Newrest Nigeria Plc RC:304508

Unaudited Condensed Consolidated and Separate Financial Statements
For the half year ended 30 June 2026

Corporate Information

BOARD OF DIRECTORS

Chairman	Mr. Jonathan Aluju (Nigerian)
Managing Director	Mr. Pierre Verdier (French)
Non Executive Directors	Mr. Jonathan Stent-Torriani (Swiss)
	Mr. Julien Vendrell (French)
	Mr. Starke Marc (French)
Independent Director	Mr. Labi Ogunbiyi (Nigerian)

PROFESSIONAL ADVISERS

Company Secretary & Legal Adviser	Olaniwun Ajayi The Adunola, Plot L22 Banana Island, Ikoyi Lagos
Registrar	Meristem Registrars Limited 213, Herbert Macaulay Way Adekunle-Yaba Lagos
Auditors	Mazars 18, Oba Akran Avenue Ikeja Lagos
Bankers	Access Bank Plc Access Bank UK Limited Ecobank Nigeria Limited Guaranty Trust Bank Plc Stanbic IBTC Bank Plc Sterling Bank Plc (Flutterwave) Societe Generale Bank, France

REGISTERED OFFICE

1, Service Street
P.O. Box 4953, Murtala Muhammed International Airport
Ikeja
Lagos

WEBSITE

www.newrest.eu/country/nigeria

Newrest Nigeria Plc

RC. 304508

Unaudited Condensed Consolidated and Separate Financial Statements
For the half year ended 30 June 2026

Newrest Nigeria Plc

RC:304508

GROUP FINANCIAL HIGHLIGHTS

The Board of Directors hereby announces the six month unaudited result of the group for the period ended
For the half year ended 30 June 2026

	Six Months ended 30 June 2026 N'000	Six Months ended 30 June 2025 N'000	Absolute changes %
Revenue	13,065,248	15,038,361	(13)
Other Income	152,635	3,042	4918
Finance Income	18,037	151,076	(88)
Profit before Taxation	5,148,411	5,854,644	(12)
Profit after Taxation	5,080,621	5,582,935	(9)
Reserves	13,522,640	9,699,806	39
Investment Revaluation Reserves	2,263	2,263	-
Share Capital	317,000	317,000	-
Share Premium	342,000	342,000	-
Equity attributable to owners of the Company	**14,183,903**	**10,361,069**	37
* Earnings per share	**8.01**	**8.81**	(9)
Total Issued Shares	634,000	634,000	-

*Earnings= Profit after Tax

Newrest Nigeria Plc

Condensed Consolidated and Separate Statement of Financial Position
As at 30 June 2026

	Note	The Group 30-Jun-26	The Group 31-Dec-25	The Company 30-Jun-26	The Company 31-Dec-25
		N'000	N'000	N'000	N'000
Assets					
Non-current assets					
Property, plant and equipment		3,164,727	2,823,857	3,162,294	2,821,303
Intangible assets		3,034	3,908	3,034	3,908
Right-of-use assets		1,316,051	1,316,051	1,316,051	1,316,051
Investment in subsidiary		-	-	15,012	15,012
Financial asset		-	4,589	-	4,589
Other assets		469,661	349,768	469,661	349,768
		4,953,473	4,498,173	4,966,052	4,510,631
Current assets					
Inventories		2,374,405	3,070,078	2,261,067	2,922,179
Trade and other receivables		3,290,551	3,835,253	3,356,145	3,916,102
Financial asset		286,088	268,493	286,088	268,494
Other assets		819,920	642,090	819,653	636,927
Cash and bank balance		9,353,862	11,316,763	8,896,368	10,860,862
		16,124,826	19,132,677	15,619,321	18,604,564
Total assets		21,078,299	23,630,850	20,585,373	23,115,195
Equity and Liabilities					
Issued share capital and reserves					
Share capital		317,000	317,000	317,000	317,000
Share premium account		342,000	342,000	342,000	342,000
Revenue reserve		13,522,640	15,304,519	13,090,729	14,911,582
Investment revaluation reserve		2,263	2,263	2,263	2,263
Remeasurement of net defined benefit liability		(188,839)	(188,840)	(172,854)	(172,855)
Total equity		13,995,064	15,776,942	13,579,138	15,399,990
Non-current Liabilties					
Deferred tax liabilities		674	674	-	-
Retirement benefit obligation		1,208,470	1,179,541	1,165,057	1,120,843
Lease liabilities		715,823	715,823	715,823	715,823
		1,924,967	1,896,038	1,880,881	1,836,666
Current Liabilities					
Trade and other payables		4,528,567	5,225,643	4,496,938	5,244,784
Retirement benefit obligation		7,603	13,181	7,538	12,876
Current tax liabilities		1,219	98,167	-	-
Lease liabilities		620,879	620,879	620,879	620,879
		5,158,268	5,957,870	5,125,355	5,878,539
Total liabilities		7,083,235	7,853,908	7,006,235	7,715,205
Total equity and liabilities		21,078,299	23,630,850	20,585,373	23,115,195

The financial statements were approved by the board of directors and authorised for issue on 29 July 2026 and signed on its behalf by:

Pierre Verdier
Managing Director
FRC/2026/PRO/DIR/003/226257

Emmanuel Inobemhe
Finance Manager
FRC/2023/PRO/ICAN/001/616529

Newrest Nigeria Plc
RC:304508

Condensed Consolidated and Separate Statement of profit or loss and other comprehensive income
for the half year ended 30 June 2026

