



VITAFOAM NIGERIA PLC
UNAUDITED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
STATEMENTS
FOR THE 9 MONTHS ENDED JUNE 30, 2025



VITAFOAM NIGERIA PLC RC NO. 3094

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**CERTIFICATE ON INTERIM FINANCIAL REPORT
FOR THE NINE MONTHS ENDED 30 JUNE 2025**

In relation to the unaudited financial statements of Vitafoam Nigeria Plc for the nine months ended 30 June 2025, we certify as follows that:

- We have reviewed the financial report for the period under consideration.
- The report does not contain any untrue statement of material fact or have omitted to state any material fact which would have made the report misleading.
- To the best of the knowledge of the directors, the financial statements and other financial information included in the report fairly present, in all material aspects, the financial condition and results of operations of the company as of 30 June, 2025.
- The directors are responsible for establishing and maintain internal controls and have designed such internal controls to ensure that material information relating to the company is made known to such officers by others within the entity during the period under review.
- The effectiveness of the company's internal controls as of 30 June, 2025 has been evaluated within 90days prior to the report and management consider the controls adequate.

We shall disclose to the Auditors of the company and audit committee:

- All significant deficiencies, if any, in the design or operation of the internal controls which could adversely affect the company's ability to record, process, summarize and report financial data and will identify for the company's auditors any material weakness in internal controls.
- All cases of theft or fraud, whether or not material that involves management or other employees who have significant role in the company's internal control.

We confirm that there were no significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of their evaluation.

T. A. ADENIYI
(GROUP MANAGING DIRECTOR/CEO)
FRC/2015/IODN/00000010639

J. O. FAMILOJE
(CHIEF FINANCE OFFICER)
FRC/2025/PRO/ICAN/001/395185

Content

Index	Page
Statement of Profit or Loss and other Comprehensive Income	2
Statement of Financial Position	3
Consolidated and Separate Statement of Changes in Equity	4 - 5
Statement of Cash Flows	6
Significant Accounting Policies	7 - 15
Notes to the Unaudited Consolidated and Separate Interim Financial Statements	16 - 21

Vitafoam Nigeria Plc

Consolidated and Separate Financial Statements for 9 months ended 30 June 2025

Corporate Information

Directors

Mr. Zakari M. Sada	Chairman
Mr. Taiwo A. Adeniyi	Group Managing Director/CEO
Mr. Bamidele S. Owoade	Technical Director
Mr. Joseph I. Alegbesogie	Finance Director (Retired with effect from 7th April, 2025)
Mr. Olaoluwa Ogunfeyitimi	Supply chain Director
Mr. Gambo D. Dahiru	Commercial Director
Mr. Abdul A. Bello	Independent Non- Executive Director
Mr. Gerson P. Silva	Non-Executive Director
Mr. Achike C. Umunna	Non-Executive Director
Mr. Ademola Bolarinde	Non- Executive Director
Dr. (Mrs.) Abiola O. Davies	Non-Executive Director

Registrar

Meristem Registrars Limited
213, Herbert Macaulay Way,
Adekunle, Yaba, Lagos

Auditors

PricewaterhouseCoopers,
Landmark Towers Plot 5B Water Corporation Road, Victoria Island, Lagos

Registered office

140, Oba Akran Avenue
Ikeja Industrial Estate
Lagos, Nigeria

Website

www.vitafoam.com.ng

Bankers

Access Bank Plc
First Bank Nigeria Limited Plc.
Globus Bank Limited
Greenwich Merchant Bank Limited
Guaranty Trust Bank Limited
Jaiz Bank Plc
Union Bank of Nigeria Plc
United Bank for Africa Plc
Wema Bank Plc
Zenith Bank Plc

Company Secretary

Mr. Olalekan Sanni

Company registration number

RC 3094

VITAFOAM NIGERIA PLC
QUARTER 2 ENDED 30 JUNE 2025

SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule), Vitafoam Nigeria Plc maintains a Security Trading Policy (Policy) which guides Directors, Audit Committee members, employees and all individuals categorized 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.

Vitafoam Nigeria Plc

Unaudited Consolidated and Separate Interim Financial Statements for the 9 Months ended June 30, 2025

