NIGERIAN AVIATION HANDLING COMPANY PLC
Lagos, Nigeria

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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NIGERIAN AVIATION HANDLING COMPANY PLC

CORPORATE INFORMATION

DIRECTORS		
Chairman (Non Executive)	Dr. Seinde Oladapo Fadeni	
Group Managing Director/CEO	Mr. Indranil Gupta (Indian)	
Executive Directors	Dr. Peter Olusola Obabori	
	Prince Saheed Lasisi	
Non-Executive Directors	Engr. Mohammed Gambo Umar, mni, FNSE	(Resigned 31 Dec. 2023)
	Mr. Taofeeq Oluwatoyin Salman	
	Engr. Solagbade Olukayode Alabi	(Resigned 31 Dec. 2023)
	Mr. Tajudeen Moyosola Shobayo	
	Prof. Enyinna Ugwuchi Okpara	
	Aliyu Abdulhamid	(Appointed 31 Dec. 2023)
	Olaiya Victor Abimbola	(Appointed 31 Dec. 2023)
Independent Non- Executive Director	Mrs. Abimbola Adunola Adebakin	
	Sir Sunday Nnamdi Nwosu, KSS	(Resigned 31 Dec. 2023)
	Mr. Akinwumi Godson Fanimokun	
Company Secretary	Dikko & Mahmoud (Solicitors & Advocates) No 10 Seguela Street, Wuse 2 F.C.T. Abuja	
Registered Office	Nahco Aviance House Murtala Muhammed International Airport Ikeja, Lagos	
Auditor	Ernst & Young 10th & 13th Floors, UBA House 57 Marina, Lagos.	
Bankers	Access Bank Limited Citibank Nigeria Limited Ecobank Plc Fidelity Bank Plc First Bank of Nigeria Limited Guaranty Trust Bank Limited Polaris Bank Limited Stanbic IBTC Bank Plc Union Bank Plc Zenith Bank Plc	
Registrars	Cardinal Stone Registrars Limited 358, Herbert Macaulay Way Yaba, Lagos P. O. Box 9117 Lagos, Nigeria	
RC No.	30954	
Tax identification number	00209207-0001	

NIGERIAN AVIATION HANDLING COMPANY PLC

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors are pleased to present to the members of the Nigerian Aviation Handling Company Plc ("NAHCO") their Report together with the consolidated and separate Audited Financial Statements for the year ended 31st December 2023, which is in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and other national disclosures.

PRINCIPAL ACTIVITIES

The principal activities of NAHCO are the provision of services including aircraft handling, cargo handling, passenger handling, passenger profiling, crew transportation, energy and power distribution and leasing of ground handling equipment.

REVIEW OF BUSINESS

The review of NAHCO business and future prospects contained in the Chairman's statement are an integral part of the Directors Report and should be read in conjunction with the Directors Report.

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors accept responsibility for the preparation of the consolidated and separate financial statements set out on page 32 to 104 that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS), the provisions of the Companies and Allied Matters Act (CAMA) 2020 and the requirements of the Financial Reporting Council of Nigeria (Amendment)Act 2023. The Directors further accept responsibility for maintaining accounting records as required by the Companies and Allied Matters Act, 2020 and for such internal control as the Directors determine is necessary to ensure adequate internal control procedures are instituted to safeguard assets, prevent and detect frauds, errors and other irregularities.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern for at least twelve months from the date of this statement

Results for the year

	Group 2023 ₦'000	Group 2022 ₦'000	Company 2023 ₦'000	Company 2022 ₦'000
Revenue from contract with customer	28,399,796	16,707,925	27,370,425	16,074,622
	========	========	========	========
Profit before taxation	8,679,029	3,842,410	7,964,655	3,618,614
Income tax expense	(3,139,056)	(1,168,667)	(3,063,505)	(1,070,741)
Profit for the year	5,539,973	2,673,743	4,901,150	2,547,873
Non-controlling interest	-	(15,585)	-	-
Profit attributable to equity holders of the parent	5,539,973	2,658,158	4,901,150	2,547,873
	========	========	========	========

DIVIDEND

The Directors will propose a gross dividend of N2.54 per ordinary share (2022: N1.20), amounting to N4.951 billion (2022: N2.339 billion) to the members at the Annual General Meeting for approval. The dividend if approved will be subjected to withholding tax at 10%

DIRECTORS

The Directors who served on the Board during the year under review and up till the date of signing this annual report are:

Chairman	Dr. Seinde Oladapo Fadeni	
Group Managing Director/CEO	Mr. Indranil Gupta	
Executive Directors	Dr. Peter Olusola Obabori	
	Prince Saheed Lasisi	
Non-Executive Directors	Engr. Mohammed Gambo Umar, mni, FNSE	(Resigned 31 Dec. 2023)
	Mr. Taofeeq Oluwatoyin Salman	
	Engr. Solagbade Olukayode Alabi	(Resigned 31 Dec. 2023)
	Mr. Tajudeen Moyosola Shobayo	
	Prof. Enyinna Ugwuchi Okpara	
	Aliyu Abdulhamid	(Appointed 31 Dec. 2023)
	Olaiya Victor Abimbola	(Appointed 31 Dec. 2023)
Independent Directors	Mrs. Abimbola Adunola Adebakin	
	Sir Sunday Nnamdi Nwosu, KSS	(Resigned 31 Dec. 2023)
	Mr. Akinwumi Godson Fanimokun	

ELECTION OF DIRECTORS

After the last Annual General Meeting, Engr. Mohammed Gambo Umar, mni, FNSE (Non-Executive Director), Engr. Solagbade Olukayode Alabi (Non-Executive Director), and Sir Sunday Nnamdi Nwosu, KSS (Independent Non-Executive Director), retired from the Board with effect from 31 December 2023. The Board appointed Mr. Abdulhamid Aliyu and Rev. Victor Abimbola Olaiya as Non-Executive Directors with effect from 1 January 2024.

Mr. Abdulhamid Aliyu and Rev. Victor Abimbola Olaiya would be proposed for election as Directors at this Annual General Meeting. Their profiles are contained in the 2023 Annual Report and can also be accessed on the Company's website: www.nahcoaviance.com.

RE-ELECTION OF DIRECTORS

In accordance with Article 107 – 109 of the Articles of Association and provisions of the Companies and Allied Matters Act, 2020 Mrs. Abimbola Adunola Adebakin (Independent Non-Executive Director), Mr. Akinwumi Godson Fanimokun (Independent Non-Executive Director), and Mr. Tajudeen Moyosola Shobayo (Non-Executive Director) are the Directors retiring by rotation and being eligible offer themselves for re-election. The profiles of the Directors for re-election are contained in the 2023 Annual Report and can also be accessed on the Company's website: www.nahcoaviance.com.