	Note	The Group 6 months ended 30-Jun-26	6 months ended 30-Jun-25	3 months ended 30-Jun-26	3 months ended 30-Jun-25	12 months audited 31-Dec-25	The Company 6 months ended 30-Jun-26	6 months ended 30-Jun-25	3 months ended 30-Jun-26	3 months ended 30-Jun-25	12 months audited 31-Dec-25
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue	6	**13,065,248**	**15,038,361**	**6,015,553**	**6,940,483**	**29,922,236**	**12,961,927**	**14,731,645**	**6,015,553**	**6,745,500**	**29,330,857**
Cost of sales		3,844,666	4,449,875	1,763,465	2,318,417	9,653,859	3,803,775	4,301,031	1,763,465	2,217,412	9,400,010
Gross profit		**9,220,582**	**10,588,486**	**4,252,088**	**4,622,066**	**20,268,377**	**9,158,152**	**10,430,614**	**4,252,088**	**4,528,088**	**19,930,847**
Administrative expenses	12	3,290,998	3,333,268	1,598,216	1,673,884	7,011,750	3,274,705	3,297,332	1,598,183	1,651,651	6,954,672
Selling and distribution expenses	13	951,844	1,554,691	448,420	650,895	1,574,819	941,687	1,527,269	448,420	636,424	1,548,206
Operating (loss)/profit		**4,977,739**	**5,700,527**	**2,205,452**	**2,297,288**	**11,681,808**	**4,941,761**	**5,606,013**	**2,205,485**	**2,240,012**	**11,427,969**
Investment income	7	18,037	151,076	9,712	61,249	240,292	18,037	151,076	9,712	61,249	239,401
Other operating Income	8	30,302	767,778	10,588	287,585	51,747	25,136	730,650	10,668	256,043	21,781
Other gains or (losses)	8	122,333	764,737	136,592	202,134	(436,786)	124,504	(781,561)	(136,592)	188,253	(442,690)
Profit before tax		**5,148,411**	**5,854,644**	**2,089,160**	**2,848,256**	**11,537,061**	**5,109,437**	**5,706,179**	**2,089,274**	**2,745,558**	**11,246,461**
Tax		67,790	271,709	-	-	(349,417)	(67,790)	(271,709)		-	(271,754)
Profit for the period from continuing operations		5,080,621	5,582,935	2,089,160	2,848,256	11,187,644	5,041,647	5,434,470	2,089,274	2,745,558	10,974,707
Profit for the period		**5,080,621**	**5,582,935**	**2,089,160**	**2,848,256**	**11,187,644**	**5,041,647**	**5,434,470**	**2,089,274**	**2,745,558**	**10,974,707**
Other comprehensive income (net of tax)											
Item that may be reclassified subsequently to profit or loss:											
Remeasurement of net defined		-	-	-	-	(70,685)	-	-	-	-	(69,342)
		-	-	-	-	70,685	-	-		-	(69,342)
Total comprehensive income for the period		**5,080,621**	**5,582,935**	**2,089,160**	**2,848,256**	**11,116,959**	**5,041,647**	**5,434,470**	**2,089,274**	**2,745,558**	**10,905,365**
Profit / (Loss) for the year											
Owners of the Company		5,080,621	5,582,935	2,089,160	2,848,256	11,187,644	5,041,647	5,434,470	2,089,274	2,745,558	10,974,707
Total comprehensive income for the year attributable to:											
Owners of the Company		5,080,621	5,582,935	2,089,160	2,848,256	11,116,959	5,041,647	5,434,470	2,089,274	2,745,558	10,905,365
Earnings per share											
Basic and diluted (kobo)	11	801	881	330	449	1,765	795	857	330	433	1,731

Newrest Nigeria Plc

Condensed Consolidated and Separate Statement of Cash flows
for the half year ended 30 June 2026

		The Group		The Company	
		30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	Note	N'000	N'000	N'000	N'000
Cash flows from operating activities					
Cash receipts from customers		13,775,447	14,522,720	13,668,328	14,162,612
Cash payments to suppliers,employees and govt taxes		- 8,078,968	- 7,952,179	(8,070,346)	(7,640,446)
Tax paid		(164,693)	(356,132)	(67,790)	(271,709)
Net cash generated by operating activities	16	**5,531,786**	**6,214,409**	**5,530,192**	**6,250,457**
Cash flows investing activities					
Proceeds on disposal of property, plant and equipment					
Purchase of property, plant and equipment		(650,223)	(860,137)	(650,223)	(860,137)
Purchase of intangible assets		-	-		-
Interest received		18,037	151,076	18,037	151,076
Net cash used in investing activities		**- 632,186**	**(709,061)**	**(632,186)**	**(709,061)**
Cash flows financing activities					
Dividend paid		(6,862,500)	(15,342,800)	(6,862,500)	(15,342,800)
Net cash used in financing activities		**(6,862,500)**	**(15,342,800)**	**(6,862,500)**	**(15,342,800)**
Net increase/(decrease) in cash and cash equivalents		- 1,962,901	- 9,837,452	- 1,964,494	- 9,801,404
Cash and cash equivalents at the beginning of the year		11,316,763	16,093,321	10,860,862	15,772,734
Cash and cash equivalents at the end of the period		**9,353,862**	**6,255,869**	**8,896,368**	**5,971,330**

Newrest Nigeria Plc

Consolidated and Separate Statement Of Changes In Equity
for the half year ended 30 June 2026