Statement of Profit or Loss and other Comprehensive Income

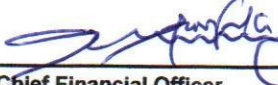
	Notes	Group				Company			
		9 Months to 30-June-25 N'000	9 Months to 30-June-24 N'000	3 Months to 30-June-25 N'000	3 Months to 30-June-24 N'000	9 months to 30-June-25 N'000	9 months to 30-June-24 N'000	3 Months to 30-June-25 N'000	3 Months to 30-June-24 N'000
Revenue	3	84,871,093	60,487,724	29,694,442	20,155,213	74,483,684	54,149,472	24,433,101	16,619,312
Cost of Sales	4	(56,026,158)	(39,245,393)	(20,046,248)	(13,109,767)	(50,703,297)	(36,392,198)	(16,482,169)	(10,968,642)
Gross profit		28,844,935	21,242,331	9,648,194	7,045,446	23,780,387	17,757,274	7,950,932	5,650,670
Other gains and losses	8	924,586	445,221	339,777	167,415	1,082,621	655,082	285,786	153,073
Administrative expenses	5	(8,187,565)	(18,662,729)	(2,915,612)	(1,853,999)	(6,095,320)	(17,008,629)	(2,198,317)	(1,146,148)
Distribution expenses	6	(3,099,476)	(2,217,849)	(998,492)	(712,815)	(2,850,822)	(2,050,437)	(929,005)	(658,554)
Operating Profit/(loss)		18,482,480	806,974	6,073,867	4,646,047	15,916,866	(646,710)	5,109,396	3,999,041
Finance income		210,932	996,724	72,427	191,464	210,712	996,553	72,373	191,382
Finance cost	7	(4,868,549)	(3,886,298)	(2,242,296)	(1,831,078)	(4,764,802)	(3,866,989)	(2,191,788)	(1,825,050)
Profit/(loss) before taxation		13,824,863	(2,082,600)	3,903,998	3,006,433	11,362,776	(3,517,146)	2,989,981	2,365,373
Taxation		(4,450,718)	(801,346)	(1,248,083)	(299,005)	(3,636,088)	(318,295)	(956,794)	(97,748)
Profit/(loss) for the period		9,374,145	(2,883,946)	2,655,915	2,707,428	7,726,688	(3,835,441)	2,033,187	2,267,625
Exchange difference on translating foreign operations		(246,752)	643,894	(21,806)	29,863	-	-	-	-
Gain/(loss) on valuation of investment in equity instruments designated at FVTOCI		582	3,375	(790)	(7,101)	582	3,375	(790)	(7,101)
Other comprehensive income		(246,170)	647,269	(22,596)	22,762	582	3,375	(790)	(7,101)
Total comprehensive income for the period		9,127,975	(2,236,677)	2,633,319	2,730,190	7,727,270	(3,832,066)	2,032,397	2,260,524
Profit/(loss) attributable to :									
Equity holders of the parent		8,720,130	(3,291,840)	2,440,261	2,579,681	7,727,270	(3,832,066)	2,033,187	2,267,625
Non-controlling interests		654,015	407,894	215,654	127,747	-	-	-	-
		9,374,145	(2,883,946)	2,655,915	2,707,428	7,727,270	(3,832,066)	2,033,187	2,267,625
Earnings per share for profit from total operations attributable to equity holders of parent									
Basic and diluted		697.14 k	(263.17)k	195.09 k	206.24 k	617.76 k	(306.36)k	162.55 k	181.29k

Statement of Financial Position as at

		Group		Company	
		30th		30th	
		September		September	
		2024		2024	
		N'000		N'000	
	Note(s)	30 June 2025	30 June 2025	30 June 2025	30 June 2025
		N'000	N'000	N'000	N'000
Assets					
Non-Current Assets					
Property, plant and equipment	9	15,872,491	15,937,112	11,705,142	11,766,459
Intangible assets		109,668	124,654	36,892	46,554
Investment property		-	-	1,593,446	1,647,654
Investments in subsidiaries		-	-	1,708,521	1,708,521
Investment in financial assets	10	18,032	17,450	18,032	17,450
Finance lease receivables		68,914	86,352	68,914	86,352
Right of use assets		178,533	183,892	178,533	183,892
		16,247,638	16,349,460	15,309,480	15,456,882
Current Assets					
Inventories	11	24,960,435	20,543,078	19,502,988	16,256,299
Other assets	19	7,299,467	3,255,858	6,559,277	2,276,979
Trade and other receivables	12	3,385,725	4,089,713	4,873,611	6,442,365
Cash and bank balances	15	5,876,839	7,110,133	4,231,194	5,474,936
		41,522,466	34,998,782	35,167,070	30,450,579
Total Assets		57,770,104	51,348,242	50,476,550	45,907,461
Equity and Liabilities					
Equity					
Share capital	16	625,422	625,422	625,422	625,422
Reserves		8,624,843	8,871,013	8,526,740	8,526,158
Accumulated profit		21,480,711	14,073,967	18,886,595	12,473,293
		30,730,976	23,570,402	28,038,757	21,624,873
Non-controlling interest		1,769,517	1,459,381	-	-
		32,500,493	25,029,783	28,038,757	21,624,873
Liabilities					
Non-Current Liabilities					
Borrowings	17	1,523,755	3,513,145	1,501,816	3,484,148
Retirement benefit obligation		1,041,124	895,765	896,818	895,765
Lease liabilities		134,708	208,610	134,708	208,610
Deferred income		730,631	-	180,603	-
Deferred tax		256,192	199,213	992,837	992,837
		3,686,410	4,816,733	3,706,782	5,581,360
Current Liabilities					
Current tax payable	18	4,386,743	912,180	3,667,952	7,510
Trade and other payables	14	9,675,996	10,114,593	8,638,805	8,243,982
Borrowings	17	6,356,635	10,474,953	6,256,635	10,449,736
Deferred income		1,163,826	-	167,619	-
		21,583,200	21,501,726	18,731,011	18,701,228
Total Liabilities		25,269,610	26,318,459	22,437,793	24,282,588
Total Equity and Liabilities		57,770,104	51,348,242	50,476,550	45,907,461

The unaudited consolidated and separate interim financial statements and the notes on pages 2 to 21, were approved by the board on 25 July, 2025 and were signed on its behalf by:


Group Managing Director/CEO
Taiwo Adeniyi
FRC/2015/IOND/00000010639


Chief Financial Officer
Julius Familoje, FCA
FRC/2025//PRO/ICAN/001/395185

The accounting policies on pages 7 to 15 and the notes on pages 16 to 21 form an integral part of the unaudited consolidated and separate interim financial statements.