DIRECTORS' INTEREST

The direct and indirect interests of the Directors in the issued share capital of the Company as recorded in the Register of Directors' shareholdings and/ or notified by them for the purpose of Sections 301, 303 and 385 of the Companies and Allied Matters Act, 2020 and in compliance with the Listing Rules of the Nigerian Exchange Group were as follows:

DIRECTORS' SHAREHOLDING:

S/ NO. NAMES OF DIRECTORS		HOLDINGS		HOLDING	
		AS AT		AS AT	
		31-Dec	%	31-Dec	%
		2023	HOLDINGS	2022	HOLDINGS
1. Dr. Seinde Oladapo Fadeni - Direct		-	-	-	-
- Indirect (Godsmart Nigeria Limited		525,278,312	26.95	525,278,312	26.95
2. Engr. Mohammed Gambo Umar,		-	-	-	-
3. Mr. Indranil Gupta		-	-	-	-
4. Sir Sunday Nnamdi Nwosu		1,240	0.000	162,858	0.008
5. Mr. Akinwumi Godson Fanimokun		7,031,932	0.361	6,731,932	0.345
6. Mr. Taofeeq Oluwatoyin Salman		-	-	-	-
7. Engr. Solagbade Olukayode Alabi		-	-	-	-
'- Indirect– (White Cowry Industries		178,643,862	9.165	178,643,862	9.165
8. Prof. Enyinna Ugwuchi Okpara –		39,600	0.002	39,600	0.002
'- Indirect (Awhua Resources		138,945,487	7.129	138,945,487	7.129
9. Mr. Tajudeen Moyosola Shobayo		19,508,768	1.001	15,030,190	0.771
10. Dr Peter Olusola Obabori		-	-	-	-
11. Mrs. Abimbola Adunola		-	-	-	-
12. Prince Saheed Lasisi		6,563,665	0.336	6,146,913	0.315
13. Mr. Abdulhamid Aliyu		-	-	-	-
14. Rev. Victor Abimbola Olaiya		-	-	-	-
TOTAL		876,012,866	44.944	870,979,154	44.685

DIRECTORS' INTEREST IN CONTRACTS

None of the Directors has notified the Company, for the purpose of Section 303 of the Companies and Allied Matters Act 2020, that they were members or held shareholding of some specified companies which could be regarded as interested in any contracts which the Company was involved as at 31 December, 2023.

RELATED PARTY

In line with the Group's related party policy, transactions are carried out with related parties at arm lengths.

SHAREHOLDING

The registrars have advised that the called-up and fully paid shares of the Company as at 31 December 2023 were beneficially held as follows:

SHAREHOLDING STRUCTRUE AS AT DECEMBER 31, 2023

PAID UP SHARE CAPITAL: 1,949,062,500

TYPE	HOLDERS	% HOLDERS	HOLDINGS	% HOLDINGS
OTHER CORPORATE ENTITIES	3,069	4.25	1,050,852,397	53.92
OTHER MANAGED FUNDS	16	0.02	885,649	0.05
INDIVIDUALS	69,050	95.52	893,574,834	45.85
FOREIGN SHAREHOLDER	151	0.21	3,749,620	0.19
TOTAL:	72,286	100	1,949,062,500	100

SHAREHOLDING STRUCTRUE AS AT DECEMBER 31, 2022

PAID UP SHARE CAPITAL: 1,949,062,500

TYPE	HOLDERS	% HOLDERS	HOLDINGS	% HOLDINGS
BANKS	1	0	4,174	0
OTHER CORPORATE ENTITIES	2,876	4	1,041,386,423	53.43
OTHER MANAGED FUNDS	159	0.22	13,899,240	0.71
STATE GOVERNMENT	1	0	34,747	0
LOCAL GOVERNMENT	1	0	1,666	0
INDIVIDUALS	68,659	95.56	890,087,738	45.67
FOREIGN SHAREHOLDER	152	0.21	3,648,512	0.19
TOTAL:	71,849	100	1,949,062,500	100

Share Range Analysis

PAID UP SHARE CAPITAL: 31 DCEMBER 2023 1,949,062,500

RANGE			HOLDERS	% HOLDERS	HOLDINGS	% HOLDINGS
1	-	5,000	55,324	76.53	91,696,311	5.00
5,001	-	10,000	6,630	9.17	45,346,334	2.00
10,001	-	50,000	7,748	10.3	163,389,324	8.00
50,001	-	100,000	1,443	2	99,425,275	5.00
100,001	-	500,000	1,198	1.66	246,971,524	13.00
500,001	-	1,000,000	116	0.16	79,157,702	4.00
1,000,001	-	50,000,000	123	0.17	403,259,829	21.00
50,000,001	-	1,949,062,500	4	0.01	819,816,201	42.00
GRAND-TOTAL:			72,286	100	1,949,062,500	100

PAID UP SHARE CAPITAL: 31 DCEMBER 2022 1,949,062,500

RANGE			HOLDERS	% HOLDERS	HOLDINGS	% HOLDINGS
1	-	10,000	61,468	85.55	136,969,304	7.03
10,001	-	100,000	8,924	12.42	261,047,609	13.39
100,001	-	1,000,000	1,327	1.85	335,542,589	17.22
1,000,001	-	10,000,000	120	0.17	295,753,576	15.17
10,000,001	-	100,000,000	7	0.01	167,988,981	8.62
100,000,001	-	1,949,062,500	3	0	751,760,441	38.57
GRAND-TOTAL:			71,849	100	1,949,062,500	100

1 1. 1. Godsmart Nigeria Limited is represented on the Board by Dr. Seinde Oladapo Fadeni, Mr Taofeeq Oluwatoyin Salman, Mr. Tajudeen Moyosola Shobayo and Mr. Abdulhamid Aliyu.

2 White Cowry Industries Limited is represented by Rev. Victor Abimbola Olaiya.

3 Awhua Resources Limited is represented by Prof. Enyinna Ugwuchi Okpara

NIGERIAN AVIATION HANDLING COMPANY PLC

REPORT OF THE DIRECTORS – Continued

FOR THE YEAR ENDED 31 DECEMBER 2023

Share Range Analysis - Continued

Shareholding Structure/Free Float Status

Description	31-Dec-23 Units	31-Dec-23 Percentage (In relation to Issued Share Capital)	31-Dec-22 Units	31-Dec-22 Percentage (In relation to Issued Share Capital)
Issued Share Capital	1,949,062,500	100%	1,949,062,500	100%
Details of Substantial Shareholdings (5% and above)				
[Name(s) of Shareholders]				
Godsmart Nigeria Ltd	525,278,312	26.95	525,278,312	26.95
White Cowry Industries Limited	178,643,862	9.17	178,643,862	9.17
Awhua Resources Limited	138,945,487	7.13	138,945,487	7.13
Total Substantial Shareholdings	842,867,661	43.24	842,867,661	43.24
Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests				
[Name(s) of Directors]				
Dr. Seinde Fadeni Oladapo	-	-	-	-
Engr. Mohammed Gambo Umar, mni, FNSE	-	-	-	-
Mr. Indranil Gupta	-	-	-	-
Sir Sunday Nnamdi Nwosu (Direct)	1,240	0.00	162,858	0.01
Mr. Akinwumi Godson Fanimokun (Direct)	7,031,932	0.36	6,731,932	0.35
Mr. Salman Taofeeq Oluwatoyin	-	-	-	-
Engr. Solagbade Olukayode Alabi	-	-	-	-
Mr. Tajudeen Moyosola Shobayo (Direct)	19,508,768	1.00	15,030,190	0.77
Prof. Enyinna Ugwuchi Okpara (Direct)	39,600	0.00	39,600	0.00
Dr. Peter Olusola Obabori	-	-	-	-
Mrs. Abimbola Adunola Adebakin	-	-	-	-
Prince Saheed Lasisi (Direct)	6,563,665	0.34	6,256,985	0.32
Total Directors' Shareholdings	33,145,205	2.00	28,221,565	1.45
Details of Other Influential shareholdings, if any (E.g. Government, Promoters)				
[Name(s) of Entities/ Government]	-	-	-	-
Total of Other Influential Shareholdings	-	-	-	-
Free Float in Unit and Percentage	1,073,049,634	55.06	1,077,973,274	55.31
Free Float in Value	N28,543,120,264.4		N6,791,231,626.2	

