical practices;

b) the scope and planning of both the external and internal audit for the year ended 31 May, 2024 are satisfactory. The internal audit programmes reinforce the Group's and Company's internal control system; and

c) having reviewed the Independent Auditor's memorandum of recommendations on accounting procedures and internal controls, we are satisfied with Management responses thereon.

Finally, we acknowledge the co-operation of Executive Management and staff in the conduct of our duties.

Members of the Audit Committee

Mallam Ballama Manu	Chairman, Director's Representative	FRC/2016/IODN/00000014340
Dr. Suleyman A. Ndanusa OON	Directors' Representative	FRC/2014/NBA/00000007180
Mr. O.I. Obarinde (deceased)	Shareholders' Representative	FRC/2021/002/00000024587
Hon. B. Nwabughogu	Shareholders' Representative	FRC/2021/002/00000024861
Mr. O. Owoeye	Shareholders' Representative	FRC/2023/PRO/CIBN/002/879894

The Company Secretary served as the Secretary to the Committee.

Mallam Ballama Manu
FRC/2016/IODN/00000014340

29 August 2024

Management's Annual Assessment of and Report on PZ Cussons Nigeria Plc's Internal Control over Financial Reporting

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of PZ Cussons Nigeria Plc for the year ended 31 May 2024:

- PZ Cussons Nigeria Plc's Management is responsible for establishing and maintaining a system of internal control over preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

- PZ Cussons Nigeria Plc's Management used the Committee of Sponsoring Organisation of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's Internal Control over Financial Reporting (ICFR);

- PZ Cussons Nigeria Plc's management has assessed that the entity's ICFR as of the end of 31 May 2024 is effective and has not identified any material control weaknesses.

- PZ Cussons Nigeria Plc's external auditor PricewaterhouseCoopers has audited the financial statements included in the Annual Report and has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of PricewaterhouseCoopers will be filed as part of the Annual Report.

Mrs. I.M.O Okauru, MFR
Chair
FRC/2016/ICAN/00000014169
Date: 29 August 2024

Mr. Dimitris Kostianis
Chief Executive Officer
FRC/2023/PRO/DIR/003/204573
Date: 29 August 2024

Chief Executive Officer's Certification of Management Assessment on Internal Control Over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of PZ Cussons Nigeria Plc for the year ended 31 May 2024.

I, Dimitris Kostianis certify that:

a) I have reviewed this Management Assessment on Internal Control over Financial Reporting of PZ Cussons Nigeria Plc;

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for the period presented in this report;

d) The entity's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;
2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the entity's Auditors and the Audit Committee of the entity's Board of Directors

1) all significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the record, process, summarise and report financial information; and
2) any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Dimitris Kostianis
Chief Executive Officer
FRC/2023/PRO/DIR/003/204573
Date: 29 August 2024

Chief Financial Officer's Certification of Management Assessment on Internal Control Over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of PZ Cussons Nigeria Plc for the year ended 31 May 2024.

I, Brian Egan certify that:

a) I have reviewed this Management Assessment on Internal Control over Financial Reporting of PZ Cussons Nigeria Plc;

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for the period presented in this report;

d) The entity's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;
2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the entity's Auditors and the Audit Committee of the entity's Board of Directors

1) all significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the record, process, summarise and report financial information; and
2) any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Brian Egan

Mr. Brian Egan
Chief Financial Officer
FRC/2015/PRO/ANAN/001/00000011227
Date: 29 August 2024

Corporate Governance Report

This Corporate Governance Report is prepared in accordance with Principle 28 of the Nigerian Code of Corporate Governance 2018 (the 2018 Code). A copy of the 2018 Code can be found on the Financial Reporting Council's website: www.frcnigeria.gov.ng/.

STATEMENT OF COMPLIANCE

We affirm that the 2018 Code and the SEC Corporate Governance Guideline ("Guideline") govern the operation of the Group and confirm that we are in compliance with the Code and the Guideline, not because it is required but to achieve the Group's long-term goals and sustainability.

BOARD LEADERSHIP AND COMPANY PURPOSE

Effective Board

The Board understands that its role is to provide leadership and set the purpose, values and standards for the Group. Our business model and strategy are set out on pages 19-20 of the Strategic Report and describe the basis upon which the Company generates and preserves value over the long-term.

The Company is led by an effective Board, whose role is to promote the long-term sustainable success of the Company, thereby generating value for investors and contributing to the wider society. The Board meets regularly to review Management's activities and evaluate compliance with strategic direction. The Directors' profiles are on pages 36-39.

Directors have the right to raise concerns at Board meetings and can ask for those concerns to be recorded in the Board minutes. The Group has also established a procedure which enables Directors, in relevant circumstances, to obtain independent professional advice at the Company's expense.

Board and Corporate Governance Evaluation

The Board has established a system to undertake a formal and rigorous annual evaluation of its performance, that of its Committees, the Chairman and individual Directors in line with the provisions of the 2018 Code. Having engaged the services of external facilitators for the Company's Board and Corporate Governance evaluations in the 2020, 2021 ,2022 and 2023 financial years, the Board undertook to evaluate its own performance, that of its committees, the Chairman and individual Directors in the year under review as permitted by Principle 14.1 of the 2018 Code.

The questionnaire for the exercise evaluated the Board's governance processes and practice, benchmarking same against the 2018 Code based on the following seven (7) key corporate governance considerations:

(a) Board Structure and Composition

(b) Board Operations and Effectiveness

(c) Strategy Development and Implementation

(d) Risk Management and Compliance

(e) Performance Measurement and Management

(f) Transparency and Disclosure

(g) Stakeholders Engagement and Corporate Citizenship

The result of the questionnaires administered showed that the Board was effective during the period under review. It observed a few areas requiring improvements and the Board is committed to keep improving the corporate governance culture of the Group to attain its objectives.

Board Development and Training

The Chair is responsible for leading the development, and monitoring the effective implementation, of training policies and procedures for the Directors. On appointment, each Director receives a formal and tailored induction. The Board is committed to providing on-going training in addition to the Directors personal professional development.

Stakeholder Engagement

We recognise the importance of clear communication and proactive engagement with all of our stakeholders. During the year under review, the Board used various engagement channels to provide information and receive valuable feedback from our key stakeholders.

Board Roles

The responsibilities of the Chair, Chief Executive Officer, Board and Board Committees are clear, set out in writing and regularly reviewed by the Board.

There is a clear division between the Executive and Non-Executive responsibilities.

Role	Responsibilities
Chair of the Board Ifueko M. Omoigui Okauru, MFR	The Chair of the Board is responsible for ensuring overall Board and individual Director effectiveness and for creating and embedding the right governance framework within the Board. Specific responsibilities include: • Effective running of the Board including setting the agenda and ensuring that the Board plays a full and constructive part in the approval of the Group's strategy and overall commercial objectives. • Ensuring Management provides the Directors with accurate, timely and adequate information. • Ensuring the effective operation of the Board such that the Board works towards achieving the Group's strategic objectives. • Ensuring that the Board and its committees are composed of individuals with relevant skills, competencies and desired experience. • Providing guidance to the CEO and being available to him for regular communication. • Reviewing and agreeing training and development for the Board. • Ensuring an appropriate balance is maintained between Executive and Non-Executive Directors with the skills, experience and expertise to provide guidance, challenge and oversight to the Board and executive management. • Ensuring there is effective communication with the Group's shareholders and other stakeholders. • Ensuring that the performance of the Board as a whole, its Committees, and individual Directors is formally evaluated. • Promoting high standards of integrity and corporate governance throughout the Group, particularly at Board level.
Chief Executive Officer Dimitris Kostianis	The Chief Executive Officer is accountable to the Chair and the Board for providing timely, accurate and clear information in relation to the Group's performance and delivery of its strategy and overall commercial objectives. Specific responsibilities include: • Day to day management of the Group. • Proper implementation and achievement of the Group's strategic objectives to ensure its sustainable development and growth. • Managing the Group's risk profile in line with its risk appetite and ensuring that effective internal controls are in place. • Providing the Board with complete, accurate and timely information and documentation to enable it to make sound decisions. • Executive Management matters affecting the Group and leading the Leadership Team (ALT). • Promoting and conducting the affairs of the Group with standards of integrity and corporate governance that align to the Group's integrity and purpose. • Advising and making recommendations in respect of management succession planning. • Leading and overseeing the development and implementation of good governance policies relating to whistle-blowing, insider dealing, disclosure, anti-corruption, safety and sustainability. • Promoting an entrepreneurial and ethical culture which welcomes and supports a diverse workforce. • Championing the Group's values and behaviours.
Chief Financial Officer Brian Egan	The Chief Financial Officer's specific responsibilities include: • Implementing the Group's financial strategy, including balance sheet management and capital allocation. • Supporting the Chief Executive Officer in the delivery of the Group's strategy and financial performance. • Overseeing financial reporting and internal controls.

Role	Responsibilities
Non-Executive Directors	The Non-Executive Directors' specific responsibilities include: • Contributing to the development of the Group's strategy. • Promoting and supporting the Group's values and commitment to high standards of corporate governance. • Reviewing, oversight and constructive challenge of the Leadership Team on the delivery of the Company's objectives and strategy.

GOVERNANCE FRAMEWORK

The Board recognises that a good governance structure is not static but allows the Group to grow and develop.

The Board has overall authority for the management and conduct of the Group's business, strategy and development and is responsible for ensuring that this aligns with the Group's culture. The Board ensures the maintenance of a system of internal controls and risk management (including financial, operational and compliance controls) and reviews the overall effectiveness of the systems in place. The Board delegates the day-to-day management of the business to the CEO and the Executive Leadership known as the Africa Leadership Team (ALT). There is a schedule of maters reserved for the Board's decision which forms part of our Delegated Authority Framework.

Maters for the Board's decision include approval of the following:

(a) Leadership, strategy, budget and management
(b) Structure and capital
(c) Financial reporting and controls
(d) Risk Management and internal controls
(e) Contracts and expenditure in accordance with the Group's Authorisation Matrix
(f) Communications
(g) Board membership and other appointments
(h) Corporate Governance maters
(i) Remuneration
(j) Delegated Authority and other matters

THE BOARD

The Board's role is to provide leadership and set the purpose, values and standards of the Company and the Group. The Board has ultimate responsibility for the long-term success and sustainability of the business. It approves the Group's long-term objectives and commercial strategy and provides oversight of the Group's operations.

THE BOARD DELEGATES RESPONSIBILITY FOR CERTAIN MATTERS TO ITS PRINCIPAL COMMITTEES

BOARD AUDIT AND RISK MANAGEMENT COMMITTEE	GOVERNANCE AND PEOPLE COMMITTEE

Board Audit and Risk Management Committee

The Board Audit and Risk Management Committee (BARMC) is established by and among the Board of Directors for the primary purpose of assisting the Board in fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community and others relating to:

(a) the integrity of the Group's financial statements.

(b) the effectiveness of the Group's internal control over financial reporting.

(c) the Group's compliance with legal and regulatory requirements.

(d) the independent auditor's qualifications and independence.

(e) the performance of the Company's internal audit function and independent auditor.

The BARMC has authority to conduct or authorise investigations into any matters within its scope of responsibility. It is empowered to:

(a) Appoint, compensate, and oversee the work of any registered public accounting firm employed by the Group.

(b) Resolve any disagreements between management and the auditor regarding financial reporting.

(c) Pre-approve all auditing and non-audit services.

(d) Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation.

(e) Seek any information it requires from employees-all of whom are directed to cooperate with the BARMC's requests-or external parties.

(f) Meet with company officers, external auditors, or outside counsel, as necessary.

Governance and People Committee

The Governance and People Committee (GPC) is established by and among the Board of Directors for the primary purpose of assisting the Board in fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community and other stakeholders relating to:

(a) the integrity of the Group's corporate governance system.

(b) the effectiveness of the system of internal non-financial controls of the Group.

(c) the Group's compliance with legal and regulatory requirements.

(d) matters pertaining to human resources and manpower.

The GPC has authority to conduct or authorise investigations into any maters within its scope of responsibility. It is empowered to:

(a) retain independent counsel to advise the Committee or assist in the conduct of an investigation.

(b) seek any information it requires from employees, all of whom are directed to cooperate with the Committee's requests or external parties.

(c) meet with company officers or external counsel as necessary.

THE EXECUTIVE LEADERSHIP TEAM (ALT)

The Board has delegated responsibility for the delivery of the Group's strategy and the day-to-day operational performance of the business to the Executive Directors in accordance with the Group Authorisation Framework. The ALT work closely with the wider Group Executive Leadership Team to deliver this strategy.

BALANCE OF INDEPENDENCE

The Board currently comprises four Independent Non-Executive Directors (including the Chair), one Non-Executive Director and two Executive Directors. The Board is of the opinion that the Independent Non-Executive Directors remain independent, in line with the definition set out in the 2018 Code and are free from any relationship or circumstances that could affect, or appear to affect, their independent judgement except as disclosed earlier.

CONFLICTS OF INTEREST

The Company Secretary keeps a register of all Directors' interests. The register sets out details of situations where each Director's interest may conflict with those of the Company (situational conflicts).

COMPANY SECRETARY

All Directors have access to the advice of the Company Secretary. The appointment and remuneration of the Company Secretary is a matter for the Board.

BOARD TIME COMMITMENTS

All Directors are required to obtain permission of the Board in respect of any proposed appointments to other listed company boards prior to committing to them. The Non-Executive Directors are required, by their letters of appointment, to devote sufficient time to meet the expectations of their role as required by the Board from time to time. The Board remains satisfied that all the Directors spend considerably more than this amount of time on Board and Committee activity.

BOARD MEETING ATTENDANCE

Each of the Directors has committed to attend all scheduled Board and relevant Committee meetings and has committed to make every effort to attend ad hoc meetings, either in person or by telephone/video call. The Independent Non-Executive Directors meet without the Executive Directors present at least once a year. The attendance of Directors at Board and Board Committees meetings held during the year is as shown on pages 46-49.

INSIDE INFORMATION POLICY

The Inside Information Policy sets out the procedures, systems and controls which must be complied with in determining whether information relating to the Company is inside information and, if it is, the procedures for controlling the inside information and disclosing such information to the market. Directors and employees are required to always consider the need to identify information that may be inside information and the requirement to maintain its confidentiality until such time as it is formally announced to the market. Any material breach of the Inside Information Policy is taken seriously and may lead to disciplinary action being taken against the individual(s) concerned up to and including dismissal in accordance with disciplinary procedures. The Company's Inside Information Policy establishes mandatory procedures to ensure that all Company employees and other personnel are able to:

a. identify potential inside information;

b. escalate the issue as soon as possible through the appropriate internal channels; and

c. protect and control inside information.

Inside information, is information which is of a precise nature, has not been made public, relates, directly or indirectly, to one or more of the Company's financial instruments, and would, if it were made public, be likely to have a significant effect on the prices of those financial instruments, which means the information a reasonable investor would be likely to use as part of the basis of his/her investment decisions. A description of each of the Inside Information elements is set out in the Inside Information Policy.

SHARES DEALING POLICY

The Company has in place a Shares Dealing Policy to guide the Board, Employees, External Advisers and Related Parties on trading in the securities of the Company within the closed period. Under the policy, the closed period is when no Director, employee, external adviser and related party with inside information can trade in the Company's securities. The closed period commences from the end of the financial period in review or 15 days prior to the date of any meeting of the Board of Directors proposed to be held to consider any price sensitive matter or the date of circulation of agenda papers pertaining to a board meeting on any of the said matters, whichever is earlier, up to 24 hours after the price sensitive information is submitted to the exchange via its issuer's portal and disclosed to the public. The trading window shall thereafter be opened.

We confirm that no Director and key management personnel traded in the securities of the Company within the closed period.

CODE OF ETHICAL CONDUCT

Our ethical principles dictate our ways of working and operating and are embedded in all of our people processes, from recruitment to succession, and from development planning to performance management. Our ethical principles are honesty, integrity, respect and accountability. The Code of Ethical Conduct is owned, driven and supported by the Board of Directors. It clearly sets out the expectations of all those who work for, and with us. The Code applies to the Board of Directors, Senior Management and all employees and contract, agency or temporary workers (collectively referred to as employees), and compliance with the Code is mandatory. We require our joint venture partners, suppliers, agents, advisors, consultants or other entities (collectively referred to as business partners) to act in a manner that is consistent with the spirit of the Code when engaged in activity linked with the Group. We expect our business partners to either adopt the standards set out under our Code, or in the case of suppliers, under our Supplier Code of Conduct, or to demonstrate that they maintain their own codes or standards which are at least equivalent to our own.

WHISTLE-BLOWING POLICY

The Whistle-Blowing Policy establishes the guidelines for reporting any actual or suspected abuse or non-compliance with any of the policies, procedures, values or business principles of Group, any other misconduct or improper state of affairs or circumstances in relation to the Group, or breach of any other Group Code of Ethical Conduct and related policies.

We are committed to maintaining high standards of compliance and ethical business conduct. Our values and business principles are fundamental to our ability to succeed and serve our customers. A key part of that is for all of our Employees to conduct their business with integrity, both within the limits of our internal policies and procedures, but also within the limit and spirit of all applicable laws and regulations.

We act with openness, integrity and trust, ask for help, admit to our mistakes and put things right. To do that we need the support of our Employees, which is why this policy is so important. Each of our Employees is responsible for speaking up if they witness or become aware of any suspected misconduct. Any disclosure is not only treated confidentially and sensitively, but is evaluated, and where appropriate investigated, thoroughly. We do not tolerate any kind of reprisal against someone for making a good faith disclosure of suspected misconduct. The Board and the ALT have committed themselves to the policy and its implementation throughout the Group. The policy applies to all our employees and business partners.

SUSTAINABILITY CHARTER

PZ Cussons is committed to running its business in a responsible, environmentally sound and sustainable manner. Care for people and planet is one of our key responsibilities and an important part of the way in which we do business. Throughout our global operations we regard compliance with the law as the minimum standard to be achieved and will continue to put in place additional environmental and social programmes to go beyond compliance where appropriate.

Our principles have been chosen, and are regularly reviewed, to ensure that our actions effectively implement our ethos and values; they are:

- To comply with all relevant environmental and human rights legislation, regulations and approved codes of practice.
- To take significant environmental aspects and impacts into account throughout our operations, maintaining a robust environmental management process at each factory and location.
- To ensure that environmental and social issues are properly assessed and considered when key decisions are taken about supply chains, processes and new product development.
- To establish and measure the significant environmental impacts of our operations, set targets for performance improvements and monitor progress against those targets in areas including but not limited to energy, greenhouse gas emissions, water usage/quality, waste, deforestation and responsible supply chain practices.
- To use energy and natural resources wisely and efficiently, eliminate and minimize waste, impact on bio-diversity and re-use and recycle where practical.
- To engage with our suppliers, customers and other stakeholders on environmental issues, including the sustainability of our raw and packaging material supply chains.
- To ensure that employees have a level of knowledge and understanding appropriate to their environmental responsibilities and are aware of actions they can take to reduce their impacts.
- To conduct an annual review, including progress against targets, and to make that review publicly available in our Annual Report. Specific goals are available on https://www.pzcussons.com/sustainability/.

The Charter applies to every member of the Company, including our employees and business partners.

COMPLAINT MANAGEMENT POLICY

The Complaint Management Policy sets out the broad framework bend to issues which the Group and its Registrars attend to issues and concerns raised by shareholders and provides the opportunity for shareholders to give feedback to the Group. The Group is dedicated to ensuring great standard of services to its shareholders by:

- Creating an efficient process for the management of shareholders' complaints and enquiries;
- Ensuring that all matters relating to shareholders are adequately addressed; and
- Making information readily available to shareholders.

Communication Policy

Our Group has in place a Communication Policy in accordance with the requirements of the Securities & Exchange Commission.

The Board recognises the need to communicate and disseminate information regarding the operations and management of the Group to all relevant stakeholders (including shareholders, regulatory authorities, media, analysts and the general public).

Dated 1 November 2024

BY ORDER OF THE BOARD

ALSEC NOMINEES LIMITED
Company Secretaries
OLUBUKOLA OLONADE-AGAGA
FRC/2020/002/00000021128

FOR: ALSEC NOMINEES LIMITED
Company Secretary FRC/2024/COY/119349

FINANCIAL STATEMENTS

OUR STRIVING VALUE IN ACTION.

WE WORK WITH RESILIENCE AND DETERMINATION.

- Taking ownership of goals and commercial growth
- Leading with ambition and entrepreneurial in attitude
- Always learning to improve

Read more online
www.pzcussons.com/

Independent Practitioner's Report

To the Members of PZ Cussons Nigeria Plc

Report on an assurance engagement performed by an independent practitioner to report on management's assessment of controls over financial reporting

Our Opinion
In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of PZ Cussons Nigeria Plc ("the company's") are not adequate as of 31 May 2024, based on the SEC Guidance on Implementation of Section 60 – 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission.

What We Have Performed

We have performed an assurance engagement on PZ Cussons Nigeria Plc's internal control over financial reporting as of 31 May 2024, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The Company's Management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Assessment of and Report on PZ Cussons Nigeria Plc's Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our assurance engagement.

Basis for Opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting

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

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
(iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

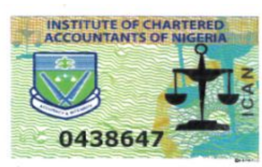
Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the Consolidated and Separate Financial Statements of PZ Cussons Nigeria Plc and our report dated 30 August 2024 expressed an unqualified opinion.

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria.