Vitafoam Nigeria Plc

Unaudited Consolidated and Separate Interim Financial Statements for the 9 Months ended June 30, 2025

Consolidated and Separate Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Other reserve	Revaluation reserve	Fair value adjustment assets- available-for- sale reserve	Retained earnings	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Group									
Balance at 01 October 2023	625,422	(173,581)	393,018	-	(30,628)	15,430,279	16,244,510	1,161,568	17,406,078
Profit/(loss) for the 6 months	-	-	-	-	-	(3,291,840)	(3,291,840)	407,894	(2,883,940)
Other comprehensive income	-	643,894	-	-	3,375	-	647,269	-	647,269
Total comprehensive income for the period	-	643,894	-	-	3,375	3,291,840	(2,644,571)	407,894	(2,236,677)
Dividends paid	-	-	-	-	-	(1,951,318)	(1,951,318)	(294,673)	(2,245,991)
Balance at 30 June 2024	625,422	470,313	393,018	-	(27,253)	10,187,121	11,648,621	1,274,789	12,923,410
Balance at 01 October 2023	625,422	(173,581)	393,018	-	(30,628)	15,430,279	16,244,510	1,161,568	17,406,078
Profit for the year	-	-	-	-	-	359,704	359,704	592,486	952,190
Other comprehensive income	-	612,836	-	8,063,548	5,820	183,433	8,865,637	-	8,865,637
Total comprehensive profit for the year	-	612,836	-	8,063,548	5,820	543,137	9,225,341	592,486	9,817,827
Statute barred unclaimed dividend income	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	51,869	51,869	-	51,869
	-	-	-	-	-	(1,951,318)	(1,951,318)	(294,673)	(2,245,991)
Balance at 30 September, 2024	625,422	439,255	393,018	8,063,548	(24,808)	14,073,967	23,570,402	1,459,381	25,029,783
Profit for 9 months	-	-	-	-	-	8,720,130	8,720,130	654,015	9,374,145
Other comprehensive income	-	(246,752)	-	-	582	-	(246,170)	-	(246,170)
Total comprehensive income for the period	-	(246,752)	-	-	582	8,720,130	8,473,960	654,015	9,127,975
Dividends	-	-	-	-	-	(1,313,386)	(1,313,386)	(343,879)	(1,657,265)
Balance at 30 June 2025	625,422	192,503	393,018	8,063,548	(24,226)	21,480,711	30,730,976	1,769,517	32,500,493

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Consolidated and Separate Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Fair value adjustment assets-available-for- sale reserve	Retained income	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000
Company						
Balance at 01 October 2023	625,422	487,418	-	(30,628)	15,095,820	16,178,032
Loss for the 6 months					(3,835,441)	(3,832,066)
Other comprehensive income				3,375		3,375
Dividends paid	-	-	-	-	(1,951,318)	(1,951,318)
Balance at 30 June 2024	625,422	487,418	-	(27,253)	9,309,061	10,394,648
Balance at 01 October 2023	625,422	487,418	-	(30,628)	15,095,820	16,178,032
Loss for the year		-	-	-	(906,511)	(906,511)
Other comprehensive income	-	-	8,063,548	5,820	183,433	8,252,801
Total comprehensive income for the year	-	-	8,063,548	5,820	(723,078)	7,346,290
Statute barred unclaimed dividend income	-	-	-	-	51,869	51,869
Dividends	-	-	-	-	(1,951,318)	(1,951,318)
Balance at 30 September, 2024	625,422	487,418	8,063,548	(24,808)	12,473,293	21,624,873
Profit for the 9 months	-	-	-	-	7,726,688	7,726,688
Other comprehensive income	-	-	-	582	-	582
Total comprehensive income for the period	-	-	-	582	7,726,688	7,727,270
Dividends	-	-	-	-	(1,313,386)	(1,313,386)
Balance at 30 June 2025	625,422	487,418	8,063,548	(24,226)	18,886,595	28,038,757

The accounting policies on pages 7 to 15 and the notes on pages 16 to 21 form an integral part of the unaudited consolidated and separate interim financial statements.

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Statement of Cash Flows

		Group		Company	
	Note(s)	June 30, 2025 N'000	June 30, 2024 N'000	June 30, 2025 N'000	June 30, 2024 N'000
Cash flows from operating activities					
Profit/(loss) before taxation		13,824,863	(2,082,600)	11,362,776	(3,517,146)
Adjustments for:					
Depreciation and amortisation		804,271	862,364	401,047	454,300
Profit on sale of assets		(12,863)	-	(12,863)	-
Translation adjustment on PPE		88,408	(545,756)	-	-
Translation adjustment on Intangible		(463)	(2,748)	-	-
Finance income		(210,932)	(996,724)	(210,712)	(996,553)
Finance cost		4,868,549	3,886,298	4,764,802	3,866,989
Movement in Deferred Tax		56,979	-	-	-
Deferred income		1,163,826	-	167,619	-
Effects of exchange rate movement on cash balance		6,962	-	6,962	-
Service cost		144,078	130,727	144,078	130,727
Gain/Loss on exchange difference translation		(246,752)	643,894	-	-
Changes in working capital:					
Inventories		(4,417,357)	(666,038)	(3,246,689)	434,581
Trade and other receivables		911,121	(114,114)	1,775,887	(1,887,434)
Other assets		(4,043,609)	489,949	(4,282,298)	667,427
Trade and other payables		(597,979)	3,603,549	115,487	3,916,192
Deferred income		730,631	-	180,603	-
Benefit paid		(114,255)	(48,194)	(114,255)	(48,194)
		12,955,478	5,160,607	11,052,444	3,020,889
Tax paid		(976,155)	(2,614,487)	-	(2,204,807)
Net cash from operating activities		11,979,323	2,546,120	11,052,444	816,082
Cash flows from investing activities					
Purchase of property, plant and equipment	9	(807,252)	(426,003)	(270,502)	(195,094)
Proceeds from sale of property, plant and equipment	9	12,863	-	12,863	-
Purchase of other intangible assets		-	(14,231)	-	(6,987)
Finance receipt		37,838	35,941	37,838	35,941
Finance lease payment		(20,400)	(83,006)	(20,400)	(83,006)
Interest received		3,799	996,724	3,579	996,553
Net cash from investing activities		(773,152)	509,425	(236,622)	747,407
Cash flows from financing activities					
Proceeds from borrowings		7,500,000	7,300,000	5,850,000	7,300,000
Repayment of borrowings		(13,607,708)	(16,602,857)	(12,025,433)	(16,555,740)
Finance lease payments		(91,252)	-	(91,252)	-
Government grant received		-	99,244	-	-
Dividends paid		(1,657,265)	(2,245,991)	(1,313,386)	(1,951,318)
Interest paid		(4,576,278)	(3,627,572)	(4,472,531)	(3,608,264)
Net cash from financing activities		(12,432,503)	(15,077,176)	(12,052,602)	(14,815,322)
Net cash and cash equivalent for the period		(1,226,332)	(12,021,631)	(1,236,780)	(13,251,833)
Cash at the beginning of the period		7,110,133	21,833,668	5,474,936	21,166,458
Effect of exchange rate movement on cash balances		(6,962)	-	(6,962)	-
Cash and cash equivalent at the end of the period	15	5,876,839	9,812,037	4,231,194	7,914,625