Declaration:

A) NAHCO Plc with a free float percentage of 55.06% as at December 31, 2023 is compliant with The Exchange's free float requirements for

B) NAHCO Plc with a free float percentage of 55.31% as at December 31, 2022 is compliant with The Exchange's free float requirements for

Note:

* Share Price as at December 31, 2023 N26.60
* Share Price as at December 31, 2022 N6.30

LIST OF SHAREHOLDERS WITH 5% AND ABOVE HOLDINGS AS AT DECEMBER 31, 2023			
PAID UP SHARE CAPITAL:			1,949,062,500
S/NO.	NAMES	HOLDINGS	% HOLDINGS
1.	GODSMART LIMITED ALL ACCOUNTS 6 SUNBO JIBOWU STREET OFF RIBADU ROAD 6 SW IKOYI, LAGOS,	525,278,312	26.95
2.	WHITE COWRY INDUSTRIES LIMITED ALL ACCOUNTS 6 SUMBO JIBOWU STREET OFF RIBADU ROAD SW IKOYI, LAGOS	178,643,862	9.17
3	AWHUA RESOURCES LIMITED ALL ACCOUNTS P O BOX 4240 APAPA LAGOS STATE, LAGOS	138,945,487	7.13
GRAND-TOTAL:		842,867,661	43.24

LIST OF SHAREHOLDERS WITH 5% AND ABOVE HOLDINGS AS AT DECEMBER 31, 2022			
PAID UP SHARE CAPITAL:			1,949,062,500
S/NO.	NAMES	HOLDINGS	% HOLDINGS
1.	GODSMART LIMITED ALL ACCOUNTS 6 SUNBO JIBOWU STREET OFF RIBADU ROAD 6 SW IKOYI, LAGOS,	525,278,312	26.95
2.	WHITE COWRY INDUSTRIES LIMITED ALL ACCOUNTS 6 SUMBO JIBOWU STREET OFF RIBADU ROAD SW IKOYI, LAGOS	178,643,862	9.17
3	AWHUA RESOURCES LIMITED ALL ACCOUNTS P O BOX 4240 APAPA LAGOS STATE, LAGOS	138,945,487	7.13
GRAND-TOTAL:		842,867,661	43.24

Acquisition of own share

The Group did not acquire any of its shares during the year ended 31 December 2023 (2022; Nil)

AUDIT COMMITTEE

Pursuant to Section 404 of the Companies and Allied Matters Act 2020, the Group has an audit committee comprising of Directors and Shareholders. The report of the Audit Committee is included in consolidated and separate the financial statements and their function is laid out in Section 404 of the Companies and Allied Matters Act, 2020.

SHAREHOLDERS' INFORMATION

Share Capital History as at 31 December 2023

DATE		AUTHORIZED SHARE CAPITAL INCREASED FROM (N)	AUTHORIZED SHARE CAPITAL INCREASED TO (N)	ISSUED SHARE CAPITAL INCREASED FROM (N)	ISSUED SHARE CAPITAL INCREASED TO (N)	CONSIDERATION
Friday, 25 May 2007		150,000,000	500,000,000	-	150,000,000	INITIAL SHARE CAPITAL
Friday, 25 May 2007			500,000,000	150,000,000	375,000,000	BONUS (3:2)
Friday, 25 May 2007		-	500,000,000	375,000,000	392,500,000	RIGHTS
Sunday, 27 May 2007		-	500,000,000	392,500,000	437,500,000	PUBLIC OFFER
Friday, 9 May 2008		-	500,000,000	437,500,000	492,187,500	BONUS (1:8)
Friday, 21 August 2009		500,000,000	750,000,000	-	492,187,500	-
Friday, 21 August 2009		-	-	492,187,500	615,234,375	BONUS (1:4)
Thursday, 7 June 2012		-	-	615,234,375	738,281,250	BONUS (1:5)
Thursday, 11 June 2015		750,000,000	1,500,000,000	738,281,250	812,109,375	BONUS (1:10)
Monday, October 31,2022				1,624,218,750	1,949,062,500	BONUS (1:5)

SUMMARY 2023

INITIAL SHARE CAPITAL		300,000,000
BONUS ISSUES		1,199,218,750
RIGHTS OFFER		35,000,000
PUBLIC OFFER		90,000,000
BONUS ISSUES		324,843,750
PAID UP CAPITAL		1,949,062,500

ANALYSIS

YEAR		SHARE CAPITAL	MODE OF ACQUISITION
2006		300,000,000	INITIAL SHARE CAPITAL
2007		750,000,000	BONUS 2007 450,000,000 SHARES
2007		785,000,000	RIGHTS OFFER 35,000,000 SHARES
2007		875,000,000	PUBLIC OFFER 90,000,000 SHARES
2008		984,375,000	BONUS 2008 109,375,000 SHARES
2010		1,230,468,750	BONUS 2009 246,093 750 SHARES
2012		1,476,562,500	BONUS 2011 246,093 750 SHARES
2015		1,624,218,750	BONUS 2015 147,656,250 SHARES
2022- TILL DATE		1,949,062,500	BONUS 2022 324,843,750 SHARES

DONATIONS AND CHARITABLE GIFTS

The Group made donations and gifts as detailed below during the year: (2023:-₦ 12.482 million; 2022:₦16.267 million)

ORGANIZATION NAMES:	2023	2022
	₦'000	₦'000
ATSSSAN & NUATE	3,532	1,600
FEDERAL AIRPORT AUTHORITY OF NIGERIA	1,000	2,500
THE NIGERIA POLICE FORCE	100	50
FEDERAL ROAD SAFETY CORPS	100	50
PSRG-RICHARDSON HSSE FORUM	500	-
INSTITUTE OF DIRECTORS	1,500	-
INTERNATIONAL ASSOCIATION OF GRAND HANDLING AUTHORITY	4,750	-
NAHCO MASJEED MOSQUE, KANO	1,000	-
ANLCA	-	300
AFRICAN BAR ASSOCIATION	-	1,773
ASSOCIATION OF FOREIGN AIRLINES & REPS. IN NIGERIA	-	500
NIGERIA CUSTOMS SERVICE	-	1,494
NIGERIA BRITISH CHAMBER OF COMMERCE	-	2,000
ILUPEJU LIONS CLUB	-	2,000
AZMAN AIRLINES	-	1,000
NIGERIAN CIVIL AVIATION AUTHORITY	-	1,000
FUSION OF EYE DEVELOPMENT ASSOCIATION	-	2,000
	12,482	16,267

In accordance with the provisions of Section 43 (2) of the Companies and Allied Matters Act 2020, the Group did not make any donation or gift to any political party, political association or for any political purpose during the year ended 31 December 2023 (2022: Nil).