Engagement Partner: Osere Alakhume
FRC/2013/PRO/ICAN/004/00000000647



30th August 2024

Independent Auditor's Report

To the Members of PZ Cussons Nigeria Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Our Opinion

In our opinion, the Consolidated and Separate Financial Statements give a true and fair view of the consolidated and separate financial position of PZ Cussons Nigeria Plc ("the Company") and its subsidiary (together "the Group") as at 31 May 2024, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with international financial reporting standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What We Have Audited

PZ Cussons Nigeria Plc's Consolidated and Separate Financial Statements comprise:

- the Consolidated and Separate Statements of Financial Position as at 31 May 2024;
- the Consolidated and Separate Statements of Profit Or Loss and other Comprehensive Income for the year then ended;
- the Consolidated and Separate Statements of Changes in Equity for the year then ended;
- the Consolidated and Separate Statements of Cash Flows for the year then ended; and
- the Notes to the Consolidated and Separate Financial Statements, which include a summary of material accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Financial Highlights, Directors' Report, Statement of Directors' Responsibilities, Certification of Financial Statements, Report of the Audit Committee, Management Annual Assessment of, and Report on PZ Cussons Nigeria Plc Internal Control over Financial Reporting, Certification of Management's Assessment on Internal Control over Financial Reporting, Statement of Value Added and Five-year Financial Summary (but does not include the Consolidated and Separate Financial Statements and our Auditor's Report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the PZ Cussons Nigeria Plc 2024 Annual report, which are expected to be made available to us after that date.

Our opinion on the Consolidated and Separate Financial Statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Consolidated and Separate Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of the PZ Cussons Nigeria Plc 2024 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditor's Report Continued

Responsibilities of the Directors and those Charged with Governance for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of the Consolidated and Separate Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act 2011, as amended by the Financial Reporting Council of Nigeria (Amendment) Act 2023, and for such internal control as the Directors determine is necessary to enable the preparation of Consolidated and Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Separate Financial Statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the Consolidated and Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated and Separate Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor’s Report Continued

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the Company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from locations not visited by us;

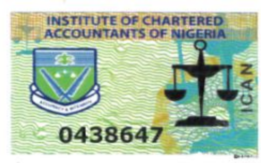
iii) the Company’s statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement and reported on management’s assessment of PZ Cussons Nigeria Plc's internal control over financial reporting as of 31 May 2024. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unqualified opinion in our report dated 30 August 2024.

Osere Alakhume

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria.

Engagement Partner: Osere Alakhume
FRC/2013/PRO/ICAN/004/00000000647



30th August 2024

Consolidated and Separate Statements of Financial Position

As at 31 May 2024

In thousands of Naira	Note	Group 2024	Group 2023	Company 2024	Company 2023
Asset					
Non-current assets					
Property, plant and equipment	4	**14,976,785**	15,500,551	**13,472,073**	14,031,271
Right-of-use assets	7	**107,637**	203,758	**66,418**	131,515
Intangible assets	9	**317,886**	423,847	**317,886**	423,847
Investment in subsidiary	10	**-**	-	**504,406**	504,406
Investment property	6	**1,936,931**	1,590,634	**1,936,931**	1,590,634
Deferred tax	21	**29,781,800**	524,559	**16,902,488**	-
Lease receivables	12a	**2,493,269**	-	**2,493,269**	-
Loan receivables	13	**-**	-	**263,234**	3,422,048
Other assets	14	**-**	32,082	**-**	32,082
Total non-current assets		**49,614,308**	**18,275,431**	**35,956,705**	**20,135,803**
Current assets					
Inventories	11	**40,845,449**	29,048,718	**28,211,172**	19,922,450
Trade and other receivables	12	**17,781,992**	11,452,708	**15,071,151**	7,664,616
Loan receivables	13	**-**	-	**3,458,901**	3,158,814
Other assets	14	**1,728,248**	951,104	**1,700,915**	951,104
Deposits for imports	15	**13,701,925**	958,058	**7,213,539**	9,670
Deliverable forwards	24	**4,518,435**	4,056,791	**1,603,402**	383,725
Cash and cash equivalents	16	**28,869,338**	101,623,076	**24,896,732**	58,599,818
Total current assets		**107,445,387**	**148,090,455**	**82,155,812**	**90,690,197**
Total assets		**157,059,695**	**166,365,886**	**118,112,517**	**110,826,000**
Equity and liabilities					
Equity					
Share capital	17	**1,985,238**	1,985,238	**1,985,238**	1,985,238
Share premium		**6,878,269**	6,878,269	**6,878,269**	6,878,269
Retained (losses) / earnings		**(33,785,676)**	34,466,241	**(25,610,206)**	19,808,961
Equity attributable to equity holders;					
Parent company		**(25,078,945)**	43,329,748	**(16,746,699)**	28,672,468
Non-controlling interest		**(2,584,666)**	5,030,310	**-**	-
Total Equity		**(27,506,835)**	**48,360,058**	**(16,746,699)**	**28,672,468**
Liability					
Non-current liabilities					
Borrowings	25	**64,333,113**	18,735,092	**59,833,113**	18,735,092
Deferred income	18	**603,436**	84,230	**603,436**	84,230
Deferred tax	21	**-**	4,086,413	**-**	4,086,413
Warranty provisions	22	**245,420**	309,079	**-**	-
Lease liability	8	**57,121**	108,131	**35,418**	70,131
Total non-current liabilities		**65,239,090**	**23,322,945**	**60,471,967**	**22,975,866**

Consolidated and Separate Statements of Financial Position continued

As at 31 May 2024

		Group		Company	
In thousands of Naira	Note	**2024**	2023	**2024**	2023
Current liabilities					
Trade and other payables	23	**90,600,357**	79,943,735	**69,971,843**	54,481,105
Borrowings	25	**24,731,616**	5,277,304	**1,108,447**	-
Deferred income	18	**724,448**	5,272	**724,448**	5,272
Contract liabilities	19	**692,667**	361,162	**653,447**	361,162
Current taxation payable	20	**2,448,803**	8,927,549	**1,898,064**	4,268,743
Warranty provisions	22	**79,033**	72,234	**-**	-
Lease liability	8	**50,516**	95,627	**31,000**	61,384
Total current liabilities		**119,327,440**	94,682,883	**74,387,249**	59,177,666
Total liabilities		**184,566,530**	**118,005,828**	**134,859,216**	**82,153,532**
Total equity and liabilities		**157,059,695**	**166,365,886**	**118,112,517**	**110,826,000**

The financial statements on pages 66 -132 were approved by the Board of Directors on 29 August 2024 and signed on it behalf by:

Mrs. Ifueko M. Omoigui Okauru MFR
Chair

FRC/2016/ICAN/00000014169

Mr. Dimitris Kostianis
Chief Executive Officer

FRC/2023/PRO/DIR/003/204573

Mr. Brian Egan
Chief Financial Officer

FRC/2015/IODN/00000011227

The accompanying notes on pages 77 to 130 form an integral part of these financial statements.

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

For the year ended 31 May In thousands of Naira	Note	Group 2024	Group 2023	Company 2024	Company 2023
Revenue	28	**152,249,309**	113,964,309	**90,810,486**	67,413,111
Cost of sales	26a	**(98,120,852)**	(81,015,877)	**(62,330,277)**	(48,653,086)
Gross profit		**54,128,457**	**32,948,432**	**28,480,209**	**18,760,025**
Selling and distribution expenses	26a	**(13,222,552)**	(11,720,884)	**(9,444,688)**	(8,054,946)
Impairment of trade receivables	26a	**264,751**	(167,976)	**218,989**	(187,923)
Administrative expenses	26a	**(10,682,828)**	(7,881,880)	**(9,039,102)**	(6,902,925)
Foreign exchange loss	26b	**(157,918,245)**	(4,953,665)	**(96,625,395)**	(3,808,074)
Operating (loss)/profit		**(127,430,417)**	**8,224,027**	**(86,409,987)**	**(193,843)**
Other income	27a	**2,931,740**	7,341,557	**2,715,852**	7,311,799
Debt waiver	27b	**14,293,613**	-	**14,293,613**	-
Interest income	35	**6,108,171**	5,233,116	**4,296,586**	4,149,329
Interest cost	35	**(4,098,109)**	(334,961)	**(416,482)**	(1,456)
(Loss)/profit before tax		**(108,195,002)**	**20,463,739**	**(65,520,418)**	**11,265,829**
Income tax credit /(expense)	20	**32,171,333**	(6,115,395)	**19,944,475**	(2,737,391)
(Loss)/profit for the year		**(76,023,669)**	**14,348,344**	**(45,575,943)**	**8,528,438**
Total comprehensive (loss) / income for the year		**(76,023,669)**	**14,348,344**	**(45,575,943)**	**8,528,438**
Attributable to:					
Equity holders of the parent company		**(68,408,693)**	12,892,786	**(45,575,943)**	8,528,438
Non-controlling interest		**(7,614,976)**	1,455,558	**-**	-
Total comprehensive income for the year		**(76,023,669)**	**14,348,344**	**(45,575,943)**	**8,528,438**
Basic and diluted earnings per share (kobo)	30	**(17.23)**	3.25	**(11.48)**	2.15

The accompanying notes on pages 77 to 130 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

		Group				
		Attributable to owners				
In thousands of Naira	Notes	Share capital	Share premium	Retained earnings	Non-controlling interest	Total
Balance at 1 June 2023		**1,985,238**	**6,878,269**	**34,466,241**	**5,030,310**	**48,360,058**
Comprehensive loss for the year						
Loss for the year		–	–	**(68,408,693)**	**(7,614,976)**	**(76,023669)**
Total comprehensive loss for the year		–	–	**(68,408,693)**	**(7,614,976)**	**(76,023,669)**
Transactions with owners						
Dividend declared during the year ended 31 May 2023	23.1b	–	–	–	–	–
Unclaimed dividends forfeited	23.1b	–	–	**156,776**	–	**156,776**
Total transactions with owners, recorded directly in equity				**156,776**	–	**156,776**
Balance at 31 May 2024		**1,985,238**	**6,878,269**	**(33,785,676)**	**(2,584,666)**	**(2,7506,835)**
Balance at 1 June 2022		1,985,238	6,878,269	25,301,527	3,574,752	37,739,831
Comprehensive income for the year						
Profit for the year		–	–	12,892,786	1,455,558	14,348,344
Total comprehensive income for the year		–	–	**12,892,786**	**1,455,558**	**14,348,344**
Transactions with owners						
Dividend declared during the year ended 31 May 2022	23.1b	–	–	(4,010,182)	–	(4,010,182)
Unclaimed dividends forfeited	23.1b	–	–	282,065	–	282,065
Total transactions with owners, recorded directly in equity		–	–	(3,728,117)	–	(3,728,117)
Balance at 31 May 2023		**1,985,238**	**6,878,269**	**34,466,241**	**5,030,310**	**48,360,058**

The accompanying notes on pages 77 -130 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

		Company			
		Attributable to owners			
In thousands of Naira	Notes	Share capital	Share premium	Retained earnings	Total Equity
Balance at 1 June 2023		**1,985,238**	**6,878,269**	**19,808,961**	**28,672,468**
Comprehensive loss for the year					
Loss for the year		–	–	**(45,575,943)**	**(45,575,943)**
Total comprehensive loss for the year		–	–	**(45,575,943)**	**(45,575,943)**
Transactions with owners					
Dividend declared during the year ended 31 May 2023	23.1b	–	–	–	–
Unclaimed dividends forfeited	23.1b	–	–	**156,776**	**156,776**
Total transactions with owners, recorded directly in equity				**156,776**	**156,776**
Balance at 31 May 2024		**1,985,238**	**6,878,269**	**(25,610,206)**	**(16,746,699)**
Balance at 1 June 2022		1,985,238	6,878,269	15,008,640	23,827,147
Comprehensive income for the year					
Profit for the year		–	–	8,528,438	8,528,438
Total comprehensive income for the year		–	–	**8,528,438**	**8,528,438**
Transactions with owners					
Dividend declared during the year ended 31 May 2022	23.1b	–	–	(4,010,182)	(4,010,182)
Unclaimed dividends forfeited	23.1b	–	–	282,065	282,065
Total transactions with owners, recorded directly in equity		–	–	(3,728,117)	(3,728,117)
Balance at 31 May 2023		**1,985,238**	**6,878,269**	**19,808,961**	**28,672,468**

The accompanying notes on pages 77 -130 form an integral part of these financial statements.

Consolidated and Separate Statements of Cash Flows

		Group		Company	
In thousands of Naira	Note	**2024**	2023	**2024**	2023
Operating activities					
(Loss)/ Profit before tax		**(108,195,002)**	20,463,740	**(65,520,418)**	11,265,827
Adjustments for:					
Depreciation of property, plant and equipment	4	**1,754,485**	1,898,151	**1,576,344**	1,726,313
Depreciation of right-of-use assets	7	**96,121**	96,121	**65,097**	65,097
Depreciation of Investment property	6	**65,762**	56,105	**65,762**	56,105
Amortization of intangible assets	9	**105,961**	105,961	**105,961**	105,961
Profit on disposal of PPE	27a	**(2,041)**	(5,943,576)	**(1,792)**	(5,943,383)
Foreign exchange loss	26b	**157,918,245**	4,127,115	**96,625,395**	3,334,945
Effect of foreign exchange rate changes		**41,098,021**	826,550	**41,098,021**	473,129
Interest expense	35	**4,098,109**	334,961	**416,482**	1,456
Interest income	35	**(6,108,171)**	(5,233,116)	**(4,296,586)**	(4,149,329)
		90,831,490	**16,732,012**	**70,134,266**	**6,936,121**
Change in:					
Inventories	11	**(11,796,731)**	(2,156,939)	**(8,288,722)**	(659,167)
Trade and other receivables		**(6,329,284)**	(3,206,102)	**(7,406,535)**	(2,916,611)
Other assets		**(745,062)**	251,285	**(717,729)**	251,285
Deposit for imports		**(12,743,867)**	(767,785)	**(7,203,869)**	(9,669)
Deliverable forwards		**(461,644)**	(3,624,988)	**(1,219,676)**	(58,906)
Trade and other payables	23	**10,656,622**	13,870,878	**15,490,738**	1,711,654
Deferred income		**1,238,382**	24,377	**1,238,382**	24,378
Contract liabilities		**331,505**	(800,232)	**292,285**	(211,188)
Warranty provisions		**(56,860)**	17,925	**-**	-
Cash generated from operating activities		**70,924,551**	**20,340,431**	**62,319,140**	**5,067,897**
Income tax paid	20	**(7,746,808)**	(2,401,590)	**(3,415,105)**	(1,202,219)
Net cash generated from operating activities		**63,177,743**	**17,938,841**	**58,904,035**	**3,865,678**
Investing activities					
Interest income received	35	**6,108,171**	5,233,116	**4,296,586**	4,149,329
Loan advanced	13	**-**	(5,000,000)	**-**	(11,296,509)
Loan repayment	13	**-**	5,000,000	**3,474,696**	4,715,647
Proceeds from sale of property, plant and equipment		**2,903**	6,537,131	**2,871**	6,536,745
Acquisition of property, plant and equipment	4	**(2,953,720)**	(911,180)	**(2,733,754)**	(622,528)
Net cash generated from investing activities		**3,157,354**	**10,859,067**	**5,040,399**	**3,482,684**

Consolidated and Separate Statements of Cash Flows continued

		Group		Company	
In thousands of Naira	Note	**2024**	2023	**2024**	2023
Financing activities					
Borrowing from parent company	25a	**4,500,000**	17,031,902	**-**	17,031,902
Trade obligation with banks	25b	**37,671,826**	5,277,304	**3,073,604**	-
Repayment of borrowings	25b	**(22,871,048)**	-	**(2,439,285)**	-
Dividends paid	23.1b	**-**	(1,071,739)	**-**	(1,071,739)
Interest expense paid	35	**(4,098,109)**	(334,961)	**(416,482)**	(1,456)
Lease payment	8	**(96,121)**	(96,121)	**(65,097)**	(65,097)
Net cash generated from financing activities		**15,106,548**	**20,806,385**	**152,740**	**15,893,610**
Net increase in cash and cash equivalents		**81,441,645**	49,604,293	**64,097,174**	23,241,972
Cash and cash equivalents at 1 June		**101,623,076**	52,845,333	**58,599,818**	35,830,975
Effect of foreign exchange rate changes		**(154,195,383)**	(826,550)	**(97,800,260)**	(473,129)
Cash and cash equivalents at 31 May	16	**28,869,338**	**101,623,076**	**24,896,732**	**58,599,818**

The accompanying notes on pages 77-130 form an integral part of these financial statements.

Notes to the Consolidated and Separate Financial Statements

1. GENERAL INFORMATION

PZ Cussons Nigeria Plc is a Company incorporated in Nigeria on 4 December 1948 under the name of P.B. Nicholas and Company Limited. The name was changed to Alagbon Industries Limited in 1953 and to Associated Industries Limited in 1960. The Company became a public Company in 1972 and was granted a listing on the Nigerian Stock Exchange. The name was changed to Paterson Zochonis Industries Limited on 24 November 1976 and in compliance with the Companies and Allied Matters Act 2020 as amended, it changed its name to Paterson Zochonis Industries Plc on 22 November 1990. On 21 September, 2006, the Company adopted its present name of PZ Cussons Nigeria Plc.
The principal activities of the Company are the manufacture, distribution and sale of a wide range of consumer products and home appliances through owned depots. These products are leading brand names throughout the country in soap, cosmetics, refrigerators, freezers and air-conditioners. The Company also distributes products of Harefield Industrial Nigeria Limited.
The address of the registered office is 45/47 Town Planning Way, Ilupeju, Lagos.

These consolidated and separate financial statements are presented in Nigerian Naira which is the functional currency of the primary economic environment in which the Group operates. The financial statements have been rounded to the nearest thousands.
These consolidated and separate financial statements comprises that of the Group and the stand alone financial statements of the Company.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES OF THE GROUP AND COMPANY

2.1 Statement of compliance

The Group and Company's financial statements for the year ended 31 May 2024 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (together "IFRS") that are effective during the year ended 31 May 2024 and requirements of the Companies and Allied Matters Act (CAMA) 2020 of Nigeria as amended and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

2.2 Basis of preparation and measurement

The preparation of consolidated and separate financial statements in conformity with generally accepted accounting principles under IFRS requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Disclosed in Note 2.25 are areas where significant judgements and estimates have been applied in the preparation of these financial statements.

The consolidated and separate financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated and separate financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

2.2.1 Going concern

The consolidated and separate financial statements have been prepared on a going concern basis. Nothing has come to the attention of the Directors that cast doubt about the ability of the Group to continue as a going concern. See Note 41 for further details.

2.2.2 Application of new and revised International Financial Reporting Standards

New and amended standards adopted by the Group and Company
The Group has applied the following standards and amendments for the first time for the annual reporting year commencing 1 June 2023:

- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies
- IFRS 17 Insurance Contracts
- Amendments to IAS 12- Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Notes to the Consolidated and Separate Financial Statements continued

(i) Amendments to IAS 8 - Definition of Accounting Estimates (Effective 1 January 2023)
The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measure uncertainty.
The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

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

The new standard had no impact on the Group's consolidated financial statements.

(ii) Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies (Effective 1 January 2023)
The IASB amended IAS 1 Presentation of Financial Statements to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The new standard had no impact on the Group's consolidated financial statements.

(iii) IFRS 17 - Insurance Contracts (Effective 1 January 2023)
IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:
• discounted probability-weighted cash flows
• an explicit risk adjustment, and
• a Contractual Service Margin (CSM) representing the unearned profit of the contract
which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for eligible groups of insurance contracts, which are often written by non-life insurers.

There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items are included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

Targeted amendments made in July 2020 aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. The amendments also deferred the application date of IFRS 17 to 1 January 2023.

The new standard had no impact on the Group's consolidated financial statements.

(iv) Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction (Effective 1 January 2023)
The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

Notes to the Consolidated and Separate Financial Statements continued

• right-of-use assets and lease liabilities, and
• decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in the opening balance of retained earnings, or another component of equity, as appropriate.

IAS 12 did not previously address how to account for the tax effects of on balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The new standard had no impact on the Group's consolidated financial statements.

2.2.3 New accounting standards issued but not yet effective.
At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

(I) Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture
The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture.

Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture.

Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted.

(ii) Amendments to IAS 7 and IFRS 7 - Supplier finance arrangements (Effective 1 January 2024)
The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs.

The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following

The terms and conditions of SFAs.

i. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.
ii. The carrying amount of the financial liabilities for which suppliers have already received payment from the finance providers.
iii. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
iv. Non-cash changes in the carrying amounts of financial liabilities.
v. Access to SFA facilities and concentration of liquidity risk with finance providers.

The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.

The new standard is not expected to have material impact on the Group's consolidated financial statements.

(iii) Amendments to IAS 1 – Non-current liabilities with covenants (Effective 1 January 2024)
Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at

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the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date

The new standard is not expected to have material impact on the Group's consolidated financial statements.

(iv) Amendments to IFRS 16 - Lease liability in a sale and leaseback (Effective 1 January 2024)
In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The new standard is not expected to have material impact on the Group's consolidated financial statements.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of PZ Cussons Nigeria PLC and HPZ Nigeria Limited. Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses 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 listed above. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:
- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties; rights arising from other contractual arrangements;
- rights arising from other contractual agreements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Non-controlling interests in subsidiaries are identified separately from the Group's equity. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition by acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group

Notes to the Consolidated and Separate Financial Statements continued

are eliminated in full on consolidation.

2.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.
At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management which comprises the two Executive Directors.

An operating segment is a distinguishable component of the Group that earns revenue and incurs expenditure from providing related products or services (business segment), or providing products or services within a particular economic environment (geographical segment), and which is subject to risks and returns that are different from those of other segments.

The primary format for segment reporting is based on business segments. The business segments are determined by management based on the Group's internal reporting structure.

2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for sale of home and personal care products and durable electrical appliances, in the ordinary course of the Group's activities and it is stated net of value added tax (VAT), rebates and returns. A valid contract is recognised as revenue after the below conditions are met:

- The contract is approved by the parties
- Rights and obligations are recognised
- Collectability is probable
- The contract has commercial substance; and
- The payment terms and consideration are identifiable.