The accounting policies on pages 7 to 15 and the notes on pages 16 to 21 form an integral part of the unaudited consolidated and separate interim financial statements.

Significant Accounting Policies

1.1 General Information

The consolidated and separate interim financial statements incorporate the financial statements of Vitafoam Nigeria Plc. and entities controlled by Vitafoam Nigeria Plc. (its subsidiaries), collectively called "the Group" made up to the end of each quarter of the year. The ultimate controlling party of the Group is the parent, Vitafoam Nigeria Plc.

Stand alone financial statements for Vitafoam Nigeria (the Company) have also been presented. The same accounting policies are used by both the Group and Company.

The consolidated and separate interim financial statements were authorised for issue by the Board of Directors on 25 July, 2025

1.2 Basis of Preparation and Adoption of IFRS

The consolidated and separate interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) effective for the period ended June 30, 2025

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that these interim consolidated and separate financial statements present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate interim financial statements are disclosed in the note .

The consolidated and separate interim financial statements have been prepared under the going concern assumption and historical cost convention as modified by the valuation of available-for-sale financial assets. The consolidated and separate interim financial statements are presented in Nigeria Naira and all values are rounded to the nearest thousand Naira (NGN'000), except where otherwise indicated.

1.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate interim consolidated and separate interim financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.4 Consolidation

The interim financial statements of the subsidiaries used to prepare the interim consolidated and separate financial statements were prepared as of the parent Company's reporting date.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

They are deconsolidated from the date that control ceases.

The Company's subsidiaries' are listed below:

- Vitafoam Sierra Leone Limited
- Vitapur Nigeria Limited
- Vitablom Nigeria Limited
- Vitavisco Nigeria Limited
- Vono Furniture Products Limited. .
- Vitaparts Nigeria Limited

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Significant Accounting Policies

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed.

If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. Inter-Company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-Company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for retained interest in as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are re-classified to profit or loss.

1.5 Foreign currency translation

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 interim consolidated and separate financial statements are presented in 'Naira', which is the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income or expenses'.

Foreign operations

Assets and liabilities for each period presented are translated at the closing rate at the date of that period. Income and expenses for each income statement are translated at average exchange rates. Where Group companies have a functional currency different from the Group's presentation currency, the exchange differences arising on translation of these operations are recognized in other comprehensive income, otherwise, in the profit or loss.

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each period presented are translated at the closing rate as at the end of that period;
- b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) all resulting exchange differences are recognised in other comprehensive income and accumulated in a currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

1.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods supplied in the normal course of business, stated net of trade discounts, change to returns, volume rebates, and value added tax.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Significant Accounting Policies

1.7 Trade receivables

Trade receivables are amounts due from customers for sale of foam products or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. "

1.8 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, cash balances with banks, other short term highly liquid investments with original maturity of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

1.9 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method (product & packaging materials, work-in-progress,) and the weighted average cost basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses. Allowance is made for defective and slow moving items as appropriate. If carrying value exceeds net realizable amount, a write down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused it no longer exist.

1.11 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1.12 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Repairs and maintenance costs are charged to the profit or loss in the period they are incurred.

The Group allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. The carrying amount of a replaced part is derecognized when replaced. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in the profit or loss.

The major categories of property, plant and equipment are depreciated on a straight-line basis as follows:

Significant Accounting Policies

1.12 Property, plant and equipment (continued)

Asset category	Useful lives (years)
• Buildings	33
• Plant and machinery	5
• New Motor vehicle	4
• Fairly used Motor vehicle	2
• Furniture, fittings and equipments	5
• Computer and IT equipments	2
• Land is not depreciated. The Company currently does not have property, plant and equipment in work in progress. In the case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as expense in profit or loss.	

1.13 Impairment of assets

1.13.1 Impairment of 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 an impairment are reviewed for possible reversal of the impairment at each reporting date.

1.13.2 Impairment of financial assets

a. Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

1. Adverse changes in the payment status of borrowers in the portfolio; and
2. National or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

b. Assets carried as available for sale

The Group assesses at the end of each reporting period whether there is an objective evidence that a financial asset is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below cost is also evidence that the asset is impaired.

Significant Accounting Policies

1.13 Impairment of assets (continued)

If such evidence exists for available for sale financial assets, the cumulative loss -measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss-is removed from equity and recognized in profit or loss. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated profit or loss.

1.14 Financial instruments

Classification

The Company classifies its financial assets in the following categories:

Loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

1.14.1 Financial assets

The Group's financial assets are classified into available for sale (AFS) and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Management determines the classification of financial assets at initial recognition.

i Available-for-sale financial assets (AFS financial assets)

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. The Group's available-for sale assets comprise investments in equity securities. Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from remeasurement are recognized in other comprehensive income.