	Equity attributable to equity holders of the Group					
Period ended 30 June 2026	**Share Capital N'000**	**Share Premium Account N'000**	**Revenue reserve N'000**	**Investment revaluation reserve N'000**	**Remeasurement of defined benefit liability N'000**	**Total N'000**
Balance at 1 January 2026	317,000	342,000	15,304,519	2,263	(188,839)	15,776,943
Profit for the period			5,080,621			5,080,621
Other comprehensive income(net of tax)			-			-
Total comprehensive income for the period	-	-	-	-	-	-
Dividends			(6,862,500)			(6,862,500)
Balance at 30 June 2026	317,000	342,000	13,522,640	2,263	(188,839)	13,995,064
Period ended 30 June 2025						
Balance at 1 January 2025	317,000	342,000	19,459,675	2,263	(118,156)	20,002,782
Profit for the period			5,582,936			5,582,936
Other comprehensive income(net of tax)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-
Dividends			(15,342,800)			(15,342,800)
Adjustment			(5)			(5)
Balance at 30 June 2025	317,000	342,000	9,699,806	2,263	(118,156)	10,242,913

	Equity attributable to equity holders of the Company					
Period ended 30 June 2026	**Share Capital N'000**	**Share Premium Account N'000**	**Revenue reserve N'000**	**Investment revaluation reserve N'000**	**Remeasurement of defined benefit liability N'000**	**Total N'000**
Balance at 1 January 2026	317,000	342,000	14,911,582	2,263	(172,854)	15,399,991
Profit for the period			5,041,647			5,041,647
Other comprehensive income(net of tax)						-
Total comprehensive income for the period	-	-	-	-		-
Dividends		-	6,862,500			(6,862,500)
Balance at 30 June 2026	317,000	342,000	13,090,729	2,263	(172,854)	13,579,138
Period ended 30 June, 2025						
Balance at 1 January 2025	317,000	342,000	19,279,674	2,263	(103,512)	19,837,425
Profit for the period			5,434,470			5,434,470
Other comprehensive income(net of tax)				-		-
Total comprehensive income for the period	-	-	-	-	-	-
Dividends			(15,342,800)			(15,342,800)
Balance at 30 June 2025	317,000	342,000	9,371,344	2,263	(103,512)	9,929,095

Notes to the Unaudited Condensed Consolidated and Separate Financial Statements
For the half year ended 30 June 2026

1 **General information**

The Company was incorporated as a private limited liability company on 6 December 1996. However, changed its name to Newrest Nigeria Plc in 2020. It became a public limited liability company on 26 February 2007 and its shares were listed on the floors of the Nigerian Stock Exchange (NSE) on 25 July 2007. However, the Company delisted its shares from the floors of NSE in May 2019. The address of the registered office is 1, Service Street, Murtala Muhammed International Airport, Ikeja, Lagos, Nigeria. The principal activities of the Company are the provision of catering and related services to international airlines within the Nigerian aviation industry. The company operates international standard in-flight catering facilities and VIP lounges at the Murtala Muhammed International Airport, Lagos (MMIA) and the Nnamdi Azikwe International Airport, Abuja. The Company has three fully owned local subsidiaries; first is Reacon Duty Free Limited (RDF) which operates duty free outlets at the MMIA. The second is Newrest ASL Oil & Gas Logistics Limited which provides catering services to companies that operate in the oil and gas sector. The third is Newrest Catering Nigeria Limited which provides catering services to certain airlines that operate local flights including other industrial and special catering services.

The Company conducts its business in the Export Processing Zone and in line with Section 8 of the NEPZA ACT No 63 of 1992 as amended , the Company is exempt from all Federal, State and Local Government taxes, levies and rates. Similarly, Section 18(a) and (e) exempts the Company from taxes and allows the Company to sell up to 25 percent of its products in the local market and subject to the issuance of the relevant permit.

The Company would be liable to tax on income generated outside the zone if the scope of business is expanded outside the Export Processing Zone. The Company for now is not operating outside the Zone and therefore no income tax is applicable thereof.

However, all the subsidiaries namely Reacon Duty Free Limited, Newrest ASL Oil & Gas Logistics Limited and Newrest Catering Nigeria Limited currently operate outside the Export Processing Zone and therefore are subject to income tax.

1.10 **Composition of the financial statements**

The Consolidated and Separate Financial statements are drawn up in Naira, the functional currency of Newrest Nigeria Plc. In accordance with IFRS accounting presentation, the Consolidated and Separate Financial Statements comprise:

- Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income
- Consolidated and Separate Statement of Financial Position
- Consolidated and Separate Statement of Changes in Equity
- Consolidated and Separate Statement of Cash flows
- Notes to the Consolidated and Separate Financial Statements.

1.11 **Financial period**

These Consolidated and Separate Financial Statements cover the period ended 30 June 2026 with comparative amounts for the period ended 30 June 2025 .

2.1 *New and amended IFRS Accounting Standards that are effective for the current year*

In the current year, the Group has applied a number of amendments to IFRS Accounting issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IFRS 3 Reference to the Conceptual Framework

The Group has adopted the amendments to IFRS 3 Business Combinations for the first time in the current year. The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that give rise to a liability to pay the levy has occurred by the acquisition

Amendments to IAS 16 - Property, Plant and Equipment - Proceeds before Intended Use

The Group has adopted the amendments to IAS 16 Property, Plant and Equipment for the first time in the current year. The amendments prohibit deducting from the cost of an item of property, plant and equipmet any proceeds from selling items produced before that asset is available for use i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of the items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset s such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract

The Group has adopted the amendments to IAS 37 for the first time in the current year. The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

2.2 New and amended IFRS Accounting Standards that are effective for the current year (cont'd)

The Group has adopted the amendments included in the Annual Improvements to IFRS Accounting Standards 2018 - 2020 Cycle for the first time in the current year. The Annual Improvements include:

IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1: D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1: D16(a).