WHISTLE BLOWING

The Group is committed to conducting its affairs ethically and responsibly. Unethical behaviours cost the Company money, time, human resources and can negatively affect the Group's reputation before its stakeholders. All ethical abuses and fraud are reported through the Company's internal and external whistle blowing processes.

UNCLAIMED DIVIDEND

Shareholders who are yet to receive their dividend are advised to contact the Registrar, Cardinal Stone Registrars, 358, Herbert Macaulay Way, Yaba Lagos. The list of unclaimed dividends can be accessed at the Registrar's office or via the Company's website: www.nahcoaviance.com.

The Company's Registrars has advised that the total amount outstanding as at 31 December 2023 is the sum of N687.626 million (2022: N610 million)

PHYSICALLY CHALLENGED PERSONS

The Group has a policy of fair consideration of job applications by disabled persons having regard to their abilities and aptitude. The Group's policy prohibits discrimination against disabled persons in the recruitment, training and career development of its employees. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to those of other employees.

PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment is given in Note 11 to the financial statements. In the opinion of the Directors, the market value of the Group's property, plant and equipment is not less than the value shown in these financial statements.

EVENTS AFTER THE REPORTING DATE

No events or transactions have occurred since the end of the reporting period, which would have a material effect on the financial statements at that date or which need to be mentioned in the financial statements in order to make them not misleading as to the financial position or results of operations.

EMPLOYEES HEALTH, SAFETY AND WELFARE

Health and Safety Regulations are in force within the Group for the benefit of all employees. Health and Safety are imbibed as our core value for every employee, contractor and stakeholders that we interact with as a business.

A staff clinic is maintained and in addition the Group has made arrangements with Health Management Organisations (HMO) where medical facilities are provided for staff and their immediate families as non-payroll employee benefits. Also, the Group has a dedicated unit for Health, Safety Environment and Quality in line with standard policy applicable to aviation industry. A contributory pension fund scheme, in line with the Pension Reform Act 2014 (as amended), exists for employees of the Group.

EMPLOYEE INVOLVEMENT AND TRAINING

The Group places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and the various factors affecting the performance of the Group. This is achieved through regular meetings between management and staff of the Group. The Group has in-house training facilities complemented with additional facilities from educational institutions (local and offshore) for the training of its employees.

SUSTAINABILITY REPORT

The Group believes that it must contribute to the society and therefore plays an active role in the development of the communities where it operates and implements proactive measures in favour of sustainability that creates value for the shareholders, customers and other stakeholders.

CUSTOMER COMPLAINTS

The Company is committed to ensuring an effective and responsive complaints management process hence it has put in place a complaints management policy to ensure that the causes of complaints are fully addressed and to assure stakeholders and members of the public that their concerns will be handled in a fair and appropriate manner.

DIRECTORS' REMUNERATION

The Company ensures that remuneration paid to its Directors complies with the provisions of the Codes of Corporate Governance issued by the regulators, in compliance of which it makes disclosure of the remuneration paid to its directors in this consolidated and separate financial statements.

DISCLOSURE OF REMUNERATION OF MANAGERS

The remuneration of the managers of the Company for the year ended 31 December 2023 is disclosed in this consolidated and separate financial statements.

The statutory Audit Committee was constituted at the 42nd Annual General Meeting held in Lagos on the 25 May 2022 comprising of three (3) shareholders and two (2) non-executive directors namely:

Dr. Awa Erem Okpan, Alh. Mohammed Gambo Fagge, Mrs. Adebisi Oluwayemisi Bakare (shareholders' representatives) and Engr. Mohammed Gambo Umar, mni and Mr. Tajudeen Moyosola Shobayo (Board members).

AUDITOR

The auditor, Ernst & Young, having satisfied the relevant corporate governance rules on their tenure in office indicated their willingness, will continue in office as the Group's auditor in accordance with Section 401(2) of the Companies and Allied Matter Act, 2020.

By Order of the Board

Bello A. Abdullahi
FRC/2013/ NBA/00000002301
Dikko & Mahmoud (Solicitors & Advocates)
FRC/2015/NFPO/00000000041
Company Secretary

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

CORPORATE GOVERNANCE

Nigerian Aviation Handling Company Plc is committed to observing high standards of corporate governance. The Board of Directors recognises the importance of applying best corporate governance principles, its valuable contribution to long term business prosperity and accountability to its shareholders. Consequently, the Group has undertaken to create the institutional framework conducive to defending the integrity of the Directors and is convinced that, on account of this, the Board is functioning in a highly effective manner. The Board will continue to challenge itself to improve the standard in areas where the need for improvement is identified.

The Group continues to comply with the provisions of the Companies and Allied Matters Act 2020, the Nigerian Code of Corporate Governance 2018 (the “Nigerian Code”), the Nigerian Exchange Limited’s Rules, the Rules and Guidelines of the Securities and Exchange Commission (SEC), the Memorandum and Articles of Association, the Board and Board Committees Charters, International Best Practices and other applicable regulations.

This governance report highlights the Board’s corporate governance activities for the year 2023, in compliance with relevant laws, rules and regulations, as well as best practices in corporate governance.

GROUP GOVERNANCE STRUCTURE

The Board

The Board is of a sufficient size relative to the scale and complexity of the Company’s operations which is in accordance with the provisions of the Nigerian Code of Corporate Governance and the Company’s Articles of Association which provides that the Company’s Board shall consist of not more than twelve Directors.

Board comprises of twelve (12) Directors, made up of six (6) Non-Executive Directors, three (3) Independent Non-Executive Directors and three (3) Executive Directors. The composition of the Board is diverse and gender inclusive. The Directors possess high level of competencies and experience, with impressive records of achievement, spanning across various industries including: law; engineering; finance and accounting; business administration; marketing; banking and entrepreneurship.

Executive Directors

The position of the Group Managing Director (GMD/CEO) and the Chairman are held by separate persons. The Board Chairman is not a member or chair of any of the Board Committees, neither is the GMD /CEO a chair of any of the Board Committees. Also, the Executive Directors do not chair any Board Committee. The Executive Directors have contracts of employment and letters of appointment. The roles and responsibilities of Executive Directors are specified in their letters of appointment. They declare conflict of interest on appointment and as they occur.

Non-Executive Directors

The roles and responsibilities of Non-Executive Directors are clearly defined in their letters of appointment and Board charter. The appointment letters clearly specify their duties, liabilities and terms of engagement. Non-Executive Directors declare conflict of interest on appointment, annually and as they occur. They are provided with detailed information relating to management and on all Board matter. Non-Executive Directors have unfettered access to Executive Directors, the Company Secretary and the Internal Auditor.

Independent Non-Executive Directors

The Independent Non-Executive Directors are selected in accordance with the Company’s Board Selection and Appointment Policy, under a rigorous process involving: consideration of available and required skill-set on the board; consideration of the recommended practices under the Nigerian Code; assessment, screening and shortlisting of candidates; recommendation of eligible and suitable candidate by the Governance and Remuneration Committee to the Board for approval. The appointment letters of Independent Non-Executive Directors clearly specifies their duties, liabilities and terms of engagement. Independent Non-Executive Directors declare conflict of interest on appointment, annually and as they occur. The Board ascertains and confirms independence of the Independent Non-Executive Directors annually, through the declaration of conflict and review by the Governance and Remuneration Committee.