When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive income to the statement of comprehensive income and are included in "other gains and losses (net)". Available-for-sale investments are classified as non-current, unless an investment matures within twelve months, or management expects to dispose of it within twelve months. Dividends on available-for-sale equity instruments are recognized in the statement of income as dividend income when the Company's right to receive payment is established.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reasonably estimated are carried at cost.

ii Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group's loans and receivables comprise trade receivables, staff debtors, Intercompany receivables and cash and cash equivalents, and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are carried at amortised cost less any impairment.

1.14.2 Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost. There are no financial liabilities at fair value through profit or loss (FVTPL). Financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, inclusive of directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows:

(a) Financial liabilities at amortised cost

These include trade payables and bank borrowings. Trade payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortised cost using the effective interest method. Bank borrowings are recognised initially at fair value, net of any transaction costs incurred, and subsequently at amortised cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

Offsetting financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derecognition

All financial instruments are initially measured at fair value. Financial assets and liabilities are derecognised when the rights to receive cash flows from the investments or settle obligations have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Significant Accounting Policies

1.15 Taxation**Current Income tax**

The tax expense 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 also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted as at each reporting period end in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at each report period end and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.16 Employee benefits

The Group has both defined benefit and defined contributory schemes.

a) Defined Contributory scheme

The Company operates a pension scheme which is generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

In Nigeria, the Group, in line with the provisions of the Pension Reform Act 2014, operates a defined contribution pension scheme under which the Group contributes 10% and its employees each contribute 8% of the employees' monthly basic salary, housing and transport allowances to the fund. In Sierra Leone and Ghana.

The Group also operates defined contribution schemes in accordance with the relevant local laws. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

The staff contributions to the scheme are funded through payroll deductions while the Group's contributions are accrued and charged fully to the profit or loss account. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Defined Benefits scheme

A defined benefit plan is a retirement benefit plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses are recognized in full in the period in which they occurred, in other comprehensive income and cumulated in other reserves without recycling to profit or loss in subsequent periods.

The current service cost of the defined benefit plan, recognised in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Past-service costs are recognised immediately in income.

Other Long term benefits

Other long term benefits - Long Service awards are paid to qualifying staff when earned. The Group's liability to staff is measured annually by independent actuaries using the projected credit unit method.

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Significant Accounting Policies

1.17 Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded as share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

1.18 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's consolidated and separate interim financial statements in the period in which the dividends are approved by the Company's shareholders.

Unclaimed dividends which remain 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 the Companies and Allied Matters Acts of Nigeria are written back to retained earnings.

1.19 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

The Group leases certain land and buildings. Leases of land and buildings where the Group has substantially all the risks and rewards of ownership are classified as finance leases otherwise, they are operating leases.

Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. For finance leases, each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other longterm payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant & equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

1.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are deferred and credited to the profit or loss on a straight-line basis over the expected useful lives of the related assets.

1.21 Segment Reporting

An Operating segment is a component of an entity

a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and

c) for which discrete financial information is available. 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 Managing director of Vitafoam Nigeria Plc.

1.22 Borrowings

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

1.23 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.24 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Land held under operating leases is classified and accounted for by the Company as investment property when the definition of investment property would otherwise be met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and (where applicable) borrowing costs. After initial recognition, investment property is carried at cost. Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the Group and the cost can be reliably measured.

Significant Accounting Policies

1.2 Investment property (continued)

This is usually when all risks are transferred. Rental income represents income received from letting of properties. Income is recognised on an accrual basis and credited to the profit or loss.

1.25 Intangible assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software

product are available; and

- the expenditure attributable to the software product during its development can be reliably measured

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of five years." Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

1.26 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

Where IAS 8 applies, comparative figures have been adjusted to conform to changes in presentation in the current year.

1.27 Interests in subsidiaries

Company unaudited consolidated and separate interim financial statements

In the company's separate unaudited consolidated and separate interim financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

2 Critical accounting estimates and judgements

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

2.1.1 Pension obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for these benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

Significant Accounting Policies

The Group's actuary determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations.

In determining the appropriate discount rate, the actuary considers the interest rates of high-quality corporate bonds (except where there is no deep market in such bonds, in which case the discount rate should be based on market yields on Government bonds) that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related employee benefit obligation. Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in note .

2.1.2 Income Taxes

Taxes are paid by Companies under a number of different regulations and laws, which are subject to varying interpretations. In this environment, it is possible for the tax authorities to review transactions and activities that have not been reviewed in the past and scrutinize these in greater detail, with additional taxes being assessed based on new interpretations of the applicable tax law and regulations.

Accordingly, management's interpretation of the applicable tax law and regulations as applied to the transactions and activities of the Companies within the Group may be challenged by the relevant taxation authorities. The Group's management believes that its interpretation of the relevant tax law and regulations is appropriate and that the tax position included in these interim consolidated and separate financial statements will be sustained.

2.1.3 Impairment of available-for-sale equity investments

The Group follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

2.1.4 Useful lives and residual values

Useful lives and residual values are reviewed annually in line with IAS 16 requirements. In performing this review, management considers the present conditions of the assets and the scrap values realizable on these assets at the time of disposal. No revisions were made to useful lives and residual values in current period as management deems these estimates appropriate.

2.2 Critical judgements in applying the entity's accounting policy

Key judgements applied to the Group's accounting policies during the periods included in these consolidated and separate interim financial statements.

2.2.1 Impairment of Non-financial assets

IAS 36 requires an assessment of indicators of impairment at least at each period end. Where no indicators exist as at review date, the standard precludes the need for any further impairment testing's. The Directors reviewed all indicators as at each period and conclude that no non-financial assets (e.g. property plant and equipment) were impaired.