IFRS 9 Financial Instruments

The amendments clarifies that in applying the'10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either or the lender on the other's behalf.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements.

2.3 New and revised IFRS Standards in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not effective:

IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except as noted below:

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - 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 remeasurement 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. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

2.4 New and revised IFRS Accounting Standards in issue but not yet effective

Amendments to IAS 1 Presentation of Financial Statements -
Classification of Liabilities as Current or Non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are existence at the end of the reporting period, specify that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2025 with early application permitted. The IASB is currently considering further amendments to the requirements in IAS 1 on classification of liabilities as current or non-current, including deferring the application of the January 2020 amendments.

The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future period.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements-
Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and neednot to be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amount are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
The amendments replace the definition of a change in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the new Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

-A change in accounting estimate that results from new infornation or new developments is not the correction of an error
-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 priod period errors.

The Board added two examples (Example 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

2.5 Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.
Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.
Following the amendments to IAS 12, an entity is required to recognise the related deferred tax aset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The IASB also adds an illustrative example to IAS 12 that explains how the amendments are applied.
The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

. A deferred tax aset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:

- Right-of-use assets and lease liabilities
- Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

. The cumulative effect of applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transaction arise.

3 Summary of significant accounting policies

3.1 Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards.

3.2 Basis of preparation and measurement

The consolidated and separate financial statements have been prepared on the historical cost basis except for certain 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 the 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 if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated and separate financial statements is determined on such basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are within the scope of IFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is disclosed in the consolidated and separate financial statements are categorized within the hierachy, discussed as follows, based on the lowest level input thau is significant to the fair value measrument as a whole:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

3 Summary of significant accounting policies (continued)

3.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where 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 Company 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 Company 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. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:
- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders:
- potential voting rights held by the Company, other vote holders or other parties:
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company 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 Company obtains control over the subsidiary and ceases when the Company 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 Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.4.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts 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 owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is calculated as the difference between
(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and.
(ii) the previous carrying amount of the net assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.
All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.5 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

3.6 Business combinations

Acquisitions of subsidiaries 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 values, except that:

(i) deferred tax assets or liabilities; and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

(ii) 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 acquiree are measured in accordance with IFRS 2 at the acquisition date; and

(iii) 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.

3 Summary of significant accounting policies (continued)

Goodwill is measured as the excess of the sum of consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previuosly held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity'ss net assets in the event of liquidation may be measured either at fair value or at the non-controlling interests's proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets and liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.
The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent considerarion is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured as subsequent reporting dates in accordance with *IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously-held interests in the acquired entity are re-measured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.
The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

3 Summary of significant accounting policies (continued)

3.7 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a complete sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with IAS 39 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method.

Non-current assets (and disposal groups) classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

3.8 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

<u>Sales of goods and services</u>

Revenue from sales of goods and services is recognised when the goods are delivered and or services rendered,and titles have passed, at which time all the following conditions are satisfied:

(i) the Group has transferred to the customer the significant risks and rewards of ownership of the goods and services

(ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and the services rendered

(iii) the amount of revenue can be measured reliably

(iv) it is sufficiently probable that the economic benefits associated with the transaction will flow to the Group

(v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sales are stated net of discounts allowed and sales reductions at fair value. Sales deductions are estimated amounts for rebates, cash discounts and product returns. They are deducted at the time the sales are recognized, and appropriate provisions are recorded. Sales deductions are estimated primarily on the basis of historical experience, specific contractual terms and future expectations of sales development. It is unlikely that factors other than these could materially affect sales deductions in the Group.

Other operational revenues are recognised as other operating income.

3.9 Deferred income

Deferred income represents the part of the amount invoiced to customers that has not yet met the criteria for revenue recognition and thus still has to be earned as revenues by means of the delivery of goods and services in the future. Deferred income is recognized at its nominal value.

3 Summary of significant accounting policies (continued)

3.10 Inventories

In accordance with IAS 2 (Inventories), inventories encompass assets held for sale in the ordinary course of business (finished goods and goods purchased for resale), in the process of production for such sale (work in process) or in the form of materials or supplies to be consumed in the production process or in the rendering of services (raw materials and supplies). Inventories are stated at the lower of cost and net realizable value based on weighted average after making specific allowance for obsolete and damaged stocks. The net realizable value is the achievable sale proceeds under normal business conditions less estimated cost to complete and selling expenses.

3.11 Provisions for pensions and other post-employment benefits

The company operates a defined contribution staff pension scheme for members of staff which is managed by Pension fund administrators. The scheme, which is funded by contributions from employees (8%) and the Group (10%) of basic salary, housing and transport allowances, is consistent with the provisions of the Pension Reform Act, 2014 with effect from July 1, 2014.

3.12 Taxation

The Company conducts its business in the Export processing zone and in line with section 8 of the NEPZA Act No 63 of 1992 as amended, the company is exempt from all Federal, State and Local Government taxes, levies and rates. Similarly section 18 (a) and (e) exempt the Company from taxes and allows the Company to sell up to 25 percent of its production in the local market and subject to the issuance of the relevant permit. The company would be liable to tax on income generated outside the zone if the scope of business outside the zone is expanded beyond the 25 percent of its production. The company is currently not operating outside the Zone and therefore no income tax is applicable thereof.
However, Reacon Duty Free Limited, Newrest ASL Oil & Gas Logistics Limited and Newrest ASL Catering Limited, wholly owned subsidiaries, currently operate outside the Export Processing Zone and therefore are subject to income tax. See below for the accounting policy applied.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and 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 by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax 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 profit nor the accounting profit.
Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, 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 the end of each reporting period 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 asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting
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.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to itmes 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.