The probability that a customer would make payment is ascertained based on the evaluation done on the customer as stated in the credit management policy at the inception of the contract. The Group is the principal in all of its revenue arrangements since it is the primary obligor in most of the revenue arrangements, has inventory risk and determines the pricing for the goods and services.

2.6.1 Sale of goods

For sales of consumer goods to the wholesale market, revenue is recognised when control of the goods has transferred, being generally on receipt or collection by wholesaler. Following receipt, the wholesaler has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group on receipt or collection by wholesaler as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Under the Group's standard contract terms, customers have a right of return within 30 days.

The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

For sales of goods to the wholesale market, revenue is recognised by the Group at a point in time in line with the policy outlined above for the sale of consumer goods.

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2.6.2 Tradex

Tradex is made up of customer pricing allowances and promotional allowances, governed by agreements with our trade customers. Accruals are recognised under the terms of these agreements, to reflect the expected promotional activity and our historical experience. These accruals are reported within trade and other payables.

The Group provides for amounts payable to trade customers for promotional activity. Where a promotional activity spans across the year end, an accrual is reflected in the Group accounts based on our expectation of consumer uptake during the promotional period and the extent to which temporary promotional activity has occurred.

2.6.3 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.7 Leases

The Group's leasing activities and its accounting policies under IFRS 16

The nature of the Group's leasing activities is mainly motor vehicles. Rental contracts are typically made for fixed periods of 1 to 3 years but may have extension options as described in (I) below.

i Extension and termination options

Extension and termination options are included in a number of motor vehicle leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's incremental borrowing rate.

- fixed lease payments (including in substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is measured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is measured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The Group has leases that include purchase options or transfer ownership of the underlying asset.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use

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asset.

The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other operating expenses" in the Income Statement.
For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within administrative expenses in the Consolidated income Statement.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

ii As a lessor
At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

2.8 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated and separate financial statements are presented in 'Nigerian Naira' (N).

Transactions and balances
In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

- Exchange differences are recognised in profit or loss in the period in which they arise except for:
  exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented net in the income statement within finance income or cost. All other foreign exchange gains and losses are presented separately in the income statement where material.

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2.9 Interest income and expense

Interest income and expense are recognised in the income statement in the period in which they are earned or incurred. Interest income and expense are recognised using the effective interest method.

2.10 Employee benefits

2.10.1 Short-term employee benefit - Gratuity scheme

PZ Cussons Nigeria Plc gratuity scheme is a short-term employee benefit that is computed based on the agreement between PZ Cussons Nigeria Plc and Staff of PZ Cussons Nigeria Plc dated 31 December 2006.

The scheme expense is computed on a monthly basis based on the length of service of the employee and the gross pay of the employee for the year under consideration. The scheme is funded directly using the Group's cash flow and expensed to the income statement appropriately.

The PZ Cussons Nigerian Plc gratuity scheme runs from January to December of each year and it is paid in the month of February of the subsequent year. The gratuity scheme obligation at the end of each year relates to gratuity award for January to May that are due to be paid to staff but unpaid as at year end.

The scheme is only applicable for staff engaged before 1 January 2007 hence, all staff employed subsequently are not covered by the scheme.

2.10.2 Defined contribution scheme

The Group operates a defined contribution plan. The defined contribution plan pays a fixed contribution into a separate entity. Hence, the Group has no legal or constructive obligation to pay further contribution if the fund does not hold sufficient asset to pay all the employees the benefits relating to employees' service in the current and prior period.

The contributions are recognised as employee benefit expenses when they are due. The Group has no further payment obligation once the contributions have been paid. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available. The Group and employees each contribute 15% and 10% respectively in accordance with the Pension Reform Act (PRA 2014) as amended.

2.10.3 Incentive and bonus scheme

The Group recognises a liability and expense for incentive and bonus scheme based on the formula that takes into consideration the Group's objectives (net sales, operating contribution and net working capital).

The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.10.4 Termination benefit

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. Benefits are expected to be settled wholly within 12 months of the reporting date.

2.11 Current and deferred tax

The tax for the period comprises current and deferred tax. Tax is recognised in the income statement, 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.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be paid or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability

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method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax liabilities and current tax assets on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

All property, plant and equipment are initially recognised at cost and subsequently stated at historical cost less accumulated depreciation and impairment losses.

Land and buildings comprise mainly of buildings for factories and offices.

Historical cost includes purchase costs, expenditure that is directly attributable to the acquisition of the items and the estimate of the cost of decommissioning (dismantling, removing the asset and restoring the site).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company or the group and the cost can be measured reliably. The carrying amount of the replaced cost is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value and it is charged when such asset is available for use. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

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

Leasehold land and buildings	- Over 50 years	2%
	- Under 50 years	Over the lease period
Plant and machinery		4% - 33.3%
Furniture, Fittings and IT equipment		20% -33.3%
Motor vehicles		25%
Capital work in progress		Nil

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of assets and is recognised in the profit or loss.

Capital work in progress represents assets under construction. Accordingly, they are not depreciated until they are completed and

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available for use.

The annual rates of depreciation are consistent with those of the prior year.

Property, plant and equipment that are subject to depreciation 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. Property, plant and equipment that suffer impairment are reviewed for possible reversal of the impairment at each balance sheet date.

2.13 Warranty

Provision for products warranty is made at the time of revenue recognition and reflects the estimated costs of replacement and free-of-charge services that will be incurred by the group with respect to the products. Initial recognition is based on historical experience. Adequacy of provision is accessed on a monthly basis; and any resultant adjustment is reflected in the income statement of the period.

2.14 Non-financial assets

Assets that are subject to amortisation 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 an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15.1 Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis.
Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets
Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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.
  Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).
Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at

Notes to the Consolidated and Separate Financial Statements continued

FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below:

(i) Amortised cost and effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.
The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

(i) Amortised cost and effective interest method
Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired

For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit impaired financial assets, the Group recognises interest income by applying the credit adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

(ii) Equity instruments designated at FVTOCI
On initial recognition, the Group may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

The Group does not have and neither have they designated any investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9.

(iii) Financial assets at FVTPL
Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as FVTOCI on initial recognition (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch’) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different basis. The Group has not designated any debt instruments as FVTPL.

Notes to the Consolidated and Separate Financial Statements continued

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item.

Cash and cash equivalents

The Group considers all highly liquid unrestricted investments with less than three months maturity from the date of acquisition to be cash and cash equivalents. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other gains and losses' line item. Other exchange differences are recognised in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses are updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.
The Group always recognise lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).
  Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed into liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner unless there is sufficient security. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Notes to the Consolidated and Separate Financial Statements continued

Derecognition of financial assets

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received or receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.15.2 Financial liabilities
Financial liabilities are classified as financial liabilities at amortised cost.

Borrowings, Lease liabilities and Trade and other payables are all classified as financial liabilities at amortised cost using the effective interest method.

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

Trade payables
Trade payables are not interest bearing and are stated at fair value and subsequently measured at amortised cost.

Borrowings
Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of direct issue costs, and are subsequently measured at amortised cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis through the Income Statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.
The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability.

It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

2.15.3 Offsetting financial instruments
Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Consolidated and Separate Financial Statements continued

2.16 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The basis for valuation is as follows:

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to completion and selling

Raw materials, non-returnable packaging materials and consumable spare parts	- purchase cost on a weighted average basis including transportation and applicable clearing charges
Finished products and products-in-process	- weighted average cost of direct materials, labour costs and a proportion of production overheads based on normal operating Capacity
Inventory-in-transit	- purchase cost incurred to date

expenses. Inventory values are adjusted for obsolete, slow-moving or defective items.

2.17 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of a past event, and it is probable that the group will be required to settle that obligation and the amount has been reliably estimated. Provisions for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to affected parties. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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.

2.18 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the Group's shareholders. In respect of interim dividends these are recognised once approved by the Directors. Dividends which remained unclaimed for a period exceeding twelve (12) years from the date of declaration and which are no longer actionable by shareholders in accordance with Section 385 of Companies and Allied Matters Act of Nigeria are written back to retained earnings.

2.19 Recognition and measurement of investments in subsidiary in separate financial statements of the company

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss.

2.20 Deposits for letters of credit

Deposits for letters of credit represents Naira deposits for purchase of foreign currencies purchased to fund letters of credit, forwards and futures for settlement of vendors of all imported raw materials, spare parts and machinery.

Deposit for letters of credit is recognised at cost less impairment losses.

2.21 Intangible asset

Software acquired is recognised at acquisition cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditures are capitalised only when it increases the future economic benefits of the related software. Software maintenance costs are recognised as expenses in the income statement as they are incurred. Amortisation is recognised in income

Notes to the Consolidated and Separate Financial Statements continued

statement on a straight-line basis over the estimated useful life of the software, from the first day of the first full financial year the software is put into use.

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, is recognised in profit or loss when the asset is derecognised.

Software is amortised over a period of 10 years in line with the estimated live of the intangible asset.

2.21.1 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.21.2 Derecognition of intangible assets

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

2.22 Earnings per share (EPS)

The Group presents basic and diluted earnings per share 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, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held and for the effects of all dilutive potential ordinary shares.

2.23 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Government grant relates to ECC certificates earned as a beneficiary of the Export Expansion Grant Scheme.

This is initially recognised when the Group has received the ECC certificates from the government. The Group recognises EEG as contingent assets when the criteria for submission of the claim is met and necessary application filed. Information on Export Expansion grants estimated to be receivable from the government is disclosed in Note 32.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which the certificates are received.

Notes to the Consolidated and Separate Financial Statements continued

Export Expansion Grant (the grant) from the government is recognised as contingent assets when there is a reasonable assurance that the grant will be received and the group has complied with all attached conditions. The following are the conditions precedent:

- The Company must be registered with the Corporate Affairs Commission (CAC) and the Nigerian Export Promotion Council (NEPC).
- The Company must have a minimum annual export turnover of N5 million and evidence of repatriation of proceeds of exports.
- The Company shall submit its baseline data which includes audited Financial Statement and information on operational capacity to NEPC.
- The Company shall be a manufacturer, producer or merchant of products of Nigerian origin for the export market (i.e. the products must be made in Nigeria).
- Qualifying export transaction must have the proceeds fully repatriated within 300 days, calculated from the date of export and as approved by the EEG Implementation Committee.

2.24 Related parties

Related parties include the holding company and other group entities. Directors, their close family members and any employee who is able to exert a significant influence on the operating policies of the Group are also considered to be related parties. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

In the application of the Group's accounting policies, which are described above, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

2.25 Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements in the applications of the Group's accounting policies

The critical judgements that the Directors have applied in the application of the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements are presented below.

2.25.1 Useful lives of property, plant and equipment (PPE)
Property, Plant and Equipment are depreciated over their useful lives. The Group estimates the useful lives of PPE based on the period over which the assets are expected to be available for use. The estimation of the useful lives of PPE are based on technical evaluations carried out by the staff with knowledge of the machines and experience with similar assets. Estimates could change if expectations differ due to physical wear and tear and technical or commercial obsolescence. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the plant and machinery would increase expenses and decrease the value of non-current assets.

2.25.2 Taxation provisions
The Group's tax provision relates to management's assessment of the amount payable on open tax audits where the liabilities are yet to be agreed with the tax authorities. This arose mainly from the interpretation of tax legislation regarding arrangements entered into by the Group. Due to uncertainty associated with such tax items, there is the possibility that, on conclusion of open tax matters at a future date, the final outcome may differ significantly. Whilst a range of outcomes is reasonably possible, the extent of the reasonably possible range have been recognized in the financial statements.

2.25.3 Property lease classification - Company as lessor:
The Company has entered into lease of its factory building to earn rental income. The Company has determined, based on an evaluation of the terms and conditions of the arrangement, such as the lease term not constituting a major part of the economic life of the factory building and the present value of the minimum lease payments not amounting to substantially all of the fair value of the factory building, that it retains substantially all of the risks and rewards incidental to ownership of this factory building and accounts for the contract as operating leases.

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2.25.4 Warranty provisions

Provision for products warranty is made at the time of revenue recognition and they are reviewed and adjusted periodically to reflect actual and anticipated experience. The estimation of provision at each period end requires involvement of staff with product knowledge and the estimate could change if there are changes in factors considered during the formulation of the required provision. The replacement cost of items and historical defects, are used to determine a rate which is applied against quantity sold during the year.

2.25.5 Provision for Expected Credit Losses (ECL) of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECL on the Group's trade receivables and contract assets is disclosed in the financial statements.

2.25.6 Inventory provisions

The Group uses the following methodologies in provisioning for inventory allowance.

Provision type	Level of provision required
● Obsolete inventory	100%
● Unstable	100%
● Slow moving inventory	50% of the excess
● Net Realisable Value (NRV)	100%

Obsolete inventory are SKUs with no movement (raw material) or no sales (finished goods) in the last twelve months. Unusable inventory are items that are damaged or past sell-by date or outside of current sales plan and require disposal. This would also include stock that is quarantined for quality control purposes. Slow Moving inventory are SKUs that have value more than one year cost of sales value, either prior year or budget for that SKU line for finished goods or more than one year material usage from either prior year or budget for raw materials. Excess is calculated as stock line value minus prior year/expected future year sales/usage. NRV is when Net Realisable Value (NRV) of a finished good SKU line net of discounts and promotional costs is less than balance sheet value (at full cost).

New SKU lines that have been manufactured or purchased in last six months are not subject to above provisioning requirements. In all above cases judgement may be used if management believe that a provision is not justified based on an assessment of the ability to use/sell the inventory item.

Sundry Stocks are consumables, fuel oil and machinery spares. These are reviewed quarterly and items that are not moving are provided for based on management's judgement of future expected use. Machinery spares are generally a significant part of sundry stocks. As these items may be emergency spares and remain unused for many years, a provision may be necessary to ensure that the net balance sheet value is not overstated.

2.26 Contingencies

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its

Notes to the Consolidated and Separate Financial Statements continued

recognition is appropriate. The contingent assets of the Group are disclosed in Note 32 of the financial statements.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the consolidated statement of financial position but are disclosed. If the possibility of outflow in settlement is remote the possible obligation is not a contingent liability and no disclosure is made.
The contingent liabilities of the Group are disclosed in Note 32 of the financial statements.

2.27 Investment property

On acquisition, investment property is initially recognised at cost, or deemed cost where no monetary consideration is exchanged. Investment property is subsequently recognised in the accounts at cost and recognised as a separate line item outside property plant and equipment. Gains or losses on disposal are recognised within profit and loss. Depreciation is charged on the basis of useful life of the property.

3 FINANCIAL RISK MANAGEMENT

The Group and company's operations expose it to a variety of financial risks that include the effects of changes in market risk (i.e interest rate risk, commodity, price risk and foreign exchange risk), credit risk and liquidity risk.

The Group's treasury function reports to the Board at least annually with reference to the application of the Group Treasury Policy. The policy addresses issues of liquidity, funding and investment as well as interest rate, currency and commodity risks.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls and to monitor the risks and limits continually by means of reliable and up-to-date systems. The Group modifies and enhances its risk management policies and systems to reflect changes in markets and products. The Board Audit and Risk Committee, under authority delegated by the Board, formulates the high-level Group risk management policy, monitors risk and receives reports that allow it to review the effectiveness of the Group's risk management policies.

The Audit Committees (i.e Statutory Audit Committee and Board Audit and Risk Committee) are assisted in their oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to both Senior Management and the Audit Committees.

3.1 Credit risk

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract. It arises principally from trading activities with customers. The group has dedicated standards, policies and procedures to control and monitor all such risks. Although the group is potentially exposed to credit loss in the event of non-performance by counterparties holding the group's cash and cash equivalents, such credit risk is controlled through credit rating and equity price reviews of the counterparties and by limiting the total amount of exposure to any one party. Equity price reviews of counterparties is done through the monitoring of the share price of the counterparties on the floor of the stock exchange.

The credit risk of customers is assessed at subsidiary and Group level, taking into account their financial positions, past experiences and other factors. Individual customer credit limit is imposed based on these factors. Customers are initially brought on board on a cash basis for a period of six months. At the expiration of the six months cash trading period, customers are free to apply for credit. The Group is not exposed to any material concentrations of credit risk.

The table below analyses the Company's and Group's financial assets into relevant maturity groupings as at the reporting date.

Company

31 May 2024

Financial assets: In thousands of Naira	**Neither past due nor impaired**	**Up to 90 days**	**91–180 days**	**Over 180 days**	**Total**
Cash and cash equivalents (Note 16)	**24,896,732**	**-**	**-**	**-**	**24,896,732**
Trade receivables (Note 12)	**4,503,723**	**437,468**	**329,959**	**49,272**	**5,320,422**
Due from related party companies (Note 34.2)	**6,163,653**	**-**	**-**	**-**	**6,163,653**
Other receivables (Note 12)	**2,280,905**	**-**	**-**	**-**	**2,280,905**
Loan receivables (Note 13)	**3,722,135**	**-**	**-**	**-**	**3,722,135**
Deliverable forwards (Note 24)	**1,603,402**	**-**	**-**	**-**	**1,603,402**
Total	**43,170,550**	**437,468**	**329,959**	**49,272**	**43,987,249**

Notes to the Consolidated and Separate Financial Statements continued

3 FINANCIAL RISK MANAGEMENT CONTINUED

31 May 2024

Financial assets: In thousands of Naira	Neither past due nor impaired	Up to 90 days	91–180 days	Over 180 days	Total
Cash and cash equivalents (Note 16)	58,599,818	-	-	-	58,599,818
Trade receivables (Note 12)	1,179,614	249,760	575,438	41,120	2,045,932
Due from related party companies (Note 34.2)	2,840,442	-	-	-	2,840,442
Other receivables (Note 12)	1,827,891	-	-	-	1,827,891
Loan receivables (Note 13)	6,580,862	-	-	-	6,580,862
Deliverable forwards (Note 24)	383,725	-	-	-	383,725
Total	**71,412,352**	**249,760**	**575,438**	**41,120**	**72,278,670**

Group

31 May 2024

Financial assets: In thousands of Naira	**Neither past due nor impaired**	**Up to 90 days**	91–180 days	**Over 180 days**	**Total**
Cash and cash equivalents (Note 16)	**28,869,338**	**-**	**-**	**-**	**28,869,338**
Trade receivables (Note 12)	**7,490,916**	**642,506**	**328,790**	**23,321**	**8,485,533**
Due from related party companies (Note 34)	**4,839,654**	**-**	**-**	**-**	**4,839,654**
Other receivables (Note 12)	**2,516,532**	**-**	**-**	**-**	**2,516,532**
Deliverable forwards (Note 24)	**4,518,435**	**-**	**-**	**-**	**4,518,435**
Total	**48,234,875**	**642,506**	**328,790**	**23,321**	**49,229,492**

31 May 2022

Financial assets: In thousands of Naira	Neither past due nor impaired	Up to 90 days	91–180 days	Over 180 days	Total
Cash and cash equivalents (Note 16)	101,623,076	-	-	-	101,623,076
Trade receivables (Note 12)	4,066,056	267,529	596,248	41,120	4,970,953
Due from related party companies (Note 34)	2,884,607	-	-	-	2,884,607
Other receivables (Note 12)	2,217,023	-	-	-	2,217,023
Deliverable forwards (Note 24)	4,056,791	-	-	-	4,056,791
Total	**114,847,553**	**267,529**	**596,248**	**41,120**	**115,752,450**

For details related to the allowance for impairment refer to Note 12.

An analysis of the international long-term credit ratings by Standard & Poor's of counterparties where cash and cash equivalents are held is as follows:

	Company	
In thousands of Naira	2024	2023
Credit rating	**24,893,734**	58,599,818
B		

	Group	
In thousands of Naira	2024	2023
Credit rating	**28,866,340**	101,623,076
B		

B: The obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group maintains a strong liquidity position and manages the liquidity profile of its assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

There is a central treasury that coordinates cash flows management and funding activities. Cash surplus to immediate requirements is placed in interest yielding short term deposit accounts in banks with good credit rating.

The Group enjoys favourable 90 days of credit from its suppliers as against 30 days of credit it gives to its customers. Thus, the Group is always at an advantage position to meet its obligations because funding is quickly available from credits extended to its customers than the timing it requires to settle its obligations.

Included in the Group's trade and other payables as at the 31 May 2024 and 31 May 2023 are balances due to related parties of N64.2 billion and N58.4 billion respectively while that of the Company is N55.9 billion and N45.5 billion respectively.

The table below analyses the Group and company's financial liabilities into relevant maturity groupings as at the reporting date:

Company

31 May 2024

Financial liabilities: In thousands of Naira	**Up to 365 days**	**Above 365 days**	**Total**
Trade and other payables – excluding accruals (Note 23)	**62,264,531**	**-**	**62,264,531**
Borrowings (Note 25)	**1,108,447**	**59,833,113**	**60,941,560**
	63,372,978	**59,833,113**	**123,206,091**

31 May 2023

Financial liabilities: In thousands of Naira	Up to 365 days	Above 365 days	Total
Trade and other payables – excluding accruals (Note 23)	50,417,516	-	50,417,516
Borrowings (Note 25)	-	18,735,092	18,735,092
	50,417,516	**18,735,092**	**69,152,608**

Notes to the Consolidated and Separate Financial Statements continued

Group

31 May 2024

Financial liabilities: In thousands of Naira	**Up to 365 days**	**Above 365 days**	**Total**
Trade and other payables – excluding accruals (Note 23)	**80,535,439**	**-**	**80,535,439**
Borrowings (Note 25)	**24,731,616**	**64,333,113**	**89,064,729**
	105,267,055	**64,333,113**	**169,600,168**

31 May 2023

Financial liabilities: In thousands of Naira	Up to 365 days	Above 365 days	Total
Trade and other payables – excluding accruals (Note 23)	72,407,531	-	72,407,531
Borrowings (Note 25)	5,277,304	18,735,092	24,012,396
	77,684,835	**18,735,092**	**96,419,927**

3.3 Fair value of financial assets and liabilities

All the Group's financial assets and liabilities are measured at amortised cost and due to the short term nature of these financial instruments, except deliverable forwards measured at cost, the fair value reasonably approximates the carrying value in the statement of financial position.