2.2.2 Investment in subsidiary - Vitapur Nigeria Limited

Even though Vitafoam holds only 40% of equity shares in Vitapur Nigeria Limited, the Directors believe that Vitafoam has "more than" significant influence and controls the financial and operating policies of Vitapur Nigeria Limited. This key judgement forms the basis for the consolidation of the Vitapur's financial statements.

2.2.3 Functional currency of Vitafoam Sierra Leone

IAS 21 requires that the functional currency of an entity should reflect the underlying transactions, events and conditions that are relevant to the entity. Prior to June 2014, the functional currency of Vitafoam Sierra Leone was the Nigerian Naira.

From July 2014, there was a change in the underlying events and conditions that was relevant to the subsidiary. Following this event, the functional currency changed to the Sierra Leonean 'Leone'. The effect of this change has been reflected retrospectively from the date of change in these financial statements in line with IAS 21.

2.2.4 Impairment of financial assets

The Group reviews its impairment of financial assets for possible impairment if there are events or changes in circumstances that indicate that the carrying values of the assets may not be recoverable, or at least at the reporting date, when there is an indication that the asset might be impaired.

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	9 Months to 30-June-25 N'000	9 Months to 30-June-24 N'000	3 Months to 30-June-25 N'000	3 Months to 30-June-24 N'000	9 months to 30-June-25 N'000	9 Months to 30-June-24 N'000	3 Months to 30-June-25 N'000	3 Months to 30-June-24 N'000
3. Revenue								
Local	81,008,487	58,093,802	28,407,060	19,364,190	74,483,684	54,149,472	24,433,101	16,619,312
Outside Nigeria	3,862,606	2,393,922	1,287,382	791,023	-	-	-	-
	84,871,093	60,487,724	29,694,442	20,155,213	74,483,684	54,149,472	24,433,101	16,619,312

The company's primary geographical segment is Nigeria. Over 99.9% of the sales of the company are made in Nigeria. Also, the Company's products have identical risks and returns. No further business or geographical segment information is therefore reported.

4. Cost of sales

Sale of goods

Raw materials and consumables	55,358,232	38,679,930	19,792,206	12,912,327	50,438,027	35,943,860	16,342,897	10,735,994
Depreciation and impairment	467,824	466,661	154,504	115,593	105,880	155,646	52,834	52,382
Labour Cost	200,102	98,802	99,538	98,345	159,390	155,646	86,438	83,123
	56,026,158	39,245,393	20,046,248	13,109,767	50,703,297	36,392,198	16,482,169	10,968,642

5. Administrative expenses

AGM expense	22,959	25,039	2,613	1,622	20,615	24,334	2,293	1,622
Conference & award expense	2,715	4,024	443	2,826	2,715	4,024	443	2,826
Advertising	557,148	369,823	264,678	106,213	493,606	320,098	250,381	95,443
Audit fees	47,946	26,744	15,812	8,499	29,419	16,500	10,606	5,500
Impairment allowance on trade and other debtors	16,578	102,784	-	24,849	16,578	66,291	-	(17,829)
Bank charges	98,130	88,921	34,676	27,597	65,016	69,438	22,050	22,376
Cleaning	65,135	46,821	18,707	17,506	37,337	31,052	7,015	12,216
Consulting and professional fees	131,653	110,939	36,849	51,495	79,115	47,288	26,648	25,320
Amortisation	10,922	11,760	3,575	3,954	9,661	11,329	3,036	3,811
Depreciation	327,187	383,943	108,550	130,293	231,996	287,326	70,417	95,932
Donations	18,438	16,013	9,981	3,316	12,667	10,117	9,791	1,677
Employee costs*	3,376,560	2,417,265	1,429,782	851,931	2,516,321	1,785,195	1,144,920	608,033
Entertainment	41,057	27,981	11,686	8,523	31,400	18,060	8,806	5,907
Other expenses	12,780	9,125	6,462	3,693	12,131	4,692	6,411	3,072
Gratuity Expenses	167,346	163,348	57,183	50,061	135,026	142,020	45,342	43,679
Fines and penalties	-	15,500	-	-	-	15,500	-	-
Insurance	152,287	122,527	44,223	39,971	114,831	95,020	33,254	29,083
Rent and rates	119,035	77,931	51,709	57,247	25,981	16,789	5,236	7,263
Stationery, newspaper and periodicals	52,858	38,294	15,198	12,368	34,321	26,836	10,839	8,420
Postage, telecommunication and internet*	68,647	47,619	28,030	15,019	43,413	30,833	19,630	9,560
Uniform and protective clothing	4,427	1,818	54	492	2,710	629	(1,148)	152
Repairs and maintenance	505,541	519,831	174,848	228,939	333,224	287,880	119,868	128,007
Research and development costs	11,026	28,545	4,989	5,027	4,500	5,805	1,500	-
Exchange loss	854,384	12,993,670	91,545	(158,282)	689,443	12,889,827	27,447	(211,980)
Security	66,456	47,060	28,087	16,521	45,760	33,231	19,547	12,011
Subscriptions	22,283	21,751	3,218	6,914	15,952	12,988	1,980	2,395
Transport and traveling	384,206	211,757	111,132	67,234	203,020	159,117	58,480	36,991
Electricity and other utilities	1,049,861	731,896	361,582	270,171	888,562	596,410	293,525	214,661
	8,187,565	18,662,729	2,915,612	1,853,999	6,095,320	17,008,629	2,198,317	1,146,148

6. Distribution cost

This represent cost of freight of goods

Distribution cost	3,099,476	2,217,849	998,492	712,815	2,850,822	2,050,437	929,005	658,554
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Vitafoam Nigeria Plc

Unaudited Consolidated and Separate Interim Financial Statements for the 9 Months ended June 30, 2025