3.13 Property, plant and equipment

All property, plant and equipment is shown at cost, less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in an 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 Group and the cost of the item can be measured reliably. All other repair and maintenance expenditures are charged to the Income Statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to reduce the cost of each asset to its residual value over its useful life as follows:

	Range of Years
Freehold Buildings	20
Leasehold Buildings	Over the lease period
Furniture and Equipment	4 - 10 years
Motor Vehicles	2 - 5 years
Food Processing Equipment	3 - 7 years
MMIA Lounge & Cockpit Bar Improvement	5 years

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

3.14 Intangible assets

Intangible assets acquired separately

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

Amortisation is calculated using the straight-line method to reduce the cost of each intangible asset to its residual value over its estimated useful life as follows:

	Range of Years
Software Licences	3 years

Derecognition of intangible assets

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

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 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. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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 to sell 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.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but 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.

3 Summary of significant accounting policies (continued)

3.15 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 Chief Executive Officer (CEO).

3.16 Borrowing costs

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.

In addition, exchange differences arising from restatement of foreign denominated borrowings as a result of devaluation of Naira are also capitalised. The loans are specifically obtained to fund qualifying assets which interest costs are being capitalised.

Nevertheless, exchange differences relating to the principal are regarded as an adjustment to interest costs but only to the extent that the adjustment does not increase or decrease costs to an amount below or above a notional borrowing cost based on commercial interest rates prevailing in the functional currency at the date of the initial recognition of the borrowing.

In essence, the amount of borrowing costs that may be classified should lie between the following two amounts:

(1) actual interest cost denominated in the foreign currency translated at the actual exchange rate on the date on which the expense is incurred
(1) notional borrowing cost based on commercial interest rate prevailing in the functional currency at the date of the initial recognition of the borrowing (IAS 23:6e).

3.17 Foreign currency transactions and translation

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 financial statements are presented in naira, which is the Group's functional and presentation currency.

3 Summary of significant accounting policies (continued)

3.18 Foreign currency transactions and balances

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.
Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:
- exchange differences on foreign currency borrowing relating to assets under construction for future productive use, which are included in the cost oft those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks;

exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore not 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 repayment of the monetary items.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposal of associates or joint arrangement that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.
Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the rsiks and uncertainties surronding the obligation. When 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 can be measured reliably.

3.20 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company, by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

3 Summary of significant accounting policies (continued)

3.21 Dividend distribution

Dividend distributions to the Company's shareholders are recognised in the Group's financial Statements in the period in which the dividend is declared and paid or approved by the Company's shareholders.

3.22 Leases

The Group as lessee

The Group assesses whether a contract is or contains lease at inception of the contract. The Group recognises a right-of-use asset and a correspoding lease laibility with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of furniture and telephones). For these leases, the Group recognises the lease payment as an operating expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

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 rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowig rate.

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 eefctive inteest method) and by reducing the carrying amount to reflect the lease payments made.
The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any 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. To the extent that the costs relate to a right-of-use asset, 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 the lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of 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 applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

3.23 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

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.

Summary of significant accounting policies (continued)

3.24 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way 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 flow; 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 oustanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive
. 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 oustanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).
Despite the foregoing, the Group may take 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 cetain 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 FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

3.24.1 Amortised cost and effective interest rate 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 on 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.

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 (see below). For financial assets that have subsequently become credit-impaired, interest 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 asse 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.

3 Summary of significant accounting policies (continued)

3.24.2 Financial assets at FVTPL

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

. Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

. Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upom 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 bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses arising 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 incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in the notes to the accounts.

The Group's financial assets at FVTPL include funds invested in short term call deposits with less than 90 days maturity with a fund manager.

3.24.3 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

3.24.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current balances with banks and similar institutions and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and held at amortised cost.

3.24.6 Fixed deposits

Fixed deposits, comprising funds held with banks and other institutions are initially measured at fair value, plus direct transaction costs, and are subsequently re-measured to amortised cost using the effective interest rate method at each reporting date. Changes in carrying value are recognised in statement of profit or loss.

3 **Summary of significant accounting policies (continued)**

3.24.7 **Impairment of financial assets**

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 is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises 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.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition,the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment,the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forwardlooking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and
other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

. an actual or expected significant deterioration in the financial instrument's external (if available) or internal internal credit rating;

. significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. an existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

. an actual or expected significant deterioration in the operating results of the debtor;

. significant increases in credit risk on other financial instruments of the same debtor; and

. an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3 Summary of significant accounting policies (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.
Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:
1. the financial instrument has a low risk of default;
2. the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3. adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.
The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) 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

(iii) Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

3 **Summary of significant accounting policies (continued)**

(iv) 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 under 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. 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.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.
As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.
For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.
If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.
The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

3 Summary of significant accounting policies (continued)

3.24.8 Derecognition of financial assets

The Group derecognises a financial asset only 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.

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

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3 Summary of significant accounting policies (continued)

3.24.9 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method or at FVTPL.

3.24.10 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.24.11 Financial liabilities

Financial liabilities are classified either FVTPL or 'other financial liabiities' (which include loans from banks and related parties and trade and other payables). The Group does not have financial liabilities classified FVTPL. The Group subsequently measures financial liabilities at amortised cost using the effective interest method.

3.24.12 Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to profit or loss over the period of the relevant borrowing.

3.24.13 Interest-bearing debt

Financial liabilities, such as bond loans and other loans from credit institutions are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing debt is stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings on an effective interest basis.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, 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.

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.