Directors Access to Independent Professional Advice
All Directors have access to independent professional advice in the discharge of their duties as provided in the Board Charter. The Company bears the cost of the independent professional advice.

Selection and Appointment of Directors
In determining whether prospective directors are fit and proper persons, due diligence prior to the appointment of directors is conducted in line with the Directors Appointment Policy. The criteria considered for appointment to the Board are as follows:

a. Integrity and ethical values of the prospective director.
b. Capacity and the required expertise needed for the Board to effectively fulfil its responsibilities, including educational qualification, industry and corporate experience, business development and risk management skills and experience.
c. Time availability of the prospective director.
d. Diversity requirements of the Board.

Roles of the Board
The Board is responsible to shareholders for creating and delivering sustainable value through its general supervision of the Group's business. The Chairman is responsible for the leadership of the Board and creating the conditions for overall effectiveness of the individual Directors and the Board in general. All the Directors bring various and varied competencies to bear on all Board decisions. Each individual Director has the experience, knowledge, qualifications, expertise and integrity that are necessary to effectively discharge the duties of the Board of Directors. The is responsible for effective control and monitoring of the Group's strategy. The Board met regularly to consider matters reserved for it, set broad policies for the Company's business and operations and ensure that a professional relationship is maintained with the Company's auditors, to promote transparency in financial and non-financial reporting.

The Board Charter contains the roles, terms of reference and responsibilities of all Directors which are summarised as follows:

1 Approval of strategic plan, with annual updates, an annual operational plan and budget, and related corporate performance measures.
2 Reviewing the progress and performance of the Company in meeting these plans and corporate objectives.
3 In conjunction with management, taking account of changes in the business environment, their potential impact on the Company's strategies and operating environment and responding to these changes where necessary.
4 Approving key company policies and working with management in establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build the business through areas such as innovation, initiative, technology, new products and the development of its business capital.
5 Ensuring that the Company adheres to high standards of ethical and corporate behaviour.
6 Ensuring corporate accountability to the Members of the Company primarily through adopting an effective stakeholder communications strategy, encouraging effective participation at general meetings and, through the Chairman, providing a link between the Company and its members.
7 Ensuring that the Company has appropriate risk management, internal control and regulatory compliance policies and procedures in place.
8 Monitoring Senior Management's performance and implementation of strategy.
9 Appointment of the GMD/CEO, remunerating the GMD/CEO, formal reviews of the GMD/CEO's performance together with the annual remuneration, overseeing the development of the GMD/CEO and ensuring a general succession plan is in place for the GMD/CEO position.
10 Appointment of Executive Directors, and Senior Managers on the recommendation of the Board Governance and Remuneration Committee.
11 Delegating appropriate powers to the GMD/CEO, Group Executive Management and committees to ensure the effective day-to-day management of the business.
12 Provide and approve the corporate remuneration framework and the remuneration levels of Senior Executives.

Roles of the Board - Continued

13 Provide the structure of appropriate human resource systems to ensure the well-being and effective contribution of all employees.

14 Approval of the Quarterly and Annual statutory financial statements ensuring they are true and fair, and otherwise conform to law.

15 Ensuring the Company's financial position is protected and can meet its debts and other obligations when they fall due.

16 Approval of major capital expenditure, major contracts, acquisitions and divestments after thorough preparation by the Group Executive Management.

17 Approval of acquiring or selling patent rights, rights in registered trademarks, licenses or other intellectual property rights of the Company.

Relationship with Shareholders

As a deliberate policy, the Group maintains an effective and candid communication with its shareholders which enables them to understand the Group's business, financial conditions and operating performance and trends. The Board places considerable importance on effective communication with its shareholders as it recognises the importance of ensuring an appropriate balance in meeting their needs. The Group always strives to build enduring relationships with the shareholders. The Board ensures that shareholders receive prior notice of meetings and that all other statutory notices and information are communicated regularly. Shareholders can freely communicate their thoughts and recommendations whenever they feel the need to do so by contacting the Company Secretary or the Group Managing Director/Chief Executive Officer.

The Board of Directors' Meeting Attendance

In accordance with Section 284 (2) of the Companies and Allied Matters Act 2020 and the Nigerian Code of Corporate Governance 2018, the record of Director's attendance of meetings held during the year 2023 are detailed below and will be available for inspection at the venue of the Annual General Meeting.

Board Meetings

Minutes of Board meetings are prepared and sent to Directors at least 7 days prior to scheduled meetings. Minutes are, thereafter, approved at the subsequent scheduled meetings of the Board. The Board monitors the activities of the Executive Management and the accomplishment of set objectives through reports at its meetings. Attendance at meetings is taken into consideration prior to the Directors' recommendation for re-election.

The Board has a formal schedule of meetings for each year. In 2023, the Board met eight (8) times, five (5) scheduled meetings held on 30th January, 27th March, 27th April, 27th July and 30th October and three (3) emergency meetings held on 6th January, 6th April and 17th July. The record of attendance of the Board of Directors meetings is as follows:

	Directors	Designation	Number of Meetings During Tenure	Number of Meetings Attended
	Dr. Seinde Oladapo Fadeni	Chairman (Non-Executive Director)	8	8
	Engr. Mohammed Gambo Umar, m	Vice Chairman (Non-Executive Direc	8	8
	Mr. Indranil Gupta	Group Managing Director/ CEO	8	8
	Sir. Sunday Nnamdi Nwosu	Independent Non-Executive Directo	8	8
	Mr. Akinwumi Godson Fanimokun	Independent Non-Executive Directo	8	8
	Mr. Taofeeq Oluwatoyin Salman	Non-Executive Director	8	8
	Engr. Sholagbade Olukayode Alab	Non-Executive Director	8	8
	Mr. Tajudeen Moyosola Shobayo	Non-Executive Director	8	8
	Prince Saheed Lasisi	Executive Director	8	8
	Mrs. Abimbola Adunola Adebakin	Independent Non-Executive Directo	8	8
	Prof Enyinna Okpara	Non-Executive Director	8	8
	Dr. Peter Olusola Obabori	Non- Executive Director	8	8

Board Committees
The Board has established committees to assist it in the discharge of its responsibilities. The Board has established the Board Committees Charters. The Charters spell out the responsibilities, appointment, terms of references and composition of the Board Committees and review process of the Charters, among other things.

In performing its oversight functions of the Group's business, the Board operates as a full Board or through the Board Committees whose compositions and functions are listed below. The Board Committees make appropriate recommendations for approval by the full Board. The Committees are as follows:

(1) Risk and Compliance Committee.
(2) Governance and Remuneration Committee.
(3) Finance and General Purpose Committee

Risk and Compliance Committee
The Committee was chaired by a Non-Executive Director with three (3) other Non-Executive Directors and one (1) Executive Director.