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	9 Months to 30-June-25 N'000	9 Months to 30-June-24 N'000	3 Months to 30-June-25 N'000	3 Months to 30-June-24 N'000	9 months to 30-June-25 N'000	9 Months to 30-June-24 N'000	3 Months to 30-June-25 N'000	3 Months to 30-June-24 N'000
7. Finance cost								
Interest on Term Loan	2,439,345	65,621	765,266	52,339	2,335,598	46,311	714,756	46,311
Other Bank charges	149,291	7,804	77,444	4,848	149,291	7,805	77,445	4,848
Interest on Borrowings	1,987,642	3,554,147	1,303,378	1,687,421	1,987,642	3,554,147	1,303,378	1,687,420
Interest on defined benefit obligation	274,921	238,907	91,640	79,635	274,920	238,906	91,640	79,636
Finance leases	17,350	19,819	4,569	6,835	17,351	19,820	4,569	6,835
	4,868,549	3,886,298	2,242,296	1,831,078	4,764,802	3,866,989	2,191,788	1,825,050

8. Other gains and losses

Profit on disposal of assets	12,863	-	2,983	-	12,863	-	2,983	-
Investment income	32,531	2,304	8,061	2,163	240,957	181,484	8,061	2,163
Sale of scrap items	682,279	437,109	221,433	139,273	603,865	395,289	188,477	124,932
Rental income	8,065	5,808	25,705	25,979	80,565	78,309	25,703	25,978
Provision no longer required	30,096	-	27,329	-	18,657	-	18,657	-
Government grants	158,752	-	54,266	-	125,714	-	41,905	-
	924,586	445,221	339,777	167,415	1,082,621	655,082	285,786	153,073

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

9. Property, plant and equipment

Group

	Freehold Land N'000	Buildings N'000	Plant and machinery N'000	Furniture and Fixtures N'000	Motor Vehicle N'000	Total N'000
Cost						
Balance at 01 October 2023	438,168	6,060,222	5,431,389	582,610	970,768	13,483,157
Additions	545	64,528	282,579	50,804	63,978	462,434
Revaluation	8,959,498	-	-	-	-	8,959,498
Disposals	-	-	(9,787)	(2,955)	(86,640)	(99,382)
Effect of exchange differences	-	869,506	159,728	17,370	48,249	1,094,853
Balance at Sept. 30, 2024	9,398,211	6,994,256	5,863,909	647,829	996,356	23,900,561
Balance at 01 October 2024	9,398,211	6,994,256	5,863,909	647,829	996,356	23,900,561
Addition	-	38,937	584,609	83,987	99,719	807,252
Disposal	-	-	(4,653)	(850)	(60,760)	(66,263)
Effect of exchange differences	-	(124,354)	(22,869)	(2,553)	(7,540)	(157,316)
Balance at 30 June, 2025	9,398,211	6,908,839	6,420,996	728,413	1,027,775	24,484,234
Accumulated depreciation						
Balance at 01 October 2023	-	1,805,845	3,612,232	454,670	603,799	6,476,546
Charge for the year	-	221,514	588,004	49,513	200,870	1,059,901
Disposal	-	-	(1,739)	(49)	(25,807)	(27,595)
Effect of exchange differences	-	241,187	156,701	15,689	41,023	454,600
Transfer from disposal group	-	-	-	-	-	-
Balance at Sept. 30, 2024	-	2,268,546	4,355,198	519,823	819,885	7,963,452
Balance at 01 October 2024	-	2,268,546	4,355,198	519,823	819,885	7,963,452
Charge for the period	-	165,789	467,824	47,416	102,434	783,463
Disposal	-	-	(4,653)	(850)	(60,760)	(66,263)
Effect of exchange differences	-	(37,417)	(23,028)	(2,312)	(6,153)	(68,910)
Balance at 30 June, 2025	-	2,396,918	4,795,341	564,077	855,406	8,611,742
Carrying amount						
Balance as at 30 June, 2025	9,398,211	4,511,921	1,625,655	164,336	172,369	15,872,491
Balance at September 30, 2024	9,398,211	4,725,712	1,508,712	128,008	176,469	15,937,112

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

Company

	Freehold Land	Buildings	Plant and machinery	Furniture and Motor Vehicle fixtures	Total
	N'000	N'000	N'000	N'000	N'000
Cost					
Balance at 01 October 2023	430,558	2,653,664	2,740,371	393,389	7,012,395
Addition	545	10,276	108,750	22,095	188,540
Disposal	-	-	(9,787)	(2,956)	(97,483)
Revaluation	8,959,498	-	-	-	8,959,498
Transfer to investment property	-	(20,304)	-	-	(20,304)
Balance at 30th September, 2024	9,390,600	2,643,636	2,839,333	412,529	16,042,646
Balance at 01 October 2024	9,390,600	2,643,636	2,839,333	412,529	16,042,646
Addition	-	1,745	216,185	52,572	270,502
Disposal	-	-	(4,653)	(850)	(66,263)
Balance at 30 June, 2025	9,390,600	2,645,381	3,050,865	464,251	16,246,885
Accumulated depreciation					
Balance at 01 October 2023	-	822,489	2,201,556	330,094	3,812,105
Charge for the period	-	79,956	208,634	25,843	498,134
Disposal	-	-	(1,739)	(49)	(25,695)
Transfer to investment property	-	(8,358)	-	-	(8,358)
Balance at 30 September, 2024	-	894,088	2,408,451	355,888	4,276,187
Balance at 01 October 2024	-	894,088	2,408,451	355,888	4,276,187
Charge for the period	-	60,084	159,390	24,420	331,819
Disposal	-	-	(4,653)	(850)	(66,263)
Balance at 30 June, 2025	-	954,172	2,563,188	379,458	4,541,743
Carrying amount					
Balance as at 30 June, 2025	9,390,600	1,691,209	487,677	84,793	11,705,142
Balance as at 30 September 2024	9,390,600	1,749,549	430,882	56,640	11,766,459

10. Available for-sale financial assets

Investment in Financial assets

Quoted Security	18,032	17,450	18,032	17,450
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The Group has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior 9 months.