3.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risks as it holds variable interest-bearing financial liabilities as at year end.
The following table details the sensitivity to a 1- 2% (2023: 1 - 2%) increase or decrease in interest rates.

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Interest earned from related parties (Note 35)	**160,328**	367,068	**776,297**	939,136
Interest earned from banks (Note 35)	**5,947,843**	4,866,048	**3,520,289**	3,210,193
Interest paid to related parties (Note 35)	**(11,803)**	-	**-**	-
Interest paid to banks (Note 35)	**(4,086,306)**	(334,962)	**(416,482)**	(1,456)
Net Interest Income	**2,010,062**	4,898,154	**3,880,104**	4,147,873
Average interest rate for the year (%)	**15%**	6%	**15%**	6%

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Impact of 1% increase in average interest rate	**(286,157)**	445,832	9,400	377,079
Impact of 1% decrease in average interest rate	**286,157**	(445,832)	(9,400)	(377,079)
Impact of 2% increase in average interest rate	**(572,314)**	891,664	18,799	754,158
Impact of 2% decrease in average interest rate	**572,314**	(891,664)	(18,799)	(754,158)

3.5 Foreign exchange risk

The Group's activities expose it to the financial risks arising from changes in foreign currency exchange rates. Subsidiary undertakings must ensure that all transactional exposures arising from commitments in a currency other than their functional currency are identified and monitored. The Group manages foreign exchange risk through foreign exchange forward contracts. The Group is primarily exposed to the US Dollar. Increase/decrease in foreign exchange rate at the reporting dates would have increased/decreased profit or loss and total equity by the following amounts (See rates percentage of 15%, 30%, 50% and 100% below). This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables remain constant.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Group Liabilities		Company Liabilities	
	2024	2023	**2024**	2023
Foreign Currency ($'000)	**(77,623)**	(132,011)	**(72,060)**	(101,278)

	Assets		Assets	
	2024	2023	**2024**	2023
Foreign Currency ($'000)	**3,622**	3,533	**3,290**	3,501

	Group – Net position		Company – Net position	
	2024	2023	**2024**	2023
Foreign Currency ($'000)	**(74,001)**	(128,478)	**(68,770)**	(97,777)
Closing foreign exchange rates (Naira/Dollar)	**1,486**	465.30	**1,486**	465.30
Average foreign exchange rates (Naira/Dollar)	**997.20**	445.57	**997.20**	445.57

Sensitivity analysis is due to possible changes in exchange rate of foreign currency denominated balances on intercompany payables, cash and bank and trade receivables.

In the Executive Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

	Group – Net position		Company – Net position	
In thousands of Naira	**2024**	2023	**2024**	2023
US dollar - 10% increase	**(10,996,453)**	(5,978,103)	**(10,219,312)**	(4,549,544)
US dollar - 10% decrease	**10,996,453**	5,978,103	**10,219,312**	(4,549,544)
US dollar - 15% increase	**(16,494,679)**	(8,967,155)	**(15,328,968)**	(6,824,316)
US dollar - 15% decrease	**16,494,679**	8,967,155	**15,328,968**	6,824,316
US dollar - 20% increase	**(21,992,906)**	(11,956,207)	**(20,438,624)**	(9,099,088)
US dollar - 20% decrease	**21,992,906**	11,956,207	**20,438,624**	(9,099,088)
US dollar - 30% increase	**(32,989,359)**	(17,934,310)	**(30,657,936)**	(13,648,632)
US dollar - 30% decrease	**32,989,359**	17,934,310	**30,657,936**	13,648,632
US dollar - 50% increase	**(54,982,265)**	(29,890,517)	**(51,096,560)**	(22,747,720)
US dollar - 50% decrease	**54,982,265**	29,890,517	**51,096,560**	22,747,720

The foreign exchange risk is mainly from foreign currency denominated bank balances, account receivable, related parties payable and receivable balances with foreign related parties.

Commodity pricing risk

Commodity risk is the risk that changes in underlying raw material prices have an adverse impact on the Group's financial performance. The Group's policy is to minimise the pricing volatility accompanied by unfavourable changes in commodity prices by entering into fixed price supplier contracts in line with its commercial strategy. The Group does not enter into any commodity derivatives.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2023.
The capital structure of the Group consists of Net debt (Intercompany loans, less cash and bank balances) and the equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests).

The Group's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

Notes to the Consolidated and Separate Financial Statements continued

Gearing ratio

The gearing ratio at the year-end is as follows:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Borrowings (Note 25)	**89,064,729**	24,012,396	**60,941,560**	18,735,092
Cash and cash equivalents (Note 16)	**(28,869,338)**	(101,623,076)	**(24,896,732)**	(58,599,818)
Net debt	**60,195,391**	(77,610,680)	**36,044,828**	(39,864,726)
Equity	**(25,078,945)**	43,329,748	**(16,746,699)**	28,672,468
Net debt to equity ratio	**-240%**	-179%	**-215%**	-139%

Based on the above analysis, it can be ascertained that the group and company are lowly geared.

The Group's objectives when managing capital is to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

Capital requirements are generally imposed by the majority shareholder, PZ Cussons (Holdings) Limited, United Kingdom.

4 PROPERTY, PLANT AND EQUIPMENT

Group – 2024

In thousands of Naira	Leasehold Land and Buildings	Plant and Machinery	Furniture, Fittings and IT Equipment	Motor Vehicles	Capital Work in Progress (WIP)	Total
Cost						
At 1 June, 2023	15,605,756	28,539,187	3,710,388	41,540	508,003	48,404,874
Additions		-	-	-	2,953,720	2,953,720
Transfer	178,404	1,743,975	461,916	450,035	(2,834,330)	-
Adjustments*	(15)	(464,180)	(2,130)		(238,321)	(704,646)
Reclassification to lease receivable (Note 4.1)	(1,641,984)	(3,683,780)	(98,024)	-	-	(5,423,788)
Reclassification to investment property (Note 6)	(478,874)	-	-	-	-	(478,874)
Write off	(2,001,187)	-	-			(2,001,187)
Disposal	-	-	(27,784)	-	-	(27,784)
At 31 May, 2024	**11,662,100**	**26,135,202**	**4,044,366**	**491,575**	**389,072**	**42,722,315**
Depreciation						
At 1 June, 2023	5,804,878	23,527,107	3,530,798	41,540	-	32,904,323
Depreciation for the year	261,288	1,254,282	145,797	93,118	-	1,754,485
Adjustments		(696,395)	(2,130)			(698,525)
Reclassification to lease receivable (Note 4.1)	(432,263)	(3,479,942)	(98,024)	-	-	(4,010,229)
Reclassification to investment property (Note 6)	(176,904)	-	-	-	-	(176,904)
Write off	(2,001,187)	-	-	-	-	(2,001,187)
Disposal	-	-	(26,433)	-	-	(26,433)
At 31 May, 2024	3,455,812	20,605,052	3,550,008	134,658	-	27,745,530

Notes to the Consolidated and Separate Financial Statements continued

4 PROPERTY PLANT AND EQUIPMENT CONTINUED

	Leasehold Land and Buildings	Plant and Machinery	Furniture, Fittings and IT Equipment	Motor Vehicles	Capital Work in Progress (WIP)	Total
Cost						
At 1 June, 2022	15,341,791	27,688,342	3,596,245	41,540	828,947	47,496,865
Additions	-	-	-	-	911,180	911,180
Reclassification	263,965	850,845	117,314	-	(1,232,124)	-
Disposal	-	-	(3,171)	-		(3,171)
At 31 May, 2023	**15,605,756**	**28,539,187**	**3,710,388**	**41,540**	**508,003**	**48,404,874**
Depreciation						
At 1 June, 2022	5,525,171	22,069,507	3,370,560	41,540	-	31,006,778
Depreciation for the year	279,707	1,457,600	160,844	-	-	1,898,151
Disposals	-	-	(606)	-		(606)
At 31 May, 2023	**5,804,878**	**23,527,107**	**3,530,798**	**41,540**	**-**	**32,904,323**
					-	
Carrying amounts	**-**	**-**	**-**	**-**		
At 31 May 2024	**8,206,288**	**5,530,150**	**494,358**	**356,917**	**389,072**	**14,976,785**
At 31 May 2023	**9,800,878**	**5,012,080**	**179,590**	-	**508,003**	**15,500,551**

Depreciation expense of N1.22 billion (2023: N1.41billion) has been charged in cost of sales, N0.37 billion (2023: N0.25 billion) in selling and distribution expenses and N0.23 billion (2023: NGN0.24 billion) in administrative expenses.

Construction work in progress as at 31 May 2024 and 2023 mainly comprise of new factory lines and plant enhancements.

There was no capitalised borrowing cost during the years ended 31 May 2024 and 31 May 2023.
There were no assets pledged as security for borrowing during the year (2023: nil).
*Adjustments relates to legacy fixed assets that had to be manually depreciated over the years.

Capital commitments
Below represents capital commitments for the acquisition of property, plant and equipment not provided for in the financial statements:

	Group	
In thousands of Naira	**2024**	2023
Authorised and contracted	-	1,675,000
Authorised but not contracted	274,290	411,000
	274,290	2,086,000

4.1 Reclassification to lease receivable

		Group	
	Cost	Depreciation	Carrying Amount
In thousands of Naira	2024	2024	2024
Authorised and contracted	149,427	(39,338)	110,089
Authorised but not contracted	5,274,361	(3,970,892)	1,303,469
	5,423,788	(4,010,230)	1,413,558

Notes to the Consolidated and Separate Financial Statements continued

4 PROPERTY PLANT AND EQUIPMENT CONTINUED

(a) The Movement on these accounts was as follows:

	Leasehold Land and Buildings	Plant and Machinery	Furniture, Fittings and IT Equipment	Motor Vehicles	Work in Progress (WIP)	Total
Cost						
At 1 June, 2023	14,432,922	26,760,197	3,401,859	9,766	497,015	45,101,759
Additions	-	-	-	-	2,733,754	2,733,754
Transfers	178,404	1,670,945	406,010	348,018	(2,603,377)	-
Adjustments*	(15)	(464,180)	(2,130)	-	(238,321)	(704,646)
Reclassification to lease receivable (Note 4.1)	(1,641,984)	(3,683,780)	(98,024)	-	-	(5,423,788)
Reclassification to investment property (Note 6)	(478,874)	-	-	-	-	(478,874)
Write off	(2,001,187)	-	-	-	-	(2,001,187)
Disposal	-	-	(24,044)	-	-	(24,044)
At 31 May, 2024	**10,489,266**	**24,283,182**	**3,683,671**	**357,784**	**389,071**	**39,202,974**
Depreciation						
At 1 June, 2023	5,688,374	22,119,909	3,252,439	9,766	-	31,070,488
Depreciation for the year	233,232	1,147,783	123,311	72,018	-	1,576,344
Adjustments*	-	(702,516)	(2,130)	-	-	(704,646)
Reclassification to lease receivable (Note 4.1)	(432,263)	(3,479,942)	(98,024)	-	-	(4,010,229)
Reclassification to investment property (Note 6)	(176,904)	-	-	-	-	(176,904)
Write off	(2,001,187)	-	-	-	-	(2,001,187)
Disposals	-	-	(22,965)	-	-	(22,965)
At 31 May, 2024	**3,311,252**	**19,085,234**	**3,252,631**	**81,784**	-	**25,730,901**
Cost						
At 1 June, 2022	14,392,999	25,939,121	3,311,075	9,766	828,946	44,481,907
Additions	-	-	-	-	622,528	622,528
Transfers	39,923	821,076	93,460	-	(954,459)	-
Disposal	-	-	(2,676)	-	-	(2,676)
At 31 May, 2023	**14,432,922**	**26,760,197**	**3,401,859**	**9,766**	**497,015**	**45,101,759**
Depreciation						
At 1 June, 2022	5,432,616	20,790,836	3,111,261	9,766	-	29,344,479
Depreciation for the year	255,758	1,329,073	141,482	-	-	1,726,313
Disposal	-	-	(304)	-	-	(304)
At 31 May, 2023	**5,688,374**	**22,119,909**	**3,252,439**	**9,766**	-	**31,070,488**
At 31 May 2024	**7,178,014**	**5,197,948**	**431,040**	**276,000**	**389,071**	**13,472,073**
At 31 May 2023	**8,744,548**	**4,640,288**	**149,420**	**-**	**497,015**	**14,031,271**

Depreciation expense of N1.09 billion (2023: N1.28 billion) has been charged in 'cost of sales', N0.33 billion (2023: N0.28 billion) in 'selling and distribution expenses' and N0.22 billion (2023: N0.09 billion) in 'administrative expenses.

Construction work in progress as at 31 May 2024 mainly comprise of new factory lines and plant enhancements.

There was no capitalised borrowing cost during the years ended 31 May 2024 and 31 May 2023.

There were no assets pledged as security for borrowing during the period (2023: nil).

Adjustments relates to legacy fixed assets that had to be manually depreciated over the years

Notes to the Consolidated and Separate Financial Statements continued

4.1 RECLASSIFICATION TO LEASE RECEIVEABLES

	Company		
	Cost	Depreciation	Carrying Amount
	2024	2024	2024
	149,427	(39,338)	110,089
In thousands of naira	5,274,361	(3,970,892)	1,303,469
Detergent Tower Lease reclassified to investment properties (Note 6)	5,423,788	(4,010,230)	1,413,558
Detergent Tower Lease asset/finance leases			

5 CAPITAL COMMITMENTS

Below represents capital commitments for the acquisition of property, plant and equipment not provided for in the financial statements:

	Company	
In thousands of Naira	2024	2023
Authorised and contracted	-	1,173,000
Authorised but not contracted	274,290	411,000
	274,290	1,584,000

6 INVESTMENT PROPERTY

In thousands of naira	2023	
Cost	Group	Company
At 1 June, 2023	2,470,870	2,470,870
Transfer from Property, plant and equipment (Note 4)	478,874	478,874
Transfer relating to Detergent tower lease (Note 4.1)	149,427	149,427
At 31 May, 2024	**3,099,171**	**3,099,171**
Accumulated Depreciation		
At 1 June, 2023	880,236	880,236
Depreciation for the year	65,762	65,762
Transfer from Property, plant and equipment (Note 4)	176,904	176,904
Transfer relating to Detergent tower lease	39,338	39,338
At 31 May, 2024	**1,162,240**	**1,162,240**
Carrying amounts		
At 31 May, 2024	**1,936,931**	**1,936,931**

	2023	
	Group	Company
Cost		
At 1 June, 2022	2,470,870	2,470,870
At 31 May, 2023	**2,470,870**	**2,470,870**
Accumulated Depreciation		
At 1 June, 2022	824,131	824,131
Depreciation for the year	56,105	56,105
At 31 May, 2023	**880,236**	**880,236**
Carrying amounts		
At 31 May, 2023	**1,590,634**	**1,590,634**

Notes to the Consolidated and Separate Financial Statements continued

Further to the Group's simplification of its business, it has recognised certain assets which it believes falls within the category of an investment property, to align with the requirement of IAS 40 on assets that qualifies as investment property. These properties are not currently used by the business, and some of them have been leased in the short term. However, there is potential for utilisation in the future for business growth such as provision of additional support for enhancement of direct customer coverage and market penetration. The fair value of these properties is estimated at N27.56 billion (2023: 14.90 billion)

The fair value was estimated using the cost approach, this provides an indication of value using the economic principle that a buyer will pay no more for an asset than what it will cost him/her to own an equivalent asset of equal utility, whether by purchase or by construction. Thus the total construction cost of a new one is achieved through the application of a current construction rate to the gross floor area including other associated costs which is then depreciated to reflect present physical condition, functional and economic obsolescence on the property before adding the value of the bare site as at the date of valuation.

	2024	
Right-of-use assets:	**Group**	**Company**
In thousands of naira		
Cost		
At 1 June 2023	795,847	585,298
At 31 May 2024	795,847	585,298
Accumulated Depreciation		
At 1 June 2023	592,089	453,783
Charge for the year	96,121	65,097
At 31 May 2024	**688,210**	**518,880**
Cost	**2023**	
At 1 June 2022	588,847	453,298
Additions	207,000	132,000
At 31 May 2023	**795,847**	**585,298**
Accumulated Depreciation		
At 1 June 2022	495,968	388,686
Charge for the year	96,121	65,097
At 31 May 2023	**592,089**	**453,783**
Carrying Amount		
At 31 May 2024	**107,637**	**66,418**
At 31 May 2023	**203,758**	**131,515**

Notes to the Consolidated and Separate Financial Statements continued

8 LEASE LIABILITY

In thousands of Naira	Group	Company
At 1 June 2023	203,758	131,515
Lease payment	(96,121)	(65,097)
At 31 May 2024	**107,637**	**66,418**
At 1 June 2022	92,879	64,612
Additions*	207,000	132,000
Lease payment	(96,121)	(65,097)
At 31 May 2023	**203,758**	**131,515**

The Group leases motor vehicles. The lease period of motor vehicles is mainly for 3 years with an option to renew. The interest amount in the lease arrangement was not disclosed as it is immaterial and not considered to have a significant impact on the financial statements.

	Group		Company	
	2024	2023	**2024**	2023
Non-current	**57,121**	108,131	**35,418**	70,131
Current	**50,516**	95,627	**31,000**	61,384
	107,637	203,758	**66,418**	131,515

c. Maturity analysis of lease liability	Group		Company	
	2024	2023	**2024**	2023
Year 1	**50,516**	95,627	**31,000**	61,384
Year 2	**57,121**	108,131	**35,418**	70,131
	107,637	203,758	**66,418**	131,515

9 INTANGIBLE ASSETS – SOFTWARE

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Cost				
At 1 June 2023	**1,059,618**	1,059,618	**1,059,618**	1,059,618
At 31 May 2024	**1,059,618**	**1,059,618**	**1,059,618**	**1,059,618**
Accumulated amortisation				
At 1 June 2023	**635,771**	529,810	**635,771**	529,810
Charge for the year	**105,961**	105,961	**105,961**	105,961
At 31 May 2024	**741,732**	**635,771**	**741,732**	**635,771**
Carrying amount				
At 31 May 2024	**317,886**	**423,847**	**317,886**	**423,847**

All intangible assets are non-current. All intangible assets of the Group have finite useful life and are amortised over 10 years in line with its accounting policy. The intangible assets represent cost of Enterprise Resource planning software.

Notes to the Consolidated and Separate Financial Statements continued

10 INVESTMENT IN SUBSIDIARY

	Company	
In thousands of Naira	**2024**	2023
At 31 May	**504,406**	504,406

	Investment amount	Country of incorporation and place of business	Nature of business	Proportion of shares held by Parent & NCI in 2023 & 2022	
				Parent (%)	NCI (%)
HPZ Limited	504,406	Nigeria	Household electrical appliances Nigeria manufacturer	74.99	25.01

HPZ Limited In thousands of Naira	**2024**	2023
Current assets	**27,704,734**	62,123,468
Non-current assets	**15,464,007**	2,066,082
Current liabilities	**(52,179,398)**	(43,197,095)
Non-current liabilities	**(362,453)**	(800,458)
Equity attributable to owners of the Company	**7,827,840**	(15,161,686)
Non-controlling interests	**1,545,274**	(5,030,311)
Revenue	**61,438,823**	46,551,198
Net Expense	**(91,886,549)**	(40,731,289)
(loss)/ profit for the year	**(30,447,726)**	**5,819,909**
Profit attributable to owners of the Company	**(22,832,750)**	4,364,350
Profit attributable to the non-controlling interests	**(7,614,976)**	1,455,559
(loss)/ profit for the year	**(30,447,726)**	**5,819,909**
Other comprehensive income attributable to owners of the Company	**-**	-
Other comprehensive income attributable to the non-controlling interests	**-**	-
Other comprehensive income for the year	**-**	-
Total comprehensive income attributable to owners of the Company	**(22,832,750)**	4,364,350
Total comprehensive income attributable to the non-controlling interests	**(7,614,976)**	1,455,559
Total comprehensive (loss)/ income for the year	**(30,447,726)**	**5,819,909**
Net cash inflow/outflow from operating activities	**4,273,708**	14,073,162
Net cash outflow/inflow from investing activities	**(1,883,045)**	7,376,383
Net cash inflow/outflow from financing activities	**14,953,808**	4,912,775
Net cash inflow	**17,344,471**	**26,362,320**

The amounts disclosed above do not reflect the elimination of intragroup transactions.

11 INVENTORIES

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Raw materials and consumables	17,713,072	9,526,437	15,666,709	9,420,094
Finished goods and goods for resale	12,738,270	13,062,856	6,299,970	7,375,141
Engineering spares and other stocks	2,537,930	2,291,735	2,467,239	2,300,460
Goods in transit	7,856,177	4,167,690	3,777,254	826,755
Total	40,845,449	29,048,718	28,211,172	19,922,450

During the year ended 31 May 2024, N596m (2023: N750m) was charged for the group while the company was charged N513.8m (2023:N733.7m) to income statement for obsolete and damaged inventories identified. Also recognised as expense in the group and company's financial statements are engineering spares used for production of N396.8m (2023: N2.2m) and N353.2m (2023: N1.2m) respectively.

Notes to the Consolidated and Separate Financial Statements continued

The following table provides a reconciliation of items reflected as cash and non-cash in the Statements of Cash Flows.