The terms of reference include:
1 Oversight function on all risk related issues.
2 Keep under review the effectiveness of the Group's internal controls, audit functions and risk management system including the business risk program.
3 Evaluate whether Management is setting the appropriate "control culture" by communicating the importance of internal controls and management of risk.
4 Review the Group's policies and practices concerning business conduct, ethics and integrity.
5 Encourage whistle blowing process for report of unethical activity.
6 Review policies and processes established by Management on the implementation of risk, and safety quality and to monitor the Group's compliance with international standards of risk and safety quality.
7 Authorize the internal auditor to carry out investigation into any activities of Management/Group that may be of concern to the Committee.
8 Serve as an independent and objective party to review the financial information presented by Management to the Board and the general public.
9 Oversee and appraise the quality of audits conducted by the Group's internal and external auditors.
10 Determine the efficiency and effectiveness of administrative operating and accounting controls used by the Group.
11 Establish and periodically review a code of conduct and monitor the ethical behaviour of the Group and Management to ensure compliance.
12 Review the placement of the Group's insurance program and its alignment with the Group's risk profile.
13 Identify any special projects or investigations deemed necessary.

Governance and Remuneration Committee
The Committee was chaired by an Independent Non- Executive Director with two (2) other Independent Non- Executive Directors and two (2) Non-Executive Director.

The terms of reference include:
1 Establish and review on a regular basis the existence of an appropriate code of conduct which focuses on leadership policies and general behavior within the Group.
2 Assess the effectiveness of the Board of Directors as a whole, the committees of the Board and the overall contribution of individual Directors including making recommendations to the Board with respect to the Board performance and standards and procedure for review of the Board's performance.
3 Oversee the Board performance evaluation process and reviewing the self-evaluation of the Directors.
4 Conduct an annual analysis of individual Directors' skills and experience to assess the Board's specific needs and the skills, experiences and behavioral attributes required to address its needs.

Governance and Remuneration Committee - Continued

5 Prepare a profile for vacant positions, based on the identified gaps in skills and composition on the Board. Establish the criteria for Board and Board committee memberships, review candidates' qualifications and any potential conflict of interest, assess the contribution of current Directors in connection with their re-nomination and make recommendations to the Board.

6 Prepare a job specification for the Chairman's position, including an assessment of time commitment required of the candidate.

7 Evaluate the current composition, organization and governance of the Board and its committees, and determine future Board and committee requirements, including the appropriateness of the size of the Board relative to its responsibilities, and make recommendations regarding the foregoing to the Board for approval.

8 Review with Management and Company Secretary the Company system of governance.

9 Oversee the implementation and operation of process, structures and effective systems of governance as approved by the Board of Directors and industry specific standards and practices and make recommendations to the Board with respect to the Company's business code of conduct.

10 Review the Group's annual disclosure of its corporate governance practices pursuant to applicable legislative rules and industry specific standards and practices.

11 Perform any other activities consistent with its responsibilities and duties as the Committee or the Board of Directors deems necessary or appropriate.

12 Oversees compliance of all the Committees with the Group's corporate governance policies and standards.

13 Provide an orientation and education program for new recruits to the Board of Directors to allow them to fully understand (i) the business of the Group and the role of its Board of Directors, (ii) the role of the committees of the Board and (iii) the contribution individual directors are expected to make, including in particular, the commitment of time and energy that the Group expects of its Directors.

14 Identify the training needs and knowledge gaps of Board members. The Committee should ensure that each Board Director attends a minimum of one (1) core training or development program each financial year. The training programs should be such that would improve the effectiveness and efficiency of the Directors in managing the Group and meeting its business objectives.

15 Ensure that succession policy and plan exist for the positions of Chairman and the subsidiary managing directors for Group companies.

16 Review the performance and effectiveness of the subsidiary company Boards on an annual basis where applicable.

17 Provide for the succession of the Board Chairman, Non-executive Directors, the subsidiary Board and the subsidiary Managing Directors of the Group Companies to assist the Board in ensuring an orderly transition when Directors resign or

18 The succession planning policy may include the following:

a. Key competencies - specific minimum qualifications and experience and the process for determining current and emerging competency requirements.

b. Identification of the talent pool/possible successors.

c. Areas of improvement of the alternatives and the required training/skill needed.

d. Transition guidelines.

19 Conducting evaluation and competency on the appointment of Non-Executive Directors.

20 Making recommendation on the appointment, remuneration and promotion of Executive Directors and senior Management.

21 Setting and reviewing the effectiveness of the remuneration policies, Management succession plan, human resources and practices of the Group.

22 Setting and reviewing, in accordance with the company's remuneration policies and practices, the remuneration of the Managing Director, the direct reports to the Managing Director and other such executives as the Board may from time to time determine.

23 Setting and reviewing, as appropriate, the terms of employment contracts for the personnel referred to above.

24 Setting and reviewing the terms of the Group's short- and long-term incentive plans including any share option plans for employees and Directors.

25 Making recommendations to the Board on setting and reviewing all components of the remuneration of Non-Executive Directors. Such components shall include annual remuneration, sitting allowance and all other benefits and entitlements arising from their directorships.

26 Ensuring that the Group's remuneration policies and practices support the successful recruitment, development and retention of Executive Directors and Senior Management Team.

27 Reviewing from time to time the Senior Executive Team and the appropriateness of succession planning policies which are in place.

28 Defines the process for determining levels of remuneration and the frequency of review.

29 Provides how and to what extent Executive Directors' reward should be linked to corporate and individual performance.

30 Provide input to the annual report of the Group in respect of Directors' compensation.

31 To consider any other matter referred to it by the Board.

Finance and General Purposes Committee

The Committee was chaired by a Non-Executive Director with two (2) Independent Non-Executive Directors and one (1) executive director.

The terms of reference include:

1 Stay informed on a timely basis about the Group's financial status.
2 As appropriate, review and recommend to the Board, key financial policy matters.
3 Oversee development of the budget, financial reporting, policies and processes.
4 Advise Management and the Board regarding financial matters including global financial policies and practices, capital structure, annual financing plans, restructuring, acquisitions and divestitures.
5 Analyze and recommend basic financial goals to be achieved by the Group.
6 Receive suggestions from the Executive Management as to how performance can and will be improved upon.
7 Review significant relationships with analysts, banks and investment banks.
8 Review the operational and financial performance of the Group on major capital investment projects versus original projections and to keep the Board advised on all financial implications on decisions taken.
9 Review and recommend a dividend policy for the Group.
10 Evaluating the long-term productivity of the Group's operations.
11 Review operating budgets of the Group. Review financial performance of the Group and compare performance to budgets and goals.
12 Tracking/monitoring/accountability for funds by the Executives.
13 Ensure adequate financial controls.
14 Recommend approval of capital expenditures, specific projects and their financing within the overall plan approved by the Board.
15 Require and monitor correction actions to bring the Company into compliance with its budgets and other financial targets.
16 Review and recommend to the Board the strategic planning process, long-range objectives and strategic plan for the Company along with the specific business and marketing plans for the Group and its subsidiaries.
17 Provide input from the Board to Management in the development of the Group's strategic plan.
18 Serve as a resource in assisting Management in the development of the Group's strategic plan.
19 Act in an advisory capacity in assessing the strategies and action plans designed to meet the Group's strategic objectives; and
20 Serve as representatives of the Board in evaluating the Group's strategic planning process.
21 Consider any other matters referred to it by the Board.