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	Group		Company	
	30-June-25 N'000	30 September 2024 N'000	30-June-25 N'000	30 September 2024 N'000
11. Inventories				
Finished goods - cost	3,346,407	1,451,313	1,758,769	1,158,780
Raw materials - cost	19,136,469	16,284,616	15,955,525	12,989,162
Work in progress - cost	931,393	1,739,800	494,841	1,177,350
Spare parts and consumables - cost	1,623,530	1,144,712	1,326,722	963,876
	25,037,799	20,620,441	19,535,857	16,289,168
Inventories (write-downs)	(77,364)	(77,363)	(32,869)	(32,869)
	24,960,435	20,543,078	19,502,988	16,256,299

11.1 Other consumables : This class of inventory represents stock of Diesel, PMS, stationeries, engineering consumables and promotional items

12. Trade and other receivables

Trade receivables	1,374,968	1,290,739	418,700	420,224
Allowance for doubtful debt receivables	(482,156)	(492,613)	(223,273)	(225,352)
Other receivables (Note 12.1)	2,484,398	3,283,833	1,962,554	2,945,032
Staff Debtors	8,515	7,754	1,423	-
Receivables from related parties (Note 13)	-	-	2,714,207	3,302,461
	-	-	-	-
	3,385,725	4,089,713	4,873,611	6,442,365

12.1 Other receivable comprise majorly of unclaimed dividends held by Meristem Registrar of N640.83 million (Company), deposit for chemicals with foreign suppliers N776.64 million (Company: 689.26 million) and withholding tax receivables N325.5 million (Company)

13. Related parties

Due from/to related entities

Vitapur Nigeria Limited			20,643	(146,186)
Vitablom Nigeria Limited			(219,722)	(90,990)
Vono Furniture Products Ltd.			139,926	129,337
Vitafoam Sierra -Leone			2,229,787	2,972,927
Vitavisco Nig. Ltd			(48,768)	(138,154)
Vitaparts			626,530	609,716
Allowance for Impairment			(34,189)	(34,189)
			2,714,207	3,302,461

14. Trade and other payables

Trade payables	1,613,418	4,412,478	1,415,124	3,846,630
Dealers Securities' Deposit	538,380	359,117	455,981	179,517
Dividends Unclaimed	1,802,352	1,657,025	1,800,103	1,622,532
Value added tax payable	515,306	515,488	125,942	189,185
Other credit balances	499,122	600,933	298,488	230,174
Accrued expenses (Note 14.1)	2,657,104	265,762	2,588,562	81,662
Provision for Exchange loss	541,375	-	541,375	-
Withholding tax payable	182,103	149,396	153,474	130,689
Other accounts payable	117,613	211,853	50,533	21,052
Contract liability	1,209,223	1,561,522	1,209,223	1,561,522
Minimum tax	-	381,019	-	381,019
	9,675,996	10,114,593	8,638,805	8,243,982

14.1 Accruals comprises of customers incentive payable at year end.

Vitafoam Nigeria Plc

Unaudited Consolidated and separate interim financial statements for the 9 Months ended June 30, 2025

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	Group		Company	
	30-June-25 N'000	30 September 2024 N'000	30-June-25 N'000	30 September 2024 N'000
15. Cash and bank balances				
Cash and cash equivalents consist of:				
Cash	63,657	35,916	26,455	11,587
Bank Balances	5,813,182	7,074,217	4,204,739	5,463,349
	5,876,839	7,110,133	4,231,194	5,474,936
16. Share capital				
Authorised				
1,250,844,064 Ordinary shares of 50 kobo each	625,422	625,422	625,422	625,422
Issued				
Ordinary shares 1,250,844,064 of 50 kobo each	625,422	625,422	625,422	625,422
Share premium	-	-	-	-
	625,422	625,422	625,422	625,422
17. Borrowings				
Non Current				
Bank loan	1,523,755	3,513,145	1,501,816	3,484,148
Total	1,523,755	3,513,145	1,501,816	3,484,148
Current				
Bank overdrafts	-	25,217	-	-
Letter of credit	418,706	4,507,773	418,706	4,507,773
Bank loan	5,937,929	5,941,963	5,837,929	5,941,963
Total current borrowings	6,356,635	10,474,953	6,256,635	10,449,736
Total borrowings	7,880,390	13,988,098	7,758,451	13,933,884
18. Current tax Payable				
The movement in current tax payable is as follows:				
At 1 October	912,180	2,650,848	7,510	2,212,314
Company income tax	4,450,718	802,333	3,636,088	-
Payment during the year	(976,155)	(2,541,001)	-	(2,204,804)
Over provision in prior year	-	-	24,354	-
At 30 June 2025	4,386,743	912,180	3,667,952	7,510
19. Other assets				
Prepaid rent	265,188	151,810	128,145	60,855
Prepaid insurance	128,572	59,720	113,392	51,685
Prepaid advertisement	104,907	-	104,907	-
Prepaid subscription	79,942	35,300	77,577	32,197
Letter of credit cash back (Note 19.1)	5,203,006	2,622,400	4,865,319	1,887,874
Other prepayment (Note 19.2)	1,517,852	386,628	1,269,937	244,368
	7,299,467	3,255,858	6,559,277	2,276,979

19.1 Letter of credit cash back represent committed cash no longer available for another purpose other than that for which it has been designated. N4.87 billion (Company) represent naira deposit for foreign currencies purchased for funding of letter of credit.

19.2 It represent deposit against import obligations.