	Group		Company	
	2023	2022	**2023**	2022
Changes in inventory	**(2,156,939)**	(3,663,815)	**(659,167)**	(3,980,587)
Changes in inventory as shown in the Statements of Cash Flows	**(2,907,231)**	(5,863,815)	**(1,392,864)**	(6,180,587)

12 TRADE AND OTHER RECEIVABLES

Receivables due within one year:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Trade receivables	**8,879,509**	5,731,117	**5,627,206**	2,682,166
Allowance for impairment of trade receivables (Note 12.1)	**(393,976)**	(760,164)	**(306,784)**	(636,235)
Net trade receivables	**8,485,533**	4,970,953	**5,320,422**	2,045,931
Due from related party companies (Note 34)	**4,839,654**	2,884,607	**6,163,653**	2,840,442
WHT credit note receivable	**1,940,273**	1,380,125	**1,306,171**	950,352
Other receivables*	**2,516,532**	2,217,023	**2,280,905**	1,827,891
Total	**17,781,992**	11,452,708	**15,071,151**	7,664,616

* Other receivables include amounts receivable for utility services provided to third parties, interest receivables from banks and an unclaimed dividend with the Company's registrar. These are considered 100% recoverable because the balances are settled within a period of one month except the unclaimed dividend, hence no loss allowance was estimated on the outstanding balance.

The average credit period on sales of goods is 30 days. No interest is charged on outstanding trade receivables.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group has recognised a loss allowance of 100% against some of the receivables over 180 days past due, because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting year. The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, except where there is adequate security. None of the trade receivables that have been written off are subject to enforcement activities. Trade receivables are considered to be past due when they exceed the credit period granted.

There are no other customers which represent more than 10% of the total balance of trade receivables of the Group after impairment. The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

The Group did not recognise impairment on amount due from related party, because there are no condition existing that reflects a future default in recovering amount due.

Notes to the Consolidated and Separate Financial Statements continued

Group

	Trade receivables – days past due							
31 May 2024	**Not Due**	**1–30**	**31–60**	**61–90**	**91–180**	**> 180**	**Specific Provision**	**Total**
In thousands of Naira								
Expected credit loss rate	**0%**	**5%**	**0%**	**17%**	**5%**	**84%**	**100%**	
Estimated total gross carrying amount at default	**7,503,760**	**654,762**	**–**	**27,350**	**345,157**	**146,377**	**202,103**	**8,879,509**
Lifetime ECL	**(12,844)**	**(34,852)**	**–**	**(4,754)**	**(16,367)**	**(123,056)**	**(202,103)**	**(393,976)**
	7,490,916	**619,910**	**–**	**22,596**	**328,790**	**23,321**	**–**	**8,485,533**

	Trade receivables – days past due							
31 May 2023	Not Due	1–30	31–60	61–90	91–180	> 180	Specific Provision	Total
In thousands of Naira								
Expected credit loss rate	1%	1%	4%	11%	28%	86%	100%	
Estimated total gross carrying amount at default	4,092,296	153,803	–	130,777	827,412	288,023	238,806	5,731,117
Lifetime ECL	(26,240)	(2,045)	–	(15,006)	(231,164)	(246,903)	(238,806)	(760,164)
	4,066,056	151,758	–	115,771	596,248	41,120	–	4,970,953

Company

	Trade receivables – days past due							
31 May 2023	**Not Due**	**1–30**	**31–60**	**61–90**	**91–180**	**> 180**	**Specific Provision**	**Total**
In thousands of Naira								
Expected credit loss rate	**0%**	**7%**	**0%**	**17%**	**4%**	**66%**	**100%**	
Estimated total gross carrying amount at default	**4,514,134**	**444,356**	**–**	**27,350**	**345,157**	**146,377**	**149,832**	**5,627,206**
Lifetime ECL	**(10,411)**	**(29,484)**	**–**	**(4,754)**	**(15,198)**	**(97,105)**	**(149,832)**	**(306,784)**
	4,503,723	**414,872**	**–**	**22,596**	**329,959**	**49,272**	**–**	**5,320,422**

	Trade receivables – days past due							
31 May 2022	Not Due	1–30	31–60	61–90	91–180	> 180	Specific Provision	Total
In thousands of Naira								
Expected credit loss rate	1%	1%	4%	11%	28%	86%	100%	
Estimated total gross carrying amount at default	1,187,229	153,803	–	110,704	798,534	288,023	143,873	2,682,166
Lifetime ECL	(7,616)	(2,045)	–	(12,702)	(223,096)	(246,903)	(143,873)	(636,235)
	1,179,613	151,758	–	98,002	575,438	41,120	–	2,045,931

The Company's exposure to credit and market risks related to trade and other receivables are disclosed in Note 3.1.

Notes to the Consolidated and Separate Financial Statements continued

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Opening balance	**(760,164)**	(592,188)	**(636,235)**	(448,312)
Impairment reversal/ (allowance)	**264,751**	(167,976)	**218,989**	(187,923)
Write off	**101,437**	-	**110,462**	-
Closing balance	**(393,976)**	(760,164)	**(306,784)**	(636,235)

12.1 Trade receivables impaired (ageing)

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Trade receivables impaired (ageing)				
The ageing of impaired trade receivables is as follows:				
Current to 180 days	**68,817**	274,455	**59,847**	245,459
Over 180 days	**325,159**	485,709	**246,937**	390,776
Total	**393,976**	760,164	**306,784**	636,235

The impairment loss as at 31 May 2024 relates to several customers that are not expected to be able to pay their outstanding balances, mainly due to economic circumstances. The Company believes that the unimpaired amounts that are past due are still collectible, based on historical payment behaviour and extensive analysis of the underlying customers' credit ratings. The impairment loss is included in administrative expenses.

Based on historical default rates, the Group believes that, apart from the above, no additional impairment allowance is necessary in respect of trade receivables past due.

All trade receivables are denominated in Nigerian Naira.

The credit risk of distributors is assessed at subsidiary and group level, taking into account their financial positions, past experiences and other factors. Individual distributor credit limits are imposed based on these factors.

Distributors are initially brought on board on a cash basis for a period of six months. At the expiration of the six months cash trading period, distributors are free to apply for credit.

12a Lease Receivables

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Lease receivables	**2,493,269**	-	**2,493,269**	-
	2,493,269	-	**2,493,269**	-

Following the discontinuation of the Home Care business category, the company leased the plant and machinery to a third party. These plants and machineries were previously used in the Home Care business category.

In order to optimise the use of the assets, PZ Cussons Nigeria Plc entered into an agreement with UGEE Chemicals Limited (UGEE) in April 2024 to lease the Detergent Tower and related to them. UGEE is an existing detergent manufacturer and wish to expand their capacity.

The lease agreement contains both finance and operating lease components. Ownership of certain leased assets will be transferred to the lessee free of cost at the end of the lease, these assets are classified as a finance lease; the remainder of the assets remain under PZ ownership and are classified as an operating lease.

Notes to the Consolidated and Separate Financial Statements continued

Split of lease payments between finance and operating lease

In thousands of Naira	**Total lease payment**	**Lease payment relating to finance lease**	**Lease payment relating to operating lease**
Lease payments	5,659,387	5,218,630	440,757
% of Total (NGN)	100%	92%	8%

The present value calculation has generated a finance lease receivable of N2.8 billion which has been recognised as the net investment in the lease. The operating lease component has been transferred to Investment Property at carrying value of N110.1 million. For the finance lease, the net investment in the lease has been calculated as the sum of the present value of the lease payments discounted using the interest rate implicit in the lease of 13.53%. The underlying assets of the operating lease have been recognised within Investment Properties at carrying value as at the lease commencement date.

The lease has been accounted for as a finance lease in line with the provisions of IFRS 16. The lease term is for a period of 10 years after which ownership transfers to the lessee. Set out below is the carrying amount of the net investment in lease and the movements during the year:

Finance lease receivable

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
At 1 June 2023	**-**	-	**-**	-
Net investment of lease	**2,821,777**	-	**2,821,777**	-
Net Lease receipts	**(328,508)**	-	**(328,508)**	-
At 31 May 2024	**2,493,269**	-	**2,493,269**	-

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Non- Current	**2,493,269**	-	**2,493,269**	-
Current	**-**	-	**-**	-
	2,493,269	-	**2,493,269**	-

Assets under finance lease

In thousands of Naira	Group		Company	
	2024	2023	**2024**	2023
PV of finance leased assets	**2,821,777**	-	**2,821,777**	
Carrying amount of PPE	**(1,303,469)**	-	**(1,303,469)**	
Gain on finance lease assets	**1,518,308**	-	**1,518,308**	

The table below sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

In thousands of Naira	Group		Company	
	2024	2023	**2024**	2023
Less than on year	328,508	-	328,508	-
One to two years	345,795	-	345,795	-
Two to three years	380,374	-	380,374	-
Three to four years	418,412	-	418,412	-
Four to five years	466,194	-	466,194	-
More than five years	3,279,347	-	3,279,347	-
Total undiscounted lease receivable	5,218,630	-	5,218,630	-
Unearned finance income	(2,725,361)	-	(2,725,361)	-
	2,493,269	-	**2,493,269**	-

Notes to the Consolidated and Separate Financial Statements continued

13 LOAN RECEIVABLES

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Opening balance	**-**	-	**6,580,862**	**-**
Addition during the year	**-**	5,000,000	**-**	**11,296,509**
Interest on loan	**-**	367,068	**615,969**	**939,136**
Payment within the year	**-**	(5,000,000)	**(3,474,696)**	**(4,715,647)**
Interest received	**-**	(367,068)	**-**	**(939,136)**
Closing balance	**-**	-	**3,722,135**	**6,580,862**
Non-current	**-**	-	**263,234**	**3,422,048**
Current	**-**	-	**3,458,901**	**3,158,814**
	-	-	**3,722,135**	**6,580,862**

Loan receivables relates to cash advances made to related party. Information on interest received on advances and repayment terms are disclosed in Note 34. The Group did not recognise impairment on loans due from related party, because there are no conditions existing that reflects a future default in recovery of the amount due. The interest rates on the loan moved from 6% to 7.5% and 12% with a repayment period of thirty-six months.

14 OTHER ASSETS

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Prepayments	**943,933**	166,139	**916,600**	166,139
Advances to suppliers	**784,315**	817,047	**784,315**	817,047
Total	**1,728,248**	983,186	**1,700,915**	983,186

The advances have been made to suppliers to secure supply lines in the course of business. Prepayments relate to advances for twelve months rental accommodation.

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Non-current	**-**	32,082	**-**	32,082
Current	**1,728,248**	951,104	**1,700,915**	951,104
	1,728,248	983,186	**1,700,915**	983,186

15 DEPOSIT FOR IMPORTS

	Group		Company	
In thousands of Naira	**2023**	2022	**2023**	2022
Deposit for letters of credit	**13,701,925**	958,058	**7,213,539**	9,670
Total	**13,701,925**	958,058	**7,213,539**	9,670

Deposit for letters of credit represents committed cash no longer available for another purpose other than that for which it has been designated for. They represent naira deposits for foreign currencies purchased for funding of letters of credit; all related to settlement of invoices emanating from importation of raw materials, spare parts and machinery.

Notes to the Consolidated and Separate Financial Statements continued

16 CASH AND CASH EQUIVALENTS

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Cash in hand	**2,998**	10,071	**2,998**	10,071
Cash at bank	**28,090,071**	38,862,062	**24,117,465**	21,432,010
Short-term deposits with banks	**776,269**	62,750,943	**776,269**	37,157,737
Total	**28,869,338**	101,623,076	**24,896,732**	58,599,818

Short term deposits relates to fixed interest bearing deposits of the group in various banks.

17 SHARE CAPITAL

	2024		2023	
	Number in thousands	**Amount N'000**	Number in thousands	Amount N'000
Issued:				
Ordinary shares of 50k each	**3,970,476**	**1,985,238**	3,970,476	1,985,238
Allotted, called up and fully paid:				
Ordinary shares of 50k each	**3,970,476**	**1,985,238**	3,970,476	1,985,238

18 DEFERRED INCOME

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Rent received in advance	**1,327,884**	89,502	**1,327,884**	89,502
	1,327,884	89,502	**1,327,884**	89,502

Rent received in advance relates to rent received from third parties on PZ Cussons Nigeria Plc warehouses. Further analyses of the deferred income is presented below:

	Group		Company	
Deferred income In thousands of Naira	**2024**	2023	**2024**	2023
Non-current	**603,436**	84,230	**603,436**	84,230
Current	**724,448**	5,272	**724,448**	5,272
	1,327,884	89,502	**1,327,884**	89,502

19 CONTRACT LIABILITIES

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2024
Advance from customers	**692,667**	361,162	**653,447**	361,162
	692,667	361,162	**653,447**	361,162

Contract liabilities relate to income received from customers for which goods are yet to be supplied. Revenue is recognised when control of the goods have transferred to the customer, being at the point the goods are received or collected by the customer. When the customer initially purchases the goods, the transaction value received at that point by the Group is recognised as contract liability until the goods have been received by the customer.

	Group		Company	
Contract liabilities In thousands of Naira	**2024**	2023	**2024**	2023
Non-current	**–**	–	**–**	–
Current	**692,667**	361,162	**653,447**	361,162
	692,667	361,162	**653,447**	361,162

Notes to the Consolidated and Separate Financial Statements continued

20 TAXATION

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Income tax expense:				
Company income tax in respect of current year	**2,209,199**	6,214,417	**1,690,118**	3,125,314
Education tax in respect of current year	**-**	569,554	**-**	307,567
Capital gains tax	**-**	563,753	**-**	563,753
Police levy	**-**	1,023	**-**	563
(Over)/ Under -provision of prior year tax	**(645,692)**	283,114	**(645,692)**	14,017
Total current tax	**1,563,507**	7,631,861	**1,044,426**	4,011,214
Deferred tax:				
Current year charge to income statement	**(33,734,840)**	(1,516,466)	**(20,988,901)**	(1,273,823)
Total deferred tax	**(33,734,840)**	(1,516,466)	**(20,988,901)**	(1,273,823)
Income tax expense	**(32,171,333)**	6,115,395	**(19,944,475)**	2,737,391

Effective tax reconciliation

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the parent as follows:

Effective tax reconciliation	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
(Loss)/profit before tax	**(108,195,002)**	20,463,740	**(65,520,418)**	11,265,827
Income tax using the domestic Company income tax rate of 30% (2022: 30%)	**(32,458,501)**	6,139,122	**(19,656,125)**	3,379,748
Tax effects of:				
Non-taxable deductions	**(9,695,800)**	(1,441,171)	**(1,148,380)**	(1,528,257)
Balancing Charge/Investment Allowance	**131**	-	**59**	-
Tertiary education tax	**-**	569,554	**-**	307,567
Capital Gains Tax	**-**	563,753	**-**	563,753
Minimum tax	**1,000,500**	-	**629,535**	-
Prior year tax adjustments recognised in current year	**63,083**	-	**158,034**	-
NASENI and Police Levy	**-**	1,023	**-**	563
Provision for uncertain tax	**-**	283,114	**-**	14,017
Impact of Unrelieved loss	**8,919,254**	-	**72,402**	-
Total income tax expense in income statement	**(32,171,333)**	6,115,395	**(19,944,475)**	2,737,391

The current tax charge has been computed at the applicable rate of 30% (31 May 2023: 30%) plus education levy of 3% (31 May 2023: 2.5%) on the profit for the year after adjusting for certain items of expenditure and income which are not deductible or chargeable for tax purposes. Non-deductible expenses include items such as donations and certain provisions which are not allowed as a deduction by the tax authorities.

Notes to the Consolidated and Separate Financial Statements continued

20 TAXATION CONTINUED

Current taxation payable

The movement in the current income taxation payable is as follows:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Opening balance	**8,927,549**	3,697,278	**4,268,743**	1,459,748
Tax charge for the year	**2,209,199**	7,348,747	**1,690,118**	3,997,197
Prior under/(over) provision	**(941,137)**	283,114	**(645,692)**	14,017
Tax paid during the year	**(7,746,808)**	(2,401,590)	**(3,415,105)**	(1,202,219)
Current tax payable	**2,448,803**	**8,927,549**	**1,898,064**	**4,268,743**

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
The analysis of deferred tax liabilities is as follows:				
Deferred tax (asset)/ liability to be recovered after more than 12 months	**(29,781,800)**	**3,561,854**	**(16,902,488)**	**4,086,413**

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Opening balance	**3,561,854**	5,078,502	**4,086,413**	5,360,236
Charged/(credited) to income statement (Note 20)	**(33,343,654)**	(1,516,648)	**(20,988,901)**	(1,273,823)
Closing balance	**(29,781,800)**	3,561,854	**(16,902,488)**	4,086,413

21 DEFERRED TAXATION

	Group			Company		
In thousands of Naira	Property, plant and equipment	Provisions	Total	Property, plant and equipment	Provisions	Total
At 1 June 2022	(302,403)	5,380,906	5,078,503	2,430,521	2,929,716	5,360,237
Credited to income statement	(44,054)	(1,472,594)	(1,516,648)	(48,292)	(1,225,532)	(1,273,824)
At 31 May 2023	(346,457)	3,908,312	3,561,855	2,382,229	1,704,184	4,086,413
(Credited)/charged to income statement	(550,275)	(32,793,380)	(33,343,655)	125,923	(21,114,823)	(20,988,901)
At 31 May 2024	**(896,732)**	**(28,885,068)**	**(29,781,800)**	**2,508,152**	**(19,410,639)**	**(16,902,488)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and current tax liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Deferred tax liabilities	-	4,086,413	-	4,086,413
Deferred tax assets	(29,781,800)	(524,559)	(16,902,488)	-
Net deferred tax (asset)/ liabilities	(29,781,800)	3,561,854	(16,902,488)	4,086,413

Notes to the Consolidated and Separate Financial Statements continued

22 WARRANTY PROVISIONS

	Group		Company	
	2024	2023	2024	2023
Warranty provisions	324,453	381,313	–	–
	324,453	381,313	–	–

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Opening balance	381,313	363,388	–	–
Charged to the income statement	157,028	176,815	–	–
Utilised in the year	(213,888)	(158,890)	–	–
Closing balance	324,453	381,313	–	–
The ageing of the warranty provision is as follows:				
Within 12 months	79,033	72,234	–	–
Greater than 12 months	245,420	309,079	–	–
Total	324,453	381,313	–	–

The warranty provision represents management's best estimate of the Group's liability for warranties granted on electrical products, based on past experience for defective products.

The Group generally offers 1 - 3 year warranties for its electrical products and components. Directors estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends. Factors that could impact the estimated claim information includes the success of the group's product and quality initiatives, as well as spare parts and labour costs (note 2.25.4).

23 TRADE AND OTHER PAYABLES

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Trade payables	13,723,365	10,313,971	3,616,306	1,472,563
Unclaimed Dividend (Note 23.1b)	1,635,208	1,817,272	1,635,208	1,817,272
Accruals*	10,064,918	7,536,204	7,707,312	4,063,589
Amounts owed to related parties (Note 34.2)	64,167,520	58,358,492	55,901,828	45,547,740
Sundry Creditors	1,009,346	1,917,796	1,111,189	1,579,941
Total	90,600,357	79,943,735	69,971,843	54,481,105

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases are 90 days. No interest is charged by the Group's suppliers on all its outstanding balances. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 3.2. The Directors consider the carrying amount of trade and other payables to approximate their fair value.

* Included in the amounts reported as accruals relates to customer rebates of about N1.86bn (2023:N1.54bn); Duty and clearing costs amount to N1.31bn (2023: N1.37bn), VAT liability N1.47 bn (2023: N1.85bn) in both Company and Group.

The following table provides a reconciliation of items reflected as cash and non-cash in the Statements of Cash flows

	Group		Company	
	2024	2023	2024	2023
Changes in trade and other payables	10,656,622	13,870,878	15,490,738	1,711,654
Changes in trade and other payables as shown in the Statement of Cash flows	10,656,622	13,870,878	15,490,738	1,711,654

Notes to the Consolidated and Separate Financial Statements continued

23.1 Unclaimed dividend

23.1a The following dividends were declared by the Group during the year:

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Declared in 2024 is Nil (2023:N1.01) per qualifying ordinary share	–	–	–	–

This represents the dividend proposed for the preceding year but declared in the current year.

After the end of the reporting period, dividend proposed was Nil (2023: Nil) per qualifying ordinary share of 3,970,477,045 (2023: 3,970,477,045) was proposed by the Directors (2023: Nil). The dividends have not been provided for and there are no income tax consequences until the dividend is declared.

23.1 b Movement in unclaimed dividend

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Opening balance	**1,817,272**	1,597,570	**1,817,272**	1,597,570
Dividend declared with respect to prior year	-	4,010,182	-	4,010,182
Transfer to intercompany dividend payable WHT Inclusive (Due Group Company)	-	(2,938,443)	-	(2,938,443)
Payments during the year to First Registrars Non-Group shareholders WHT inclusive	-	(1,071,739)	-	(1,071,739)
Unpaid dividend received (see (ii) below)	**81,547**	33,512	**81,547**	33,512
Dividend disbursed by registrar during the year	**(106,835)**	-	**(106,835)**	-
Dividend amount with Registrar for distribution recognised	-	515,398	-	515,398
Refund of overdrawn dividend payments (see (iii) below)	-	(47,143)	-	(47,143)
Statute barred dividend transferred to retained earnings (see (i) below	**(156,776)**	(282,065)	**(156,776)**	(282,065)
Closing balance	**1,635,208**	**1,817,272**	**1,635,208**	**1,817,272**

The balance as at year end is included in trade and other payables (Note 23)

(i) Unclaimed dividends received and transferred to retained earnings (statute barred dividends) represent dividends which have remained unclaimed for over twelve (12) years and are therefore no longer recoverable or actionable by the shareholders in accordance with section 432(2) of the Companies and Allied Matters Act, 2020 as amended.