4.1 Critical judgements in applying the Group's accounting policies and key sources of estimation and uncertainty

The key judgements have been disclosed in the relevant notes to the consolidated and separate financial statements. However, the following are the estimates that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Useful life of property, plant and equipment

The Group reviewed the estimated useful lifes of its property, plant and equipment on transition to IFRS on 1 January, 2011. The estimates were based on professional judgement expressed by the external valuers appointed to revalue certain assets. Some of the factors considered includes the current service potential of the assets, potential cost of repairs and maintenance and brand quality for over the years.

As at 31 December 2025, the Group reconsidered this and have noted no changes.

5 Revenue

The following is the analysis of the Group's revenue for the period from continuing operation (excluding investment income - see note 8).

	The Group 2026 N'000	2025 N'000
Inflight catering and related services	12,632,759	13,743,535
Lounges	171,226	566,814
Duty Free Shop	103,322	306,716
Restaurant	157,942	213,471
Others	-	207,825
	13,065,248	15,038,361

6.0 Segment information

6.1 Products and services from which reportable segments derive their revenues

Information reported to the Chief Operating Decision Maker (the MD) for the purposes of resource allocation and assessment of segment performance focuses on a number of factors including geographical location and types of goods or services delivered or provided. The Group's reportable segments under IFRS 8 are therefore as follows:

Lagos inflight catering - the segment operations include inflight catering, laundry and handling services.
Abuja operations - the segment operations include inflight catering, lounges and restaurant services provided in the Abuja unit.
Airport operations, Lagos- the segment provides restaurant , lounge and duty free shop.
Oil and Gas and other catering- the segment operations domestic flight services, oil and gas catering and other catering and logistics services.

6.2 Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment for the half year ended 30 June 2026:

	Segment revenue N'000	Cost of sales N'000	Segment Profit N'000
Lagos inflight catering	7,964,886	- 2,108,042	5,856,844
Abuja operations	4,825,815	- 1,635,881	3,189,934
Airport operations Lagos	274,547	- 100,744	173,804
	13,065,248	- 3,844,666	9,220,582
Administration expenses			- 3,290,998
Selling & distribution expenses			- 951,844
Other operating Income			30,302
Operating profit			5,008,041
Investment income			18,037
Other gains and losses			122,333
Profit before tax			5,148,411
Tax			- 67,790
Profit for the period			5,080,621

The following is an analysis of the Group's revenue and results by reportable segment for the half year ended 30 June 2025:

	Segment revenue N'000	Cost of sales N'000	Segment Profit N'000
Lagos inflight catering	10,112,097	(2,566,795)	7,545,302
Abuja operations	4,052,733	(1,553,380)	2,499,353
Airport operations Lagos	873,531	(329,700)	543,831
	15,038,361	(4,449,875)	10,588,486
Administration expenses			- 3,333,268
Selling & distribution expenses			- 1,554,691
Other operating Income			767,778
Operating profit			6,468,305
Investment income			151,076
Other gains and losses			(764,737)
Profit before tax			5,854,644
Tax			(271,709)
Profit for the period			5,582,935

Segment information (continued)
Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current period.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, investment revenue, other gains and losses, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

6.3 **Segment assets and liabilities**- The MD does not make use of information on segment assets and segment liabilities for the purpose of resource allocation and assessment of segment performance.

6.4 Revenues from major products and services

The Group's revenues from its major products and services were as follows:

	Group						Company	
	6 months ended 30-Jun-26 N'000	6 months ended 30-Jun-25 N'000	3 months ended 30-Jun-26 N'000	3 months ended 30-Jun-25 N'000	6 months ended 30-Jun-26 N'000	6 months ended 30-Jun-25 N'000	3 months ended 30-Jun-26 N'000	3 months ended 30-Jun-25 N'000
Revenue from:								
Lagos:								
Inflight Catering	5,279,745	8,313,048	2,372,936	3,641,481	5,279,745	8,313,048	2,372,936	3,641,481
Lounges	171,226	566,814	186	312,195	171,226	566,814	186	312,195
Duty Free shop	103,322	306,716	-	194,983	-	-	-	
Beverages	1,785,145	304,396	854,484	124,281	1,785,145	304,396	854,484	124,281
Handling	742,054	1,129,647	361,963	513,189	742,054	1,129,647	361,963	513,189
Laundry	157,942	187,753	80,522	92,506	157,942	187,753	80,522	92,506
Others	-	177,254	-	52,387	-	177,254	-	52,387
	8.239.433	10,985,628	3,670,091	4,931,022	8,136,112	10,678,912	3,670,091	4,736,040
Abuja:								
Inflight Catering	3,111,988	3,406,402	1,459,774	1,688,528	3.111.988	3.406.402	1,459,774	1,688,528
Beverages	1,018,023	13,404	521,167	8,009	1.018.023	13.404	521,167	8,009
Handling	663,180	576,639	347,824	285,949	663.180	576.639	347,824	285,949
Laundry	32,624	25,717	16,697	14,371	32.624	25.717	16,697	14,371
Others	-	30,571	-	12,604	-	30.571	-	12,604
	4,825,815	4,052,733	2,345,462	2,009,461	4,825,815	4,052,733	2,345,462	2,009,461
Oil & Gas and other catering								
Oil & gas, local flights and other catering		-		-		-		-
Other services								
Local flights, industry and other catering		-		-		-		-
Total Revenue	13,065,248	15,038,361	6,015,553	6,940,483	12,961,927	14,731,645	6,015,553	6,745,500

6.5 **Geographical information**
Currently the Group's operations are domiciled in Nigeria.