The Audit Committee

The Statutory Audit Committee is composed of five members made up of three representatives of the shareholders elected at the 2023 Annual General meeting held on 26 May 2023 for a tenure of one year till the conclusion of the next Annual General Meeting; and two representatives of the Board of Directors nominated by the Board.

The terms of reference as provided in section 407 of the Companies and Allied Matters Act 2020 are as follows:

1. Ascertains whether the accounting and reporting policies of the Group are in accordance with legal requirements and agreed ethical practices.
2. Reviews the scope and planning of audit requirements.
3. Reviews the findings on management matters in conjunction with the external auditor and departmental responses thereon.
4. Keeps under review the effectiveness of the Group's system of accounting and internal controls.
5. Makes recommendations to the Board regarding the appointment, removal and remuneration of the external auditors of the Group; and
6. Authorises the internal auditor to carry out investigations into any activities of the Group which may be of interest or concern to the Committee.

Risk and Compliance Committee Meeting Attendance

The Committee met four (4) times during the 2023 financial year. The meetings were held on 17th March, 16th June, 15th September, and 8th December.

	Directors	Designation	Number of Mee	Number of Meetings Attended
	Engr. Mohammed Gambo Umar, m	Chairman (Non-Executive Director)	5	5
	Mr. Indranil Gupta	Group Managing Director/ CEO	5	5
	Engr. Solagbade Olukayode Alabi	Non-Executive Director	5	5
	Prof. Enyinna Okpara	Non-Executive Director	5	5
	Mr. Taofeeq O. Salman	Non-Executive Director	5	5

The Governance and Remuneration Committee Meeting Attendance

The Committee met seven (7) times during the 2023 Financial Year. The meetings were held on 1st March, 11th April, 14th June, 21st August, 13th September, 6th December and 11th December.

	Directors	Designation	Number of Meetings During Tenure	Number of Meetings Attended
	Mr. Akinwumi Godson Fanimokun	Chairman (Independent Non-Executive) Director)	7	7
	Sir Sunday Nnamdi Nwosu, KSS	Independent Non-Executive Director	7	7
	Mr. Tajudeen Moyosola Shobayo	Non-Executive Director	7	6
	Engr. Solagbade Olukayode Alabi	Non-Executive Director	7	7
	Mrs. Abimbola A. Adebakin	Independent Non-Executive Director	7	7

Finance and General Purposes Committee Meeting Attendance

The Committee met nine (9) times during the 2023 financial year. The meetings were held on 23rd January, 22nd March, 19th April, 5th July, 19th July, 18th August, 30th August, 24th October and 11th December.

	Directors	Designation	Number of Meetings During Tenure	Number of Meetings Attended
	Mr. Tajudeen Moyosola Shobayo	Chairman (Non-Executive Director)	9	9
	Mr. Akinwumi Godson Fanimokun	Independent Non-Executive Director	9	9
	Mrs. Abimbola Adunola Adebakin	Independent Non- Executive Directo	9	9
	Mr. Indranil Gupta	Group Managing Director/ CEO	9	9
	Dr Olusola Peter Obabori	Executive Director	9	1*

*NB

Dr Olusola Peter Obabori attended only the meeting of the Committee held on 11th December because he was appointed as a member of the Committee on 30th October 2023.

Audit Committee Meeting Attendance

The Statutory Audit Committee met five (5) times during the 2023 financial year. The meetings were held on 20th January, 28th March, 21st April, 21st July and 20th October.

			Number of Meetings	Number of Meetings Attended
			During Tenure	
	Directors	Designation		
	Dr. Okpan Awa Erem	Chairman (Shareholder)	5	5
	Mr. Mohammed Gambo Fagge	Member (Shareholder)	5	5
	Mrs. Adebisi Oluwayemisi Bakare	Member (Shareholder)	5	5
	Engr. Mohammed Gambo Umar, m	Non-Executive Director	5	5
	Mr. Tajudeen Moyoshola Shobayo	Non-Executive Director	5	5

Complaint Management Policy

The Board approved the Complaint Management Policy pursuant to the Rules of the Securities & Exchange Commission ("SEC") on the Complaints Management Framework of the Nigerian Capital Market ("Framework") and the directive of the Nigerian Exchange ("NGX") to all listed Companies. The policy is published on the Company's website: www.nahcoaviance.com. The Complaints Management Policy sets out the broad framework by which the Company and its Registrar provide assistance regarding shareholder issues and concerns. It also provides the opportunity for the Company's shareholders to send feedback to the Company on matters that affect them. Also, information on the performance of the Company and other major corporate information are available to shareholders in particular and the general public on the Company's website: www.nahcoaviance.com.

Communication with Shareholders/Stakeholders

The Company ensures that communication and dissemination of information regarding the operations of the Company to shareholders, stakeholders, potential investors and the general public is continuous, timelyand accurate. At least 21 days prior to Annual General Meeting, notices, annual reports and other relevant information are dispatched to shareholders and their enquiries are responded to by the Board Chairman. Adequate information is also provided to shareholders through the Company's website and on Nigerian Exchange issuers' portal.

In accordance with the Company's Stakeholder Management and Communication Policy, the Company strives to proactively engage her stakeholders through regular and constructive dialogues, in order to anticipate and manage changes and, ultimately, partner together to create shared values. The Company interacts and engages in sustained dialogues with a broad spectrum of stakeholders, at all levels, through meetings and investor calls. The Company's investor relations portal is on www.nahcoaviance.com.

Insider Trading Policy

The Board approved an Insider Trading Policy which is compliant with the provisions of Section 14 of the Amended Listing Rules of the Nigerian Stock Exchange. The Policy applies to all Directors, members of Audit Committee, Employees of the Company or related company and any other person in possession of insider information from dealing with the Company's shares during the non-authorised trading periods, in accordance with the Investment and Securities Act, 2007, the Post Listing Rules of the Nigerian Exchange and the Company's policy on Insider Trading, published on the Company's website www.nahcoaviance.com.

Also, in compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) the Policy guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all the Directors and other insiders and is not aware of any infringement of the policy during the year.

Code of Business Conduct and Ethics

The Company's Code of Business Conduct and Ethics, which has been communicated to all internal and external stakeholders, is applicable to the Board, senior management, other employees and third parties. The Code ensures application of the principles on human rights, labour, environment, anti-bribery and corruption through the process of identification, monitoring, reporting and adherence to them. Disciplinary sanctions including written warning, suspension and termination of appointment are imposed for non-compliance with the Code in accordance with the consequence management procedure and staff Condition of Service.

Whistle Blowing Policy
The Company's Whistleblowing Policy has established a culture where employees feel comfortable raising concerns about potential and actual breaches of the Code of Business Conduct and Ethics or policies. A breach may be reported either through dedicated email address, integrity phone lines or on the Company's website. The whistleblowing mechanism is reliable, accessible and guarantees anonymity and protection of the whistleblower. The Audit Committee is regularly provided with reports of reported cases, including the process and results of investigated cases.

Sustainability Policy
The Company's Sustainability Policy is monitored through regular updates on sustainability.

Enterprise Risk Management
The Board established Enterprise Risk Management Policy in accordance with the Company's commitment to establish and sustain risk management in line with international standards and best practices. The Board receives reports from the Risk and Compliance Committee quarterly on the effectiveness of the Company's risk management processes and maintenance of a sound system of internal control to support the Company's strategy and objectives.