(ii) In accordance with the Securities and Exchange Commission (SEC) circular published in 2015, all Capital Market Registrars are to return unclaimed dividends which have been in their custody for fifteen months and above to the paying companies. The Group received N81.5 million (2023: N33.5 million) from First Registrars Limited during the year.

(iii) This refers to dividend payments made by First Registrars on behalf of PZ Cussons Nigeria Plc now refunded.

(iv) Note: N408.6 million is cash with First Registrar for distribution to shared holders in line with statutory requirements

24 DELIVERABLE FORWARDS

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Deliverable forwards	**4,518,435**	4,056,791	**1,603,402**	383,725
Total	**4,518,435**	**4,056,791**	**1,603,402**	383,725

Deliverable forwards represent Naira deposits for purchase of foreign currencies under a forward contract for settlement of invoices emanating from importation of raw materials, spare parts and machinery. The deliverable forwards were measured at cost.

Notes to the Consolidated and Separate Financial Statements continued

25 BORROWINGS

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Borrowing from parent Company (Note 25a)	**64,333,113**	18,735,092	**59,833,113**	18,735,092
Trade obligation with banks (Note 25b)	**24,731,616**	5,277,304	**1,108,447**	–
	89,064,729	**24,012,396**	**60,941,560**	**18,735,092**

Borrowings	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Non-current	**64,333,113**	18,735,092	**59,833,113**	18,735,092
Current	**24,731,616**	5,277,304	**1,108,447**	–
	89,064,729	24,012,396	**60,941,560**	18,735,092

25a Borrowings from parent Company

	Group		Company	
In thousands of Naira	**2023**	2022	**2023**	2022
Balance as at 1 June	**18,735,092**	–	**64,333,113**	–
Addition	**4,500,000**	17,031,902	**24,731,616**	17,031,902
Foreign currency revolution adjustment	**41,098,021**	1,703,190	**89,064,729**	1,703,190
Balance as at 31 May	**64,333,113**	18,735,092		18,735,092

The borrowings relate to loan received from ultimate parent company, PZ Cussons (Holding) Limited, UK, in July 2022 based on agreement signed in June 2022. The facility amount is $40.26 million, and it is non-interest bearing. In May 2024, the subsidiary - HPZ Ltd received a Naira denominated loan of N4.5 billion from a related company - Harefield Industrial Nigeria Limited which is a wholly owned subsidiary of PZ Cussons (Holding) Limited, UK.

25b Trade obligation with banks

	Group		Company	
In thousands of Naira	**2023**	2022	**2023**	2022
Balance as at 1 June	**5,277,304**	–	**-**	–
Additions	**37,671,826**	5,277,304	**3,073,604**	–
Accrued interest and interest charged	**4,653,534**	–	**474,128**	–
Payment	**(22,871,048)**	–	**(2,439,285)**	–
Balance as at 31 May	**24,731,616**	5,277,304	**1,108,447**	–

The Company is involved in trade financing arrangements with some local banks where the banks agree to pay amounts to foreign vendors in respect of invoices owed by the Company and receives settlement from the Company at a later date. The principal purpose of the arrangement is to facilitate efficient payment processing in view of the challenges being experienced with sourcing foreign currency in the Nigerian market. The total amount paid by the bank is due to be settled by the Company within one year at an average interest charge of SOFOR+8%.

Notes to the Consolidated and Separate Financial Statements continued

26A EXPENSE BY NATURE

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Changes in inventories of finished goods and work in progress	**81,646,992**	66,038,407	**46,965,407**	34,599,992
Obsolescence/ damaged inventory	**596,884**	750,292	**513,824**	733,697
Personnel expenses (Note 31.4)	**8,953,460**	8,011,158	**6,766,616**	6,130,708
Fuel and gas	**3,348,983**	5,169,222	**3,191,187**	4,972,148
Depreciation (Note 4)	**1,754,485**	1,898,151	**1,576,344**	1,726,313
Depreciation - Right-of-use (Note 7)	**96,121**	96,121	**65,097**	65,097
Amortisation charge - Intangible assets (Note 9)	**105,961**	105,961	**105,961**	105,961
Depreciation-Investment property (Note 6)	**65,762**	56,105	**65,762**	56,105
Auditor's remuneration*	**503,820**	261,107	**317,220**	180,379
Director's emoluments (Note 31.1)	**254,632**	300,261	**254,632**	300,261
Rent and rates	**514,532**	434,848	**373,886**	290,613
Insurance	**752,419**	416,417	**717,095**	386,375
Freight/carriage cost	**4,814,684**	4,331,674	**3,011,637**	2,599,434
Security services	**879,192**	226,604	**773,659**	221,372
PZ Foundation donation (Note 34.2)	**60,000**	50,000	**60,000**	50,000
Global shared services support (Note 33)	**3,517,493**	2,990,168	**3,517,493**	2,990,168
Vehicle repairs and maintenance	**133,593**	101,828	**119,074**	96,083
Technical Knowhow, R&D support, and Trademark (Note 33)	**3,910,191**	3,221,286	**3,910,191**	3,221,286
Advertising and market promotions	**2,095,980**	2,432,622	**2,090,821**	2,112,447
Electricity	**2,031,799**	632,921	**1,954,393**	557,231
Impairment of trade receivables (Note 12)	**(264,751)**	167,976	**(218,989)**	187,923
Building & plant maintenance	**2,201,022**	1,490,060	**1,891,241**	1,204,869
General and other expenses	**3,788,227**	1,603,428	**2,572,527**	1,010,418
	121,761,481	**100,786,617**	**80,595,078**	**63,798,880**
Cost of sales	**98,120,852**	81,015,877	**62,330,277**	48,653,086
Selling and distribution expenses	**13,222,552**	11,720,884	**9,444,688**	8,054,946
Impairment of trade receivables (Note 12)	**(264,751)**	167,976	**(218,989)**	187,923
Administrative expenses	**10,682,828**	7,881,880	**9,039,102**	6,902,925
	121,761,481	**100,786,617**	**80,595,078**	**63,798,880**

* Auditors remuneration relates to audit services provided. No non-audit services were provided by the auditors during the year ended 31 May 2024 and 31 May 2023.

No non-audit services were provided by our Auditors.

Details of other professionals providing other forms of assurance on the financial statements are as follows:

Name of professional	**FRC number of the professional**	**Name of firm**	**Nature of service**
Audrey Obidike	FRC/2015/PRO/ICAN/004/00000011970	Ernst and Young	Taxation services Financial Accounting service

Notes to the Consolidated and Separate Financial Statements continued

26B FOREIGN EXCHANGE LOSS

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Foreign exchange loss	**157,918,245**	**4,953,665**	**96,625,395**	**3,808,074**

*Exchange loss was taken into consideration by the Group and Company before arriving at the operating (loss)/ profit in the Statement of Comprehensive Income.

27A OTHER INCOME

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Rental income	**509,707**	460,082	**509,707**	460,082
Profit on disposal of fixed assets*	**2,041**	5,943,576	**1,792**	5,943,383
Scrap Sales	**901,684**	937,899	**686,045**	908,334
Gain on recognition of present value of lease payments	**1,518,308**	-	**1,518,308**	-
	2,931,740	7,341,557	**2,715,852**	7,311,799

The profit on disposal of fixed assets relates mainly to sales of non-core residential properties in Ikoyi, Lagos state. N6.532 billion was received as consideration from the sales of the properties resulting in profit on disposal of N5.943 billion for 2023 while 2024 relates to profit on disposal of computer equipment.

27B DEBT WAIVER

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Reversal of Global Shared Support Services (Note 34.2) for 2023	**2,990,168**	-	**2,990,168**	-
Revaluation impact of the reversal of global shared support services for 2023	**654,475**	-	**654,475**	-
Reversal of Global Shared Support Services (Note 34.2) for 2024	**3,517,493**	-	**3,517,493**	-
	7,162,136	-	**7,162,136**	-
Reversal of Technical Knowhow, R&D support, Trademark & Management fees (Note 33) for 2023	**3,221,286**	-	**3,221,286**	-
Reversal of Technical Knowhow, R&D support, Trademark & Management fees (Note 33) for 2024	**3,910,191**	-	**3,910,191**	-
	7,131,477	-	**7,131,477**	-
	14,293,613	-	**14,293,613**	-

Group's parent waiver of $11.08 million relating to global IT shared cost

The Group's parent, PZ Cussons (Holdings) Limited, has written down $11.08 million (N7.16 billion) relating to the 2023($6.65 million) and 2024($4.43 million) global IT shared cost as a demonstration of its commitment to the Nigerian business. The full effect of the write down has been included in the results for year ended 31 May 2024. The amount relating to 2024 is N3.5 billion (2023: N3.6 billion) has been classified as a debt waiver. This excludes the revaluation impact for 2024 financial year.

Group's parent waived the Technical Knowhow and Royalties fees for 2023 & 2024 financial years

The Group's parent, PZ Cussons (Holdings) Limited, have waived the Technical Know How fees and Royalties fee amounting to N7.13 billion (VAT inclusive) relating to 2023 (N3.22 billion) and 2024 (N3.91 billion) as a demonstration of its commitment to the Nigerian business. The full effect of the write down has been included in results for year ended 31 May 2024.

Notes to the Consolidated and Separate Financial Statements continued

28 REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 Operating Segments (see Note 29).

The Group analyses its net revenue by the following categories:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Home and personal care products	**90,810,486**	**67,413,111**	**90,810,486**	**67,413,111**
Durable electrical appliances	**61,438,823**	**46,551,198**	-	–
Total	**152,249,309**	**113,964,309**	**90,810,486**	**67,413,111**

29 OPERATING SEGMENTS

The Chief operating decision-maker has been identified as the Executive Management which includes the two Executive Directors.

The Executive Management reviews the Group's internal reporting in order to assess performance and allocate resources. Executive Management has determined the operating segments based on these reports which include an allocation of central revenue and costs as appropriate.

For reporting purposes, in accordance with IFRS 8 'Operating Segments', the Executive Management aggregates operating segments with similar characteristics and conditions into reporting segments, which form the basis of the reporting in the Annual Report.

The Executive Management considers the business from products perspective, with branded consumer goods and durable electrical appliances being the reporting segments. The Executive Management assesses the performance based on operating profit before any exceptional items.

The principal categories of customers are wholesalers. The Group's reportable segments under IFRS 8 are therefore as follows:

Segment Description

Home and personal care products

This includes the production and sale of Morning Fresh, Zip, Canoe, Premier, Excel, Joy, Stella, Venus, Imperial Leather, Cussons Baby, Original Source, Carex, Robb etc.

Durable Electrical appliances

This includes the production and sale of Haier Thermocool Refrigerators, Freezers, Televisions, Generators, Air conditioners, Washing machines etc.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment profit represents the profit earned by each segment without central administration costs including Directors' salaries, finance income, non-operating gains and losses in respect of financial instruments. This is the measure reported to the Group's Executive Management for the purpose of resource allocation and assessment of segment performance.
The following is an analysis of the Group's revenue and results by reportable segment in 2024:

Notes to the Consolidated and Separate Financial Statements continued

As at 31 May 2024 In thousands of Naira	**Home and Personal Care Products**	**Durable Electrical Appliances**	**Eliminations**	**Total**
Revenue				
Total gross segment revenue	**90,810,486**	**61,438,823**	**–**	**152,249,309**
Intersegment revenue	-	-	–	
Total Revenue	**90,810,486**	**61,438,823**	**–**	**152,249,309**
			–	
Segment operating loss	**(86,409,987)**	**(41,020,430)**	**–**	**(127,430,417)**
Interest income (Note 35)	**4,296,586**	**1,811,585**	**–**	**6,108,171**
Interest cost (Note 35)	**(416,482)**	**(3,681,627)**	**–**	**(4,098,109)**
Other income (Note 27a)	**2,715,852**	**215,888**	**–**	**2,931,740**
Debt waiver (Note 27b)	**14,293,613**	-	**–**	**14,293,613**
Loss before taxation	**(65,520,418)**	**(42,674,584)**	**–**	**(108,195,002)**
Taxation (Note 20)	**19,944,475**	**12,226,858**		**32,171,333**
Loss after taxation	**(45,575,943)**	**(30,447,726)**		**(76,023,669)**

As at 31 May 2023 In thousands of Naira	**Home and Personal Care Products**	**Durable Electrical Appliances**	**Eliminations**	**Total**
Revenue				
Total gross segment revenue	**67,413,111**	**46,551,198**	**–**	**113,964,309**
Total Revenue	**67,413,111**	**46,551,198**	**–**	**113,964,309**
			–	
Segment operating loss	**(193,843)**	**8,417,870**	**–**	**8,224,027**
Interest income (Note 35)	**4,149,329**	**1,083,787**	**–**	**5,233,116**
Interest cost (Note 35)	**(1,456)**	**(333,505)**	**–**	**(334,961)**
Other income (Note 27a)	**7,311,799**	**29,758**	**–**	**7,341,557**
Profit before taxation	**11,265,829**	**9,197,910**	**–**	**20,463,739**
Taxation (Note 20)	**(2,737,391)**	**(3,378,004)**	**–**	**(6,115,395)**
Profit after taxation	**8,528,438**	**5,819,906**	**–**	**14,348,344**

The Group is domiciled in Nigeria. Segment revenue reported above represents revenue generated from external customers. The result of its revenue from external customers in Nigeria is N148.03 billion (2023:N111.77 billion) and the total of revenue from external customers from other countries is N4.22 billion (2023: N2.19 billion) (Note 29.5). There were no intersegment sales in the current year (2023: Nil).

29.2Segment assets

As at 31 May 2024 In thousands of Naira	**Home and Personal Care Products**	**Durable Electrical Appliances**	**Eliminations**	**Total**
Property plant and equipment (Note 4)	**13,472,073**	**1,504,712**	**–**	**14,976,785**
Intangible assets (Note 9)	**317,886**	-	**–**	**317,886**
Financial assets (Note 3.1)	**43,987,249**	**5,242,243**	**–**	**49,229,492**
Inventory (Note 11)	**28,211,172**	**12,634,277**	**–**	**40,845,449**
Total segment assets	**85,988,380**	**19,381,232**	**–**	**105,369,612**
Unallocated assets	**32,124,137**	**20,070,352**	**(504,406)**	**51,690,083**
Total assets	**118,112,517**	**39,451,584**	**(504,406)**	**157,059,695**

Notes to the Consolidated and Separate Financial Statements continued

As at 31 May 2023 In thousands of Naira	Home and Personal Care Products	Durable Electrical Appliances	Eliminations	Total
Property plant and equipment (Note 4)	**14,031,271**	**1,469,280**	–	**15,500,551**
Intangible assets (Note 9)	**423,847**	-	–	**423,847**
Financial assets (Note 3.1)	**72,278,670**	**43,473,780**	–	**115,752,450**
Inventory (Note 11)	**19,922,450**	**9,126,268**	–	**29,048,718**
Total segment assets	**106,656,238**	**54,069,328**	–	**160,725,566**
Unallocated assets	**4,169,762**	**1,974,965**	–	**5,640,320**
			–	
Consolidated total assets	**110,826,000**	**56,044,293**	–	**166,365,886**

The total segment assets located in Nigeria is N155.8 billion (2023: N166.4 billion), and the total of such segment assets located in other countries is Nil (2023: Nil).

For the purposes of monitoring segment performance and allocating resources between segments the Group's Executive Management monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of investments in subsidiaries and tax assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

29.3 Other segment information

	Group			
	Depreciation and amortisation		Additions to non-current assets	
In thousands of Naira	**2024**	2023	**2024**	2023
Home and Personal Care Products	**1,747,402**	2,100,233	**2,733,754**	622,528
Durable Electrical Appliances	**209,165**	163,690	**219,966**	288,652
	1,956,567	2,263,923	**2,953,720**	911,180

The depreciation and amortisation as well as the additions to non-current assets reported above, were recognised in respect of property, plant and equipment only.

29.4 Revenues from major products

The Group's revenues from its major products and are disclosed in Note 28.

29.5 Geographical information

The Group's revenue from external customers and information about its segment assets (non-current assets excluding financial instruments, deferred tax assets and other financial assets) by geographical location are detailed below:

Group

	Revenue from external customer	
In thousands of Naira	**2024**	2023
Domestic (within Nigeria)	**148,028,936**	111,775,676
Export (outside Nigeria)	**4,220,373**	2,188,633
Total revenue from contracts with customers	**152,249,309**	113,964,309

Company

	Revenue from external customer	
In thousands of Naira	**2023**	2022
Domestic (within Nigeria)	**86,590,113**	65,224,479
Export (outside Nigeria)	**4,220,373**	2,188,632
Total revenue from contracts with customers	**90,810,486**	67,413,111

The total value of non-current assets from which revenue was derived are: Group N49.1 billion (2023: N18.3 billion), Company N35.9 billion (2023: N20.13 billion).

In presenting information on the basis of geography, segment revenue is based on the geographical location of the customers and segment assets are based on the geographical location of the assets.

29.6 Information about major customers

No single external customer either within or outside Nigeria contributed more than 10% of the revenue for the year. Therefore, information on major customers is not presented.

Notes to the Consolidated and Separate Financial Statements continued

30 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the (loss)/ profit attributable to equity holders of the parent company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

	Group		Company	
	2024	2023	**2024**	2023
(Loss)/ profit attributable to equity holders of parent company (N'000)	**12,892,786**	5,970,115	**8,528,436**	3,783,652
Weighted average number of ordinary shares in issue ('000)	**3,970,477**	3,970,477	**3,970,477**	3,970,477
Basic earnings per share (Naira/share)	**3.25**	1.50	**2.15**	0.95

Diluted EPS is the same as basic earnings per share as there are no potential dilutive ordinary shares or transactions.

31 DIRECTORS' AND EMPLOYEES' EMOLUMENTS

31.1 In thousands of Naira

	Group		Company	
	2024	2023	**2024**	2023
Chairman and Directors' emoluments:				
Chairman	**13,300**	12,150	**13,300**	12,150
Directors	**241,332**	288,111	**241,332**	288,111
Total	**254,632**	300,261	**254,632**	300,261
As fees (As per Non-Executive Directors)	**7,000**	5,950	**7,000**	5,950
Other emoluments (As per Non-Executive Directors)	**38,900**	37,000	**38,900**	37,000
Emoluments As per Executive Directors	**208,732**	257,311	**208,732**	257,311
Total	**254,632**	300,261	**254,632**	300,261

Included in emoluments to Executive Directors is pension paid to them during the year.

31.2 Number of Directors excluding the Chairman, whose emoluments fell within the following ranges were:

31.2.1 Executive Directors

	Group		Company	
	2024 Number	2023 Number	**2024 Number**	2023 Number
Below N30,000,000	**1**	–	**1**	-
N30,000,001 - N40,000,000	**–**	2	**–**	2
N160,000,001 - N190,000,000	**–**	1	**–**	1
N190,000,001 - N220,000,000	**1**	–	**1**	-
Directors with salaries and allowances as emoluments	**2**	**3**	**2**	3

31.2.2 Non-Executive Directors

	Group		Company	
	2024 Number	2023 Number	**2024 Number**	2023 Number
N5,000,001 – N10,000,000	**4**	4	**4**	4
N10,000,001 – N15,000,000	**1**	1	**1**	1
Directors with fees and emoluments	**5**	**5**	**1**	**5**
Directors with no emoluments	**3**	2	**3**	2
Total	**10**	**10**	**10**	**10**

Notes to the Consolidated and Separate Financial Statements continued

31.3 Highest paid Director received

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Highest paid Director received	**206,433**	**189,944**	**206,433**	**189,944**

31.4 Personnel expenses

(a) Personnel expenses for the year comprise the following:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Salaries, wages and other employee expenses	**8,005,790**	**7,117,585**	**6,048,128**	**5,443,649**
Pension costs – defined contribution plan	**610,641**	**548,634**	**450,192**	**410,964**
Pension costs – gratuity scheme	**337,029**	**344,939**	**268,296**	**276,095**
Total	**8,953,460**	**8,011,158**	**6,766,616**	**6,130,708**

Other employee expenses include incentives, medical and other employee benefits.

(b) Number of employees of the Group and Company as at 31 May, whose duties were wholly or mainly discharged in Nigeria, received annual remuneration (excluding pension contributions and certain benefits) in the following ranges:

	Group		Company	
	2024 Number	2023 Number	**2024 Number**	2023 Number
N1,500,000 and below	**5**	-	**3**	-
N1,500,001 - N2,000,000	**10**	44	**9**	3
N2,000,001 - N2,500,000	**58**	559	**35**	404
N2,500,001 - N3,000,000	**357**	135	**240**	82
N3,000,001 - N3,500,000	**210**	9	**137**	6
N3,500,001 - N4,000,000	**45**	25	**27**	25
N4,000,001 and above	**261**	224	**201**	172
	946	996	**652**	692

(c) The number of full-time persons employed per function as at 31 May was as follows:

	Group		Company	
	2024 Number	2023 Number	**2024 Number**	2023 Number
Production	**683**	**688**	**465**	**488**
Sales and distribution	**170**	**190**	**100**	**95**
Administration	**93**	**118**	**87**	**109**
	946	**996**	**652**	**692**

Notes to the Consolidated and Separate Financial Statements continued

32 CONTINGENCIES

(a) Assets

Export Expansion Grant scheme (EEG)

The Export Expansion Grant ('EEG' or 'the Scheme') is one of the export incentives introduced by the Federal Government of Nigeria through the Export (Incentives and Miscellaneous Provisions) Act No. 18 of 1986 as amended by the Export (Incentives and Miscellaneous Provisions) Act No. 65 of 1992, Cap E19, Laws of the Federation of Nigeria (LFN). It is a post-shipment incentive designed to improve the competitiveness of Nigerian products and commodities and expand the country's volume and value of non-oil exports.

The "Export Expansion Grant scheme (EEG)" is a vital incentive of the Federal Government of Nigeria required for the stimulation of export oriented activities that will lead to significant growth of the non-oil export sector. Having met the eligibility criteria and registered under the scheme by the Nigerian Export Promotion Council (NEPC), the Group is entitled to a rebate on export sales in as much as the Group can demonstrate that all the conditions precedent have been met.