6.6 **Information about major customers**
Included in revenues arising from Lagos operations are revenues of approximately N 2.84 billion (2025: N3.76 billion) which arose from sales to the Group's largest customer.

		Group						Company	
	.	6 months ended 30-Jun-26 N'000	6 months ended 30-Jun-25 N'000	3 months ended 30-Jun-26 N'000	3 months ended 30-Jun-25 N'000	6 months ended 30-Jun-26 N'000	6 months ended 30-Jun-25 N'000	3 months ended 30-Jun-26 N'000	3 months ended 30-Jun-25 N'000
7	**Investment income**								
	Interest income: bank deposits	18,037	151,076	9,712	61,249	18,037	151,076	9,712	61,249
8	**Other operating income**								
	Doubtful debt recovered	-	7,151	-	9,133	-	7,151	-	9,133
	Other(loss)or gains	122,333	(764,737)	(136,592)	202,134	124,504	(781,561)	(136,592)	188,253
	Levies	5,166	736,752	(80)	254,576	-	721,416	-	244,827
	Other income	30,302	23,876	10,668	23,876	25,136	2,083	10,668	2,083
	Total operating income	157,801	3,042	(126,004)	489,719	149,640	(50,910)	(125,924)	444,296

Profit for the period
Revenue went up compared to prior period with the resumption of catering services during the period by two of the Company's largest customers and the removal of restriction of flights into the Nigerian airspace from foreign airlines. This further boosted profit.

10 Taxation
The parent company is tax exempt except the income generated from outside the FTZ (i.e. Airport Operations) while the subsidiary has used the minimum tax due to the unrelieved losses brought forward.

11 Earnings per share

Basic Earnings per share
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows

	The Group		The Company	
	30-Jun-26 N'000	30-Jun-25 N'000	30-Jun-26 N'000	30-Jun-25 N'000
Earnings				
Profit attributable to owners of the company	5,080,621	5.582.935	5.041.647	5.434.470
Earnings used in the calculation of basic earnings per share	5,080,621	5.582.935	5.041.647	5.434.470
Shares				
Weighted average number of ordinary shares for the purposes of basic earnings per share	634,000	634,000	634,000	634,000
Basic EPS	8.01	8.81	7.95	8.57

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	30-Jun-26 N'000	30-Jun-25 N'000	30-Jun-26 N'000	30-Jun-25 N'000
Earnings				
Profit attributable to owners of the company	5,080,621	5,582,935	5,041,647	5,434,470
Earnings used in the calculation of diluted earnings per share	5,080,621	5,582,935	5,041,647	5,434,470
Shares				
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	634,000	634,000	634,000	634,000
Diluted EPS	8.01	8.81	7.95	8.57

There are no share options,potential rights issues, hence diluted earnings per share are the same as basic earnings per share.

	Group				Company			
	6 months ended 30-Jun-26 N'000	6 months ended 30-Jun-25 N'000	3 months ended 30-Jun-26 N'000	3 months ended 30-Jun-25 N'000	6 months ended 30-Jun-26 N'000	6 months ended 30-Jun-25 N'000	3 months ended 30-Jun-26 N'000	3 months ended 30-Jun-25 N'000
12 Administrative expenses:								
Salaries & wages	775,840	861,856	385,800	474,980	775,840	861,856	385,800	474,980
Staff pension costs	26,314	23,140	17,282	11,721	26,006	22,704	17,282	11,503
Staff terminal benefits	156,473	128,425	78,237	67,236	156,473	122,379	78,237	61,190
Contract staff costs	312,029	191,866	145,389	95,220	310,676	188,861	145,389	93,724
Directors remuneration	2,505	190,337	4,526	87,827	2,505	190,337	4,526	87,827
Staff training	10,066	25,901	1,300	12,901	10,066	25,901	1,300	12,901
Staff uniform	122,592	117,174	48,845	48,894	122,592	117,174	48,845	48,894
Transport & travelling	108,262	71,968	51,865	47,513	108,262	71,968	51,865	47,513
Printing, stationery & computer	48,620	22,620	20,168	9,900	48,620	22,620	20,168	9,900
Rent & rates	234,861	173,528	116,294	95,207	229,721	159,476	116,294	83,083
Insurance	120,361	83,328	60,390	42,541	120,361	83,315	60,390	42,541
Professional & consultancy fees	106,073	47,328	55,730	12,487	102,918	47,103	55,730	12,762
Licences fees & permits	82,585	66,342	41,304	29,148	82,585	63,442	41,304	29,148
Electricity	418,257	466,722	195,419	234,547	416,667	462,530	195,419	233,102
AGM expenses	19,631	16,409	3,635	18,332	19,631	16,409	3,635	18,332
CSR expenses	3,263	13,687	3,263	4,723	3,263	13,687	3,263	4,723
Office & administrative expenses	43,935	84,347	10,684	36,421	43,829	84,009	10,684	36,286
Repairs & maintenance	177,349	348,376	93,248	139,783	177,349	348,156	93,248	139,738
Audit fees	28,225	14,243	15,605	5,048	23,636	12,582	15,605	4,790
Security coverage	89,748	74,146	44,073	35,590	89,748	74,146	44,073	35,590
Bank charges	40,353	63,897	18,750	34,282	40,301	61,048	18,716	33,542
Medical expenses	53,550	40,063	26,979	18,626	53,550	40,063	26,979	18,626
Depreciation & amortisation charge	310,105	207,566	159,431	110,958	310,105	207,566	159,431	110,958
	3,290,998	**3,333,268**	**1,598,216**	**1,673,884**	**3,274,705**	**3,297,332**	**1,598,183**	**1,651,651**
13 Selling and distribution expenses:								
Marketing expenses:								
Salaries & wages	58,648	69,987	25,639	38,442	48,490	53,866	25,639	29,686
Advert, promotion & public relations	67,538	18,934	25,645	12,032	67,538	18,934	25,645	12,032
Management,technical & concession fees	680,189	1,304,172	324,799	511,361	680,189	1,292,870	324,799	505,647
	806,374	**1,393,093**	**376,082**	**561,836**	**796,217**	**1,365,671**	**376,082**	**547,365**
Distribution expenses:								
Salaries & wages	145,470	161,598	72,338	89,059	145,470	161,598	72,338	89,059
Depreciation & amortisation charge	-	-	-	-	-	-	-	-
	145,470	**161,598**	**72,338**	**89,059**	**145,470**	**161,598**	**72,338**	**89,059**
Total selling and distribution expenses:	**951,844**	**1,554,691**	**448,420**	**650,895**	**941,687**	**1,527,269**	**448,420**	**636,424**