Negotiable Duty Credit Certificate (NDCC): The NDCC now called Export Credit Certificate (ECC) in line with the revised guidelines for Export Expansion Grant (EEG) scheme can be used to settle all Federal Government taxes such as Company Income Tax, VAT, WHT, etc. and the following:
(a) purchase of Federal Government Bonds,
(b) settlement of credit facilities by Bank of industry (BOI), Nigerian Export-Import Bank (NEXIM) and Central Bank of Nigeria (CBN) intervention facilities.
(c) settlement of Asset Management Corporation of Nigeria (AMCON) liabilities.

Negotiable Duty Credit Certificate (NDCC)

	Group	
In thousands of Naira	**2024**	2023
NDCC with NEPC (awaiting conversion to ECC)	**297,492**	297,492
New ECC issued yet be utilised	**2,608**	2,608
Export Rebate filed with Government	**3,807,636**	3,807,636
	4,107,736	4,107,736
NDCC with NEPC (awaiting conversion to ECC) held on behalf of related entities	**352,508**	352,508
Total – NDCC and Export rebates receivable	**4,460,244**	4,460,244

b Liabilities

Pending litigation and claims

The Group is engaged in lawsuits that have arisen in the normal course of business. The contingent liabilities in respect of these pending litigations amounted to N1.5 billion as at 31 May 2024 (2023: N0.52 billion). In the opinion of the Directors, and based on independent legal advice, the Company is not expected to suffer any material loss arising from these claims. Thus no provision has been made in these financial statements.
Financial commitments

In the normal course of business, the Group uses letters of credit to import materials. The total value of open letters of credit as at 31 May 2024 was N34.3 billion (2023: N38.3 billion).

Capital commitments

Below represents capital commitments for the acquisition of property, plant and equipment not provided for in the financial statements:

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Authorised and contracted	**-**	**1,675,000**	**-**	**1,173,000**
Authorised but not contracted	**274,290**	**411,000**	**274,290**	**411,000**
Total	**274,290**	**2,086,000**	**274,290**	**1,584,000**

Notes to the Consolidated and Separate Financial Statements continued

33 TECHNICAL SERVICE FEE

The technical, IT and trademark agreements, basis and amounts are presented below. The amount recognised in these financial statements is inclusive of VAT which is payable to the government. All agreements are subject to the approval of the National Office for Technology Acquisition and promotion (NOTAP).

NOTAP Approved Items	Bases	Rates	2024	2023
Technical Knowhow	Net Sales* of Company	3%	2,606,794	2,136,336
Technical service (R&D)	Net Sales* of Company	1%	868,931	723,300
Trademark	Net Sales* of Company	0.5%	434,466	361,650
Sub total			3,910,191	3,221,286
IT Recharge			3,517,493	2,990,168
Total			7,427,684	6,211,454

* Net Sales is Gross sales price less (i) value added taxes or sales tax payable; (ii) bonafide packing, transport and insurance cost; and (iii) trade discounts and re-imbursements actually granted to customer in respect of such invoice.

**The Group's parent, PZ Cussons (Holdings) Limited has written down the IT recharge fees for 2023 and 2024. The Technical how fees, R&D support fees and Royalties for 2023 and 2024 have also been waived by the Group's parent company (Note 27b)

34 RELATED PARTY TRANSACTIONS

34.1 Group and Company

The Group and Company are controlled by PZ Cussons (Holdings) Limited, incorporated in the UK, which owns 73.27% (2023: 73.27%) of the Group and Company's shares. The remaining 26.73% (2023: 26.73%) of the shares are widely held. The Group's parent is PZ Cussons (Holdings) Limited (incorporated in the UK) and its global ultimate parent is PZ Cussons Plc.

All intercompany trading balances are settled in cash. There was no provision for doubtful related party receivables at 31 May 2024 (31 May 2023: Nil) and no charges to the income statement in respect of doubtful related party receivables for the years then ended.

The nature of relationship between related parties within the group are set out below:

Name	Nature of relationship
- PZ Cussons (Holdings) Limited	Parent company
- HPZ Limited	Subsidiary
- PZ Cussons International Limited	Fellow subsidiary
- Seven Scent Limited	Fellow subsidiary
- PZ Cussons Singapore Private Limited	Fellow subsidiary
- PZ Cussons Indonesia	Fellow subsidiary
- PZ Cussons (Thailand) Limited	Fellow subsidiary
- PZ Cussons India Private Limited	Fellow subsidiary
- Minerva SA Limited, Greece	Fellow subsidiary
- PZ Cussons Ghana Limited	Fellow subsidiary
- PZ Cussons East Africa Limited	Fellow subsidiary
- Nutricima Limited	Fellow subsidiary
- Harefield Industrial Nigeria Limited	Fellow subsidiary
- PZ Wilmar Limited	Joint venture of parent company

Notes to the Consolidated and Separate Financial Statements continued

34.2 Transactions with related parties

Purchase of goods and services

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Purchases of goods from joint ventures and subsidiaries of PZ Cussons (Holdings) Limited (parent Company)**:				
– Seven Scent Limited	**2,606,794**	2,883,116	**483,609**	2,883,116
– PZ Cussons Singapore Private Limited	**868,931**	14,175,844	**20,146,397**	10,007,582
– PZ Cussons Indonesia	**434,466**	8,961	**6,057**	8,961
– PZ Cussons Thailand	**3,910,191**	–	**34,363**	–
– PZ Wilmar Limited	**3,517,493**	7,885,217	**5,623,523**	7,885,217
	7,427,684	24,953,138	**26,293,949**	20,784,876

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Purchases of services from PZ Cussons (Holdings) Limited (parent company)**:				
– R&D Support – PZ Cussons International Limited	**2,606,794**	672,837	**2,606,794**	672,837
– Technical Knowhow fees – PZ Cussons International Limited	**868,931**	2,212,030	**868,931**	2,212,030
– Trademark – PZ Cussons International Limited	**434,466**	336,419	**434,466**	336,419
	3,910,191	**3,221,286**	**3,910,191**	**3,221,286**
Recharge of services from PZ Cussons (Holdings) Limited (parent company)				
– Global shared services support	**3,517,493**	2,990,168	**3,517,493**	2,990,168
Total	**50,975,726**	**31,164,592**	**33,721,633**	**26,996,330**
Sales of goods				
– PZ Cussons Ghana Limited	**3,610,290**	2,084,710	**3,610,290**	2,084,710
	3,610,290	**2,084,710**	**3,610,290**	**2,084,710**
Recharge of services - PZ Wilmar Ltd	**756,978**	**567,578**	**756,978**	**567,578**
Recharge of service cost recovery- Distribution fees:				
- HPZ Limited (Subsidiary)	**-**	**-**	**698,406**	3,858,318
- Harefield Industrial Nigeria Limited	**84,746**	807,174	**84,746**	807,174
Sub -total A	**84,746**	**807,174**	**783,152**	**4,665,492**
Recharge of local shared services by PZ Cussons Nigeria Plc				
-- HPZ Limited (Subsidiary) -	**-**	**-**	**698,406**	3,672,781
- Harefield Industrial Nigeria Limited 84,746	**84,746**	768,359	**84,746**	768,359
Sub -total B	**84,746**	**768,359**	**783,152**	**4,441,140**
Net recharge/recovery of service cost (A-B)*	**-**	**38,815**	**-**	**224,352**
Total	**4,367,268**	**2,691,103**	**4,367,268**	**2,876,640**

* Net recharge/recovery of service is included in cost of sales.

Key management personnel compensation

Key management have been determined as Directors (Executive and Non-Executive) and the Chairman. Details of their compensation is as shown in Note 31. No loans were advanced to any key personnel management during the year.

Notes to the Consolidated and Separate Financial Statements continued

Year-end balances arising from sales/purchases of goods and services.

	Group		Company	
In thousands of Naira	2024	2023	2024	2023
Due to:				
- Subsidiaries of PZ Cussons Nigeria Plc				
- HPZ Limited	-	-	-	-
Sub Total	-	-	-	-
- Joint ventures and subsidiaries of PZ Cussons (Holdings) Limited UK				
- PZ Cussons International Limited	**34,195,103**	25,279,300	**34,073,567**	25,241,245
- Seven Scent Limited	**892,805**	6,000,923	**892,805**	6,000,923
- PZ Cussons Singapore Private Limited	**20,431,534**	23,489,533	**12,287,378**	9,152,439
- PZ Cussons (Holdings) Limited	**8,646,622**	3,586,501	**8,646,622**	3,586,501
- PZ Cussons Indonesia	**1,456**	-	**1,456**	-
- PZ Cussons (Thailand) Limited	-	2,235	-	2,234
Sub Total	**64,167,520**	**58,358,492**	**55,901,828**	**43,983,342**
Total	**64,167,520**	**58,358,492**	**55,901,828**	**45,547,740**
Due from:				
- Subsidiaries of PZ Cussons Nigeria Plc				
Joint ventures of PZ Cussons				
HPZ limited	-	-	1,323,999	-
	-	-	**1,323,999**	-
** Joint ventures and subsidiaries of PZ Cussons (Holdings) Limited, UK				
- PZ Cussons Ghana Limited	**1,265,307**	97,218	**1,265,307**	97,218
- Harefield Industrial Nigeria Limited	**2,836,661**	1,898,941	**2,836,661**	1,854,776
- PZ Wilmar Limited	**737,686**	888,448	**737,686**	888,448
Sub Total	**4,839,654**	**2,884,607**	**4,839,654**	**2,840,442**
Total	**4,839,654**	**2,884,607**	**6,163,653**	**2,840,442**
- Subsidiaries of PZ Cussons Nigeria Plc				
- HPZ Limited	-	-	-	6,580,862
	-	-	-	**6,580,862**

Balances arising from sales/purchases of goods and services are revolving balances settled within 30 days after the end of the month.

The entities categorised as Joint Ventures and subsidiaries of PZ Cussons (Holdings) Limited, United Kingdom are:

Local entities: Nutricima Limited, Harefield Industrial Nigeria Limited, PZ Coolworld Limited, PZ Wilmar Limited and PZ Wilmar Food Limited.

Foreign entities: PZ Cussons International Limited, PZ Cussons Singapore Private Limited, PZ Cussons (Thailand) Limited, PZ Cussons Ghana Limited, PZ Cussons East Africa Limited, PZ Cussons Mesa, PZ Cussons Indonesia , PZ Cussons India Private Limited and Seven Scent Limited.

PZ CUSSONS FOUNDATION

PZ Cussons Foundation is not a related party within the definition of IAS 24. The Foundation was established in 2007 to improve the quality of life of people living in Nigeria especially in areas around our operations across the country by building roads, schools, health centres, sport facilities, providing portable water, etc. As a corporate social responsibility outfit, it's affairs is managed by a Board of trustees who are responsible for the delivery of the Foundation objectives. During the year, donation from PZ Cussons Nigeria Plc to the Foundation amounted to N60m (2023:N50m). However, the Foundation is at liberty to receive donations from other sources. Disclosure made in this section is on voluntary basis in the interest of transparency.

35. Interest on advances from related entities and short-term borrowings from banks

During the year, the Group and Company obtained and gave short-term advances at average rate of 9.75% p.a. from and to related parties. The advances have been fully liquidated at 2024 and 2023 year end and they are not included in the closing balances of the amount due to and the amount due from related parties by the Company and the Group These advances were drawn down or disbursed in various amounts and did not run throughout the twelve months duration of the financial years ended 31 May 2024 and 31 May 2023.

The Group and Company earned N160.3 million (2023: N367.1 million) and N776.3 million (2023: N939.1million) respectively on short-term advances to related parties. All inter-company interests have been eliminated on consolidation. The un-eliminated interest income and interest expense on consolidation relates to interest earned and interest paid on transactions with other related parties (i.e. Nutricima Limited, Harefield Industrial Nigeria Limited and PZ Wilmar Limited) outside of the PZ Cussons Nigeria Plc Group.

	Group		Company	
In thousands of Naira	**2024**	2023	**2024**	2023
Interest paid to related companies				
Harefield Industrial Nigeria limited	**(11,803)**	-	**-**	-
	(11,803)	-	**-**	-
Interest paid to banks	**(4,086,306)**	(334,961)	**(416,482)**	(1,456)
Total interest Cost	**(4,098,109)**	**(334,961)**	**(416,482)**	**(1,456)**
Interest earned from related companies;				
HPZ Limited	**-**	-	**615,969**	674,068
PZ Wilmar Limited	**160,328**	367,068	**160,328**	265,068
	160,328	367,068	**776,297**	939,136
Interest earned from banks	**5,947,843**	4,866,048	**3,520,289**	3,210,193
Total Interest income	**6,108,171**	**5,233,116**	**4,296,586**	**4,149,329**
Net finance Income	**2,010,062**	**4,898,155**	**3,880,104**	**4,147,873**

36 DIVIDENDS

Amounts recognised as dividends to ordinary shareholders in the year:
Dividend for the year ended 31 May 2022 was paid during the year ended 31 May 2023. This is consistent with the Group's policy of recognising dividend as a liability in the period it is approved by the shareholders.

As disclosed in Note 23, dividend proposed in respect of the year ended 31 May 2024 was Nil (2023:Nil). No provision for the dividend is recognised in the financial statements for the year then ended because, dividend is recognised as a liability in the period it is approved by shareholders. Accordingly, there is no provision for the dividend in these financial statements.

37 BOARD CHANGES

Prof. Fabian Ajogwu OFR, SAN	Independent Non-Executive Director (Resigned w.e.f 4 March 2024)
Mr Kamar Bakrin	Non Executive Director (Resigned w.e.f 14 October 2023)
Dr Suleyman Abdu Ndanusa	Independent Non-Executive Director (Appointed w.e.f 16 November 2023)
Mr. Duncan Anniss	Non Executive Director (Resigned w.e.f 30 October 2023)

38 SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule), PZ Cussons Nigeria Plc maintains a Security Trading Policy (Policy) which guides Directors, Audit Committee members, employees and all individuals categorised as insiders in relation to their dealings in the Company's shares. The Policy undergoes periodic review 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.

39 EVENTS AFTER REPORTING DATE

There are no significant subsequent events, which could have had a material effect on the Financial Statements of the Company as at 31 May 2024 that have not been adequately provided for or disclosed in the financial statements.

40 PZ CUSSONS (HOLDINGS) LIMITED'S OFFER TO ACQUIRE SHARES HELD BY OTHER SHAREHOLDERS OF PZ CUSSONS NIGERIA PLC

On the 4th of September 2023, PZ Cussons Nigeria Plc notified the Nigerian Exchange Limited (NGX) and the investing public that PZ Cussons (Holdings)Limited, UK (the Core Shareholder) has informed the Board of Directors of the Company (the Board) of its intention to acquire the shares held by all the other shareholders of the Company, subject to prevailing market conditions, at an offer price of ₦21 per share (the Proposed Transaction). The Proposed Transaction is however, subject to the consideration and approval of the Board, the Company's shareholders and requisite regulatory authorities.

The offer was increased from N21 per share to N23 per share as announced on November 9, 2023. However, on March 19, 2024, PZ Cussons Nigeria Plc (PZCN or the Company) notified the Nigerian Exchange Limited (NGX) and the investing public that the Securities and Exchange Commission (SEC) has declined the Company's request for its No Objection to PZ Cussons (Holdings) Limited's (the majority shareholder) intention to acquire the shares held by all the other shareholders of PZCN at an offer price of ₦23 per share (the Proposed Transaction). The Board will communicate further developments to shareholders in due course.

41 GOING CONCERN

The Financial Statements of PZ Cussons Nigeria Plc have been prepared on a going concern basis which assumes the Company will be able to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future.

However, the Group and Company incurred a net loss of ₦76.0 billion (2023: ₦14.3 billion profit) and ₦45.6 billion (2023: ₦ 8.5 billion net profit) respectively for the year ended 31 May 2024 and as at that date, the Group and the Company's total liabilities exceeded its total assets by ₦27.5 billion (2023: net asset of ₦48.3 billion) and ₦16.8 billion (2023: net asset of ₦28.6 billion) respectively. These events or conditions increases the risk of going concern of the Group and Company.

In responding to this risk, management has carried out several actions to return the Group and Company to profitability by sustaining the revenue growth rate recorded in 2024 while aggressively controlling cost. The Group and Company have also obtained support from the Parent Company that it will continue to fund and support the Group and Company's operations as may be required for the foreseeable future.

Based on the foregoing, the Directors are confident that the Group and the Company would be able to continue to operate and be in a position to settle all its obligations in the normal course of business. Accordingly, the Directors considered it appropriate to prepare the financial statements on the basis of accounting policies applicable to a going concern.

Other National Disclosure

Value Added Statement

	Group				Company			
In thousands of Naira	2024	%	2023	%	2024	%	2023	%
Revenue	**152,249,309**		113,964,309		**90,810,486**		67,413,111	
Other income	**2,931,740**		7,341,557		**1,792**		7,311,800	
Interest income	**6,108,171**		5,233,116		**4,296,586**		4,149,329	
Brought-in-materials and services:								
– Imported	**(180,141,187)**		(67,759,222)		**(115,291,074)**		(44,935,622)	
– Local	**(73,943,713)**		(27,813,563)		**(36,407,708)**		(14,190,196)	
Value eroded/ added	**(92,795,680)**	**100**	30,966,197	100	**(56,589,918)**	**100**	19,748,422	100
Applied as follows:								
To pay employees:								
– Salaries, wages and other benefits	**8,953,460**	**-10%**	8,011,158	26%	**6,766,616**	**-12%**	6,130,708	31%
To pay government:								
– Income and education taxes	**1,563,507**	**-2%**	7,631,861	25%	**1,044,426**	**-2%**	4,011,214	20%
To pay providers of capital:								
– Interest cost	**4,098,109**	**-4%**	334,961	1%	**416,482**	**-1%**	1,456	0%
Retained for replacement of assets and business growth:								
– Deferred taxation	**(33,343,654)**	**36%**	(1,516,466)	-5%	**(20,988,901)**	**37%**	(1,273,823)	-6%
– Depreciation	**1,754,485**	**-2%**	1,954,256	6%	**1,576,344**	**3%**	2,132,763	10%
– Depreciation – right-of-use-asset	**96,121**	**0%**	96,121	0%	**65,097**	**0%**	111,707	1%
– Amortisation (intangible assets)	**105,961**	**0%**	105,961	0%	**105,961**	**0%**	105,961	1%
– Non-controlling interest	**(7,614,976)**	**8%**	1,455,559	5%	**–**	**0%**	–	–
(Loss) Profit attributable to equity profit holders of equity	**(68,408,693)**	**74%**	12,892,786	42%	**(45,575,943)**	**81%**	8,528,436	43%
	(92,795,680)	**100%**	**30,966,197**	**100%**	**(56,589,918)**	**100%**	**19,748,422**	**100%**

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

This report is not prepared under IFRS. Instead, it has been prepared in compliance with the Companies and Allied Matters Act of Nigeria, 2020 as amended.

Five Year Financial Summary

GROUP

In thousands of Naira	2024	2023	2022 Restated	2021 Restated	2020 Restated
Statement of financial position:					
Non-current assets	**49,614,308**	18,275,431	19,088,568	26,730,823	28,704,103
Current assets	**107,445,387**	148,090,455	89,793,126	60,614,048	49,329,595
Assets held for sale	**-**	-	590,990	-	-
Total assets	**157,059,695**	166,365,886	109,472,684	87,344,871	78,033,698
Equity attributable to equity holders of parent	**(25,078,945)**	43,329,747	34,165,079	28,923,439	27,760,630
Non-controlling interest	**(2,427,890)**	5,030,311	3,574,752	2,845,542	2,625,695
Non-current liabilities	**65,239,090**	23,322,945	5,654,331	6,164,221	6,718,819
Current liabilities	**119,327,440**	94,682,883	66,078,522	49,411,669	40,928,554
Total equity and liabilities	**157,059,695**	166,365,886	109,472,684	87,344,871	78,033,698

In thousands of Naira	2023	2022	2021 Restated	2020 Restated	2019 Restated
Turnover	**152,249,309**	**113,964,309**	99,503,320	82,577,540	66,992,561
(Loss) / profit before taxation	**(108,195,002)**	**20,463,740**	10,008,025	3,191,562	(7,938,652)
(Loss) / profit after taxation (attributable to owners of the company)	**(76,023,669)**	**14,348,345**	6,699,325	1,559,857	(7,208,211)
Per 50K Share					
Earnings per share (Naira)	**(17.23)**	**3.28**	1.50	0.39	(1.74)
Net (liabilities)/ assets per share (Naira)	**(6.93)**	**10.91**	8.57	8.70	8.38

Basic earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the parent company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

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

This report is not prepared under IFRS. Instead it has been prepared in compliance with the Companies and Allied Matters Act of Nigeria, 2020.

COMPANY

In thousands of Naira	2024	2023	2020 Restated	2021 Restated	2020 Restated
Statement of financial position:					
Non-current assets	**35,956,705**	20,135,803	17,930,314	24,670,721	26,084,725
Current assets	**82,155,812**	90,690,197	61,354,231	44,697,987	31,532,097
Assets held for sale	**-**	–	590,990	–	–
Total assets	**118,112,517**	110,826,000	79,875,535	69,368,708	57,616,822
Equity attributable to equity holders of parent	**(16,746,699)**	28,672,468	23,872,147	20,816,970	20,312,446
Non-current liabilities	**60,471,967**	22,975,866	5,392,049	5,874,032	6,390,999
Current liabilities	**74,387,249**	59,177,666	50,611,339	42,677,706	30,913,377
Total equity and liabilities	**118,112,517**	**110,826,000**	**79,875,535**	**69,368,708**	**57,616,822**

In thousands of Naira	2024	2023	2022 Restated	2021 Restated	2020 Restated
Turnover	**90,810,486**	67,413,111	58,264,660	47,832,559	38,939,223
Profit/(Loss) before taxation	**(65,520,418)**	11,265,827	4,875,166	1,633,844	(6,346,857)
Profit/(Loss) after taxation (attributable to owners of the Company	**(45,575,943)**	8,528,436	3,783,652	901,573	(5,936,025)
Per 50k Share					
(Loss)/Earnings per share (Naira)	**(11.48)**	2.15	0.95	0.23	(1.50)
Net assets per share (Naira)	**(4.22)**	**7.22**	**6.01**	**5.24**	**5.70**

Basic earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the parent company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

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

This report is not prepared under IFRS. Instead it has been prepared in compliance with the Companies and Allied Matters Act of Nigeria, 2020.

ADDITIONAL INFORMATION

OUR TOGETHER VALUE IN ACTION.

WE ARE TOGETHER AND IT GIVES US STRENGTH.

- Powering our pioneering spirit
- Helping each other unleash potential
- Innovating and exciting, sharing and celebrating

Read more online
www.pzcussons.com/investors

Shareholders' Information

Share Certificates Issued

Date issued	Basis
November 1973	Bonus of 1 for 4
19 November 1974	Bonus of 1 for 5
6 April 1976	1 AIL for 1 PZNL share
7 February 1977	Bonus of 1 for 2
28 October 1977	Public issue for cash
31 March 1978	Bonus of 1 for 4
23 December 1980	Bonus of 1 for 4
21 December 1981	Bonus of 1 for 4
17 January 1983	Bonus of 1 for 4
16 December 1988	Bonus of 1 for 4
31 December 1990	Bonus of 1 for 4
31 December 1991	Bonus of 1 for 4
28 November 1992	Bonus of 1 for 4
25 November 1993	Bonus of 1 for 4
24 November 1994	Bonus of 1 for 4
23 November 1995	Bonus of 1 for 4
19 February 1997	Bonus of 1 for 4
4 September 2000	Rights issue for cash
25 November 2002	Bonus of 1 for 5
18 November 2004	Bonus of 1 for 4
28 March 2006	Rights issue for cash
20 September 2007	Bonus of 1 for 4
15 September 2011	Bonus of 1 for 4

TWELVE YEAR DIVIDEND HISTORY

PYT NO	YEAR PAID	AMOUNT DECLARED ₦	DIVIDEND PER SHARE (KOBO)	TYPE
44	2012	472,835,505.95	43	Final
45	2013	589,359,890.45	56	Final
46	2014	210,100,861.19	20	Interim
47	2014	1,371,179,281.03	130	Interim
48	2014	634,138,330.05	61	Final
49	2015	199,098,230.42	20	Interim
50	2015	593,359,451.72	61	Final
51	2016	489,235,580.70	50	Final
52	2017	484,813,129.25	50	Final
53	2018	145,866,631.86	15	Final
54	2019	145,677,467.50	15	Final
55	2021	97,058,836.29	10	Final
56	2022	239,841,547.10	25	Final
57	2023	968,312,444.93	101	Final
		6,168,041,682.49		

FORFEITURE OF UNCLAIMED DIVIDEND

By Section 432 of the Companies and Allied Matters Act 2020, dividends are a special debt due to and recoverable by shareholders within 12 years. Dividends declared up to 31 May 2012 (dividend number 44), which remained unclaimed, will therefore cease to be recoverable by this year (2023/2024). This unclaimed dividend will be credited to the general reserves in the 2024/2025 financial year. The dividend payment and value of unclaimed dividends in this category are as follows:

Dividend Number	Value (N)
Dividend Number 44	N98,958,082.70

Share Capital History

For the year ended 31 May 2024

The Company was incorporated with an authorised share capital of £40,000 Ordinary Shares of £1 each. The Company became a public limited liability Company and had its shares subdivided into Ordinary Shares of 50 Kobo each on 19 July 1972, following which its shares were quoted on the Exchange in the same year.

The following changes have since taken place in the Company's share capital:

On 27 April 1951 by	£60,000 to	£100,000 in shares of £1
On January 1968 by	£150,000 to	£250,000 in shares of £1
On 14 May 1970 by	£350,000 to	£600,000 in shares of £1
On 09 February by	£400,000 to	£1,000,000 in shares of £1
On 19 July 1972, the shares of £1 each were subdivided into four shares of 5/- each. At that date, the capital of the Company was £1,000,000 in 4,000,000 ordinary shares of 5/- each.		
On 12 November 1973 by	N500,000 to	N2,500,000
On 18 November 1974 by	N500,000 to	N3,000,000
On 08 January 1976 by	N2,500,000 to	N5,500,000
On 24 November 1976 by	N2,500,000 to	N5,500,000
On 13 April 1977 by	N4,000,000 to	N12,000,000
On 17 March 1978 by	N3,000,000 to	N15,000,000
On 26 November 1980 by	N3,500,000 to	N18,500,000
On 24 November 1981 by	N5,000,000 to	N23,500,000
On 23 November 1982 by	N5,500,000 to	N29,000,000
On 24 November 1988 by	N11,000,000 to	N40,000,000
On 23 November 1989 by	N35,000,000 to	N75,000,000
On 22 November 1990 by	N75,000,000 to	N150,000,000
On 24 November 1994 by	N135,000,000 to	N285,000,000
On 23 November 1995 by	N265,000,000 to	N550,000,000
On 21 November 1996 by	N300,000,000 to	N850,000,000
On 16 November 2000 by	N150,000,000 to	N1,000,000,000
On 31 October 2002 by	N250,000,000 to	N1,250,000,000
On 21 October 2004 by	N250,00Ì ,000 to	N1,500,000,000
On 20 September 2007 by	N100,000,000 to	N1,600,000,000
On 15 September 2011 by	N400,000,000 to	N2,000,000,000
On 8 December 2023, the share capital was diminished by the cancellation of unissued shares 29,522,955 unissued ordinary shares of 50 kobo each	N2,000,000,000 to	N1,985,238,552.50

Shareholders' Admission Form

Please admit Shareholder ....

Or in his/her place Mr/Mrs/Miss ....

To represent him/her at the 75th Annual General Meeing of the Company to be held at 11.00 a.m. on 28 November 2024 at Transcorp Hilton, FCT, Abuja.

THIS FORM SHOULD BE COMPLETED, TORN OFF, AND PRODUCED BY THE SHAREHOLDER OR HIS/HER NOMINEE IN ORDER TO GAIN ENTRANCE TO THE MEETING.

ALSEC NOMINEES LIMITED
Company Secretary

Notice of Meeting

NOTICE IS HEREBY GIVEN that the 76th Annual General Meeting of PZ Cussons Nigeria Plc will be held at the **Transcorp Hilton, FCT, Abuja**, on **Thursday, 28 November 2024** at 11.00 a.m. for the following purposes:

Ordinary Business

1. To lay before the meeting the Report of the Directors, the Financial Statements for the year ended 31 May 2024, the Reports of the Independent Auditors and the Audit Committee thereon.
2. To elect/re-elect Directors.
3. To authorise the Directors to fix the remuneration of the Auditors.
4. To elect members of the Audit Committee.
5. To disclose the remuneration of Managers.

Special Business – By Ordinary Resolution

6. To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company:
   ***THAT** the Directors' remuneration for the financial year ending 31 May 2025 be and is hereby fixed at N326,591,094 and sitting allowance be paid for additional meetings outside the fixed remuneration.*

7. To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company:
   "***THAT***, pursuant to Rule 20.8 of the Rulebook of the Nigerian Exchange Limited 2015, a general mandate be and is hereby given authorising the Company during the 2025 financial year and up to the date of the next Annual General Meeting, to procure goods, services, and financing and enter into such incidental transactions necessary for its day-to-day operations from its related parties or interested persons on normal commercial terms consistent with the Company's Transfer Pricing PoliȘy. All transactions falling under this category which were earlier entered into in the 2024/2025 financial year, prior to the date of this meeting be and are hereby ratified."

Dated this 1st day of November, 2024

By Order of the Board

ALSEC NOMINEES LIMITED
Company Secretaries

OLUBUKOLA OLONADE-AGAGA
FRC/2020/002/00000021128

ALSEC NOMINEES LIMITED
FRC/2024/COY/119349
PZ Cussons Nigeria Plc 45/47,
Town Planning Way
Ilupeju Industrial Estate
Lagos

www.pzcussons.com

NOTES

Proxy

A member of the Company entitled to attend and vote at the Meeting is eligible to appoint a Proxy to attend and vote in his/her place, and such Proxy needs not be a member of the Company. A Proxy Form is enclosed. All instruments of proxy must be deposited at the registered office of the Company at **45/47, Town Planning Way, Ilupeju, Lagos, Nigeria**, or submitted via email to info@firstregistrarsnigeria.com, or deposited at the office of the Registrars, First Registrars & Investors Services Limited, No. 2 Abebe Village Road, Iganmu, Lagos, Nigeria not later than 48 hours before the time fixed for the meeting.

Closure of Register

The Register of Members and Transfer Books of the Company will be closed from 11 November to 15 November 2024 (both dates inclusive) for the purpose of preparing an up-to-date Register of Members.

Nominations for the Audit Committee

The Audit Committee consists of three Shareholders and two Directors. In accordance with Section 404 (6) of the Companies and Allied Matters Act, 2020, any member may nominate a Shareholder as a member of the Committee by giving notice in writing of such nomination to reach the Company Secretary at least 21 days before the Annual General Meeting. Members are also advised to ensure that the nomination to the Statutory Audit Committee is supported by the Curriculum Vitae of the nominees.

Please note that Section 404(5) of the CAMA and the Nigerian Code of Corporate Governance 2018 require all members of the audit committee to be financially literate, and at least one member to be a member of a professional body in Nigeria established by an Act of the National Assembly. In addition, regulation 26 (3) of the Audit Regulation 2020 of the Financial Reporting Council of Nigeria ("FRCN") requires all members of the Audit Committee to be registered with the FRCN. Accordingly, to be valid, nomination should clearly state the FRC number of the person being nominated. We, therefore, request that all nominations to the Audit Committee should be accompanied by the Curriculum Vitae of the Nominees clearly reflecting the FRC number.

Unclaimed Dividend Warrants and Share Certificates

Shareholders are hereby informed that several dividend warrants and share certificates remain unclaimed. Some dividend warrants have not been presented to the bank for payment or to the Registrar for revalidation. A list of such members has been circulated with the Annual Report. Affected members are advised to contact the Registrars.

E-dividend/Bonus

Pursuant to the directive of the Securities and Exchange Commission, members are hereby advised to open bank accounts, stock broking accounts and CSCS accounts for the purpose of the payment of e-dividend/bonus. Relevant forms are attached to this Annual Report for completion to furnish the particulars of these accounts to the Registrar.

Rights of Shareholders to Ask Questions

Pursuant to Rule 19.12(c) of the Nigerian Exchange Limited Rulebook 2015, shareholders have the right to ask questions not only at the Meeting, but also in writing prior to the Meeting and such question shall be submitted to the Company Secretary not later than two weeks before the date of the Meeting.

Voting by Interested Persons

In line with the provisions of Rule 20.8 (h) Rules Governing Related Party Transaction of Nigerian Exchange Limited, interested persons have undertaken to ensure that their proxies, representatives, or associates shall abstain from voting on resolution 7 above.

Profile of Directors Standing for election/re-election

The profiles of the Directors standing for election/re-election are contained in the Annual Report.

Proxy Form

Please tear off and complete

I/We ....

Of ....

Being a member/members of PZ CUSSONS NIGERIA PLC

Hereby appoint*

Of ....

Or failing him/her the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the 76th Annual General Meeting of the Company to be held at the **Transcorp Hilton, FCT, Abuja**, at 11.00 a.m. on 28 November 2024 and at any adjournment thereof.

RESOLUTION**	FOR	AGAINST	ABSTAIN
1 a. To re-elect Mallam Ballama Manu as a Director			
b. To re-elect Mrs. Toyin Odutayo as a Director			
c. To elect Mr Kareem Moustafa as a Director			
2 To authorise the Directors to fix the remuneration of the Auditors			
3 To elect members of the Audit Committee			
4 To disclose the remuneration of Managers			
5 To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company: ***THAT** the Directors' remuneration for the financial year ending 31 May 2025 be and is hereby fixed at N326,591,094 and sitting allowance be paid for additional meetings outside the fixed remuneration.*			
6 To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company: ***"THAT**, pursuant to Rule 20.8 of the Rulebook of the Nigerian Exchange Limited 2015, a general mandate be and is hereby given authorising the Company during the 2025 financial year and up to the date of the next Annual General Meeting, to procure goods, services, and financing and enter into such incidental transactions necessary for its day-to-day operations from its related parties or interested persons on normal commercial terms consistent with the Company's Transfer Pricing Policy. All transactions falling under this category which were earlier entered into in the 2024/2025 financial year, prior to the date of this meeting be and are hereby ratified."* .			

** Please indicate with an "X" in the appropriate space how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain at his/her discretion.**

As witness my/our hand(s) this .... day of 2024

Signed ....

NOTE

i. THIS PROXY FORM SHOULD NOT BE COMPLETED/RETURNED IF THE MEMBER IS ATTENDING THE MEETING.
ii. A member entitled to attend and vote at the general meeting is entitled to and may if he/she wishes, appoint a proxy to act for him/her. All proxy forms must be deposited at the registered office of the Company shown overleaf not less than 48 hours before the time for holding the meeting. A proxy need not be a member of the Company.
iii. The Chairman of the meeting has been printed on the form to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may appoint anyone else instead by entering the person's name in the blank space (marked*) above.
iv. In the case of joint shareholders, anyone of such may complete the form, but the names of all joint shareholders must be stated.
v. It is a requirement of the law under the Stamp Duties Act, Cap 411 Laws of the Federation of Nigeria 1990, that any instrument of proxy to be used for the purposes of voting by any person entitled to vote at any meeting of shareholders must be duly stamped by the Commissioner for Stamp Duties.
vi. If the shareholder is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.

The Company Secretary
PZ CUSSONS NIGERIA PLC
45/47 Town Planning Way
Ilupeju Industrial Estate
P.M.B. 21132
Ikeja

E-Bonus Mandate Form

Please credit my account at the Central Securities Clearing System Limited (CSCS) with all subsequent allotments and bonuses due to me from holdings in PZ Cussons.

Instructions

Please fill the form and return to the address below:

The Registrar

First Registrars & Investor Services Limited
Plot 2, Abebe Village Road, Iganmu, Lagos
P.M.B 12692 Marina, Lagos

Shareholder Account Information

Surname (in block letters)

First Name

Other Names

Address

City

State

Country

Postal Code

Mobile Telephone Number

Email Address

Signature

Corporate Seal

CSCS Details

Authorised Signature and Stamp of Stockbroker

Please attach a copy of your CSCS statement to this form as evidence that a CSCS account has been opened for you.

The Registrar

First Registrars & Investor Services Limited
Plot 2, Abebe Village Road, Iganmu, Lagos
P.M.B 12692 Marina, Lagos

E-Dividend Mandate Form

Instructions

Please complete the form and return to the address below:

Only clearing Banks are acceptable

The Registrar

First Registrars & Investor Services Limited
Plot 2, Abebe Village Road, Iganmu, Lagos
P.M.B 12692 Marina, Lagos

We hereby request that from now on, all my/our dividend warrant(s) due to me/us from my/our holdings in PZ Cussons Nigeria Plc be paid directly to my/our Bank account details named below:

Bank Name

Bank Address

Bank Account Number

Shareholder Account Information

Surname (in block letters)

First Name

Other Names

Address

Country

State

Mobile Telephone Number

Email Address

Signature

Joint/Company Signature

Company Seal

Sort code (very important)

Authorised Signature and Stamp of Banker

Please attach a copy of your CSCS statement to this form as evidence that a CSCS account has been opened for you.

The Registrar

First Registrars & Investor Services Limited
Plot 2, Abebe Village Road, Iganmu, Lagos
P.M.B 12692 Marina, Lagos

Board of Directors and Other Corporate Information

DIRECTORS

Mrs. Ifueko M. Omoigui Okauru, MFR
Chair, Independent Non-Executive Director

Mr. Dimitris Kostianis (Greek)
Chief Executive Officer

Ms. Joyce Folake Coker
Executive Director

Mr. Duncan Anniss (British)
Non-Executive Director
(Resigned w.e.f. 30 October 2023)

Mr. Kevin Massie (Canadian)
Non-Executive Director
(Resigned w.e.f. 28 August 2024)

Mr. Kareem Moustafa (Australian)
Non-Executive Director
(Appointed w.e.f 20 September 2024)

Mallam Ballama Manu
Independent Non-Executive Director

Mrs. Oluwatoyin Odutayo
Independent Non-Executive Director

Dr. Suleyman Abdu Ndanusa, OON
Independent Non-Executive Director

Prof. Fabian Ajogwu, OFR, SAN
Independent Non-Executive Director
(Resigned w.e.f 4 March 2024)

Mr. Kamar Bakrin
Independent Non-Executive Director
(Resigned w.e.f. 14 October 2023)

CHIEF FINANCIAL OFFICER

Mr Brian Egan (Irish)

COMPANY SECRETARY

Alsec Nominees Limited

REGISTERED OFFICE

45/47 Town Planning Way
Ilupeju Industrial Estate
Ilupeju, Lagos
www.pzcussons.com.ng

REGISTRATION NUMBER

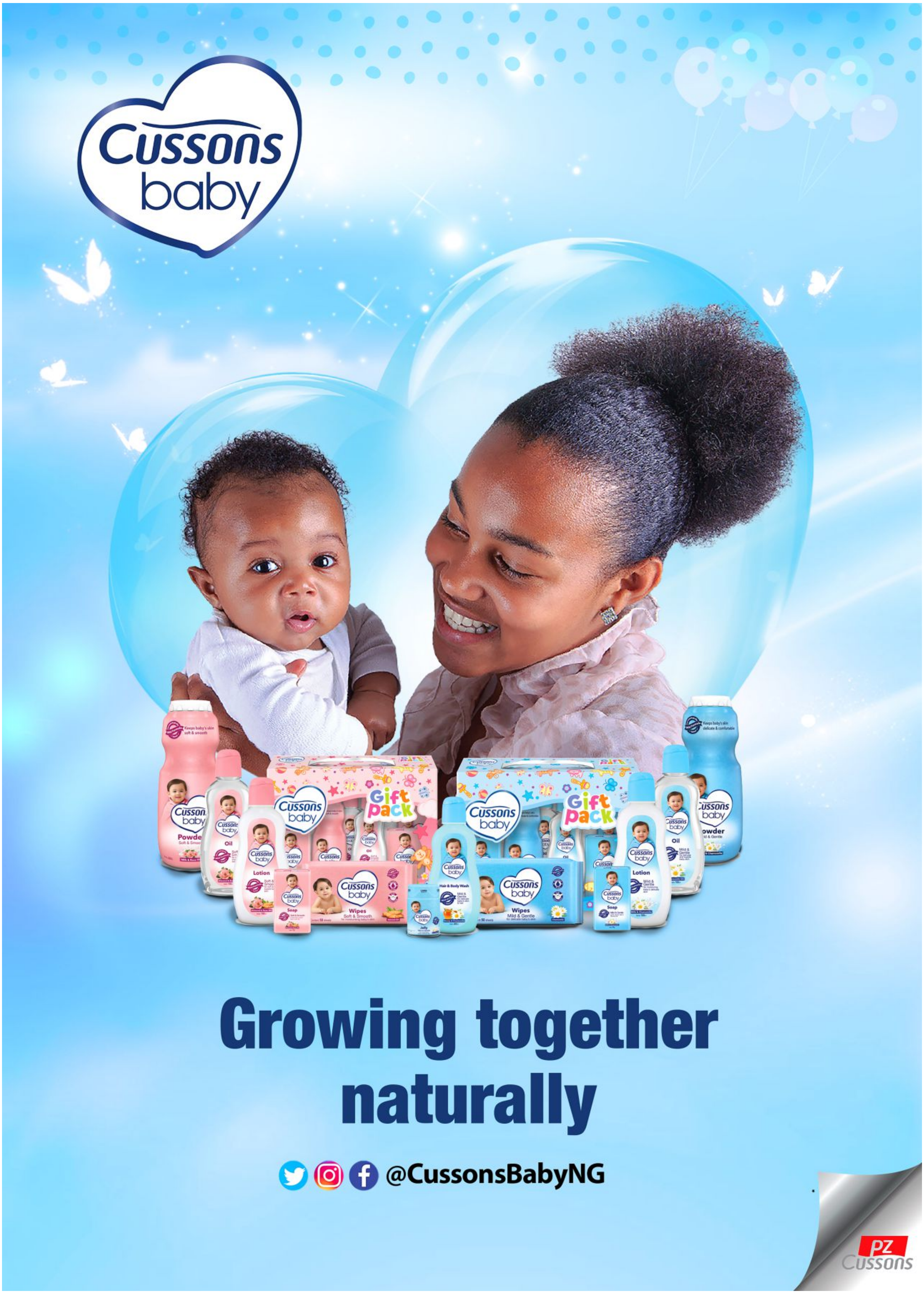
RC 693

REGISTRARS

First Registrars & Investors Services Limited
Plot 2, Abebe Village Road Iganmu Complex
P.M.B. 12692 Lagos

INDEPENDENT AUDITORS

PricewaterhouseCoopers
Chartered Accountants
Landmark Towers
Plot 5B, Water Corporation Road
Victoria Island
Lagos


Cussons baby
Growing together naturally
@CussonsBabyNG
PZ Cussons

PZ Cussons Nigeria Plc

45/47 Town Planning Way
Ilupeju Industrial Estate
P.M.B 21132
Ikeja, Lagos

www.pzcussons.com