Newrest Nigeria Plc

Notes to the Unaudited Condensed Consolidated and Separate Financial Statements
For the half year ended 30 June 2026

14 Borrowings

During the period, the Group did not obtain any long-term bank loan (2025: nil). Repayments of bank loans amount to nil (2025: nil).

15 Issued Capital

Issued capital as at 30 June 2026 amounted to N317,000,000 (2025:N317,000,000)

16 RECONCILIATION OF PROFIT/OR (LOSS) TO NET CASH GENERATED FOR/(USED IN) OPERATING ACTIVITIES

	The Group		The Company	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	N'000	N'000	N'000	N'000
Profit after tax	5,080,621	5,582,935	5,041,647	5,434,470
Adjustments to reconcile profit to net cash generated from operating activities:				
Add back:				
Income tax expense recognised in profit or loss	67,790	271,709	67,790	271,709
Depreciation of fixed assets & amortisation of intangibles	310,105	207,566	310,105	207,566
Interest received	- 18,037	- 151,076	- 18,037	(151,076)
Changes in working capital:				
(Increase) / decrease in inventories	695,673	(78,599)	661,112	(109,670)
(Increase) / decrease in trade & other receivables	247,057	(768,283)	257,338	(672,582)
Increase in financial assets	- 13,006	(142)	- 13,005	(142)
Increase/(decrease) in trade & other payables	- 697,076	1,420,607	- 747,846	1,455,446
Increase in liability for retirement benefits	23,351	85,825	38,876	86,445
Total adjustments	**615,858**	**987,606**	**556,335**	**1,087,696**
Net cash provided by operating activities	**5,696,478**	**6,570,541**	**5,597,982**	**6,522,166**

17 RECONCILIATION OF CASH AND CASH EQUIVALENTS

Bank balances and cash	9,353,862	6,255,869	8,896,368	5,971,330
	9,353,862	**6,255,869**	**8,896,368**	**5,971,330**

	30-Jun-26 N'000	30-Jun-25 N'000

18 Related party disclosures

Balances and transactions between the company and its subsidiaries have been eliminated on consolidation. Transactions between the group and its other related parties are disclosed below.

Services rendered/trading transactions

The company carried out transactions with the below named companies that fall within the definition of related party. The company's management considers such transactions to be in the normal course of business and at terms which correspond to those conducted at an arm's length with third parties.

Catering Security

Westport Security Nigeria Limited (formerly Checkport Security Nigeria Limited is an aviation security service company which provides Newrest Nigeria Plc with catering security personnel. Richard Akerele is one of the directors of Checkport Security Nigeria Limited as well as director of Newrest Nigeria Plc as at 31 December 2025 but resigned from the Board of Directors of Newrest Nigeria in January 2026.

Consultancy Services, Management and Trademark Fees

The company has a consultancy agreement with Newrest Group International for the provision of technical and commercial know-how. The terms of the agreement specify a payment to the Consultant of a monthly Fee based on time-costs of actual man-hours spent by the Consultant's personnel (net of VAT, taxes and any other taxes). The Fees include the costs and expenses incurred by the Consultant in connection with the provision of the Services and a profit mark-up equal to five percent 5% of the previous amount. The Fees are subject to Personal Income Tax. One of the Co-Chief Executive Officers of Newrest Group Jonathan Stent-Torriani is on the Company's board of directors. The balance on the account represents total indebtedness to Newrest, payable in Dollar using CBN rate ruling as at 30 June 2026.

In addition, the company has trademark and management services with the Newrest Group International for the use of Newrest trademark and provision of management know-how and expertise. The terms of the agreement specify a fee of 2% and 1.9% of the Company monthly turnover for the trademark and management services respectively.

One of the Co-Chief Executive Officers of Newrest Group; Jonathan Stent-Torriani is on the company's board of directors. The balance on the account represents total indebtedness to Newrest, payable in Dollar using interbank rate.

	30-Jun-26 N'000	30-Jun-25 N'000
Services rendered/trading transactions		
Westport Security Nigeria Limited	39,364	27,712
Newrest Group International S.A.S	420,906	551,027
Balance due to related parties		
Westport Security Nigeria Limited	6,403	-
Newrest Group International S.A.S	85,537	43,915
Balance due from related parties	-	-

Remuneration of key management personnel

Key management personnel are considered to be the directors of the company

	30-Jun-26 N'000	30-Jun-25 N'000
Directors' emoluments - Short term benefits		
Chairman's Fee	3,000	167,890
Non Executive Directors	21,805	22,447
Executive Director		

However, the emolument of the Managing Director is included in the consultancy fees payable or paid to Newrest Group as stated above.