Data Protection Statement
The Company has put in place mechanisms to ensure that the collection and processing of personal data from customers, suppliers, stakeholders and employees comply with the requirements of the Nigerian Data Protection Regulation, 2019 (NDPR). The Company's privacy policy, which can be found on its website www.nahcoaviance.com., explains how it processes personal data in its possession and the rights and options available to data subjects. The Company has deployed requisite resources towards achieving full compliance with the NDPR.

Anti-Bribery and Corruption
The Board of Directors adopted the Anti-Bribery and Corruption Statement below in accordance with and the Company's commitment to upholding the highest.

The Anti-Bribery & Corruption Statement provides that:
the Company is committed to conducting its business dealings and relationships in an ethical manner and with the highest level of integrity, in accordance with the Code of Business Conduct and Ethics, standards of Corporate Governance, global best practices and all applicable anti-bribery and corruption laws such as the Corrupt Practices and other Related Offences Act of 2000, regardless of the business environment we operate in.

By Order of the Board

Bello A. Abdullahi
FRC/2013/ NBA/00000002301
Dikko & Mahmoud (Solicitors & Advocates)
FRC/2015/NFPO/00000000041
Company Secretary

NIGERIAN AVIATION HANDLING COMPANY PLC

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Certification Pursuant to Section 405(1) of Companies and Allied Matter Act, 2020

We the undersigned hereby certify the following with regards to our Audited Financial Statements for the year ended 31 December 2023 that:

a. We have reviewed the report;
   To the best of our knowledge, the report does not contain:
- Any untrue statement of a material fact, or
- Omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made;

b. To the best of our knowledge, the financial statement and other financial information included in this report fairly present in all material respects the financial condition and results of operation of the company as of, and for the periods presented in this report.

c. We:
- are responsible for establishing and maintaining internal controls.
- have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
- have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
- have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;

d. We have disclosed to the auditors of the Company and Audit Committee:
- All significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls, and
- Any fraud, whether or not material, that involves management or other employees who have significant role in the company's internal controls;

We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Indranil Gupta	Mr. Adeoye Emiloju
Group Managing Director	Chief Financial Officer
FRC/2022/PRO/DIR/003/656485	FRC/2019/ICAN/00000019815

NIGERIAN AVIATION HANDLING COMPANY PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

The Companies and Allied Matters Act 2020 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Group at the end of the year and of its profit or loss. The responsibilities include ensuring that the Group:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the International Financial Reporting Standards and the provisions of the Companies and Allied Matters Act, 2020 and Financial Reporting Council of Nigeria (Amendment) Act, 2023.

b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the International Financial Reporting Standards and the provisions of the Companies and Allied Matters Act 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendement) Act, 2023.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and of its profit for the year ended 31 December 2023. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

To the best of our knowledge and ability we report no contravention or violation of any regulatory requirement(s) during the year.

Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of this statement.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Dr. Seinde Oladapo Fadeni	Mr. Indranil Gupta
FRC/2019/NIM/00000019430	FRC/2022/PRO/DIR/003/656485
Chairman	Group Managing Director

27 March, 2024

NIGERIAN AVIATION HANDLING COMPANY PLC

FOR THE YEAR ENDED 31ST DECEMBER 2023

Management's Certification of Internal Control Over Financial Reporting

We, Indranil Gupta (the Group Managing Director) and Adeoye Emiloju (the Chief Financial Officer) of Nigerian Aviation Handling Company Plc, certify that:

a) We have reviewed this Management's Report on the Assessment of Internal Control Over Financial Reporting of Nigerian Aviation Handling Company Plc;

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

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

d) We:

1) are responsible for establishing and maintaining internal controls;

2)have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, is made known to us by others, particularly during the period in which this report is being prepared;

3)have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4)have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) We have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors:

1)There were no significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

2)There were no fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.

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

....	....
Mr. Indranil Gupta	Mr. Adeoye Emiloju
FRC/2022/PRO/DIR/003/656485	FRC/2019/ICAN/00000019815
Group Managing Director	Chief Financial Officer

27 March, 2024

Management's Report on the Assessment of Internal Control Over Financial Reporting as at 31 December 2023

Management of Nigerian Aviation Handling Company Plc ("NAHCO" or the "Company") is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and the board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

NAHCO's system of internal control over financial reporting is supported with written policies and procedures, contains self-monitoring mechanisms, and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

Management has assessed the effectiveness of its internal control over financial reporting as of December 31, 2023. In making this assessment, management used the COSO 2013 "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management believes that, as of December 31, 2023, the Company's internal control over financial reporting is designed and operating effectively. Additionally, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as of December 31, 2023.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2023, has been audited by Ernst and Young, an independent registered public accounting firm, as stated in their report which appears on page 28-31 of the consolidated and separate financial statements.

Mr. Indranil Gupta
Group Managing Director/Chief Executive Officer
FRC/2022/PRO/DIR/003/656485

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

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the Members of Nigerian Aviation Handling Company Plc

Scope

We have been engaged by Nigerian Aviation Handling Company Plc to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Nigerian Aviation Handling Company Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in Nigerian Aviation Handling Company Plc's (the "Company's") Management's Assessment on Internal Control over Financial Reporting as of 31 December 2023 (the "Report").

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Criteria applied by Nigerian Aviation Handling Company Plc

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the management's assessment of the Internal Control over Financial Reporting (ICFR), Nigerian Aviation Handling Company Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

Independent Auditor’s Attestation Report on Management’s Assessment of Internal Control over Financial Reporting

To the Members of Nigerian Aviation Handling Company Plc - Continued

Nigerian Aviation Handling Company Plc’s responsibilities
Nigerian Aviation Handling Company Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Nigerian Aviation Handling Company Plc’s management’s assessment of the Internal Control over Financial reporting as of 31 December 2023 in accordance with the criteria.

Our responsibilities
Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (‘ISAE 3000 (Revised)’) and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity’s internal control over financial reporting based on our assurance engagement.

Our independence and quality management
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed
The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the Members of Nigerian Aviation Handling Company Plc - Continued

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2023, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the annual report for the year ended 31 December 2023 of Nigerian Aviation Handling Company Plc and we expressed an unmodified conclusion in our Auditor's report dated 28 March 2024. Our conclusion is not modified in respect of this matter.

Omolola Alebiosu, FCA
FRC/2012/PRO/ICAN/004/00000000145
For: Ernst & Young
Lagos, Nigeria.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0454532

28 March 2024.

NIGERIAN AVIATION HANDLING COMPANY PLC

REPORT OF THE AUDIT COMMITTEE

FOR THE Y EAR ENDED 31 DECEMBER 2023

In accordance with the provision of Section 404 of the Companies and Allied Matters Act, 2020, members of the Audit Committee of Nigerian Aviation Handling Company Plc report as follows:

We have exercised our statutory functions under section 404 of the Companies and Allied Matter Act, 2020, and we acknowledge the co-operation of the Management and Staff in the conduct of these responsibilities.

We confirm that:

1. The accounting and reporting policies of the Group are consistent with legal requirements and agreed ethical practices.
2. The scope and planning of the external audit are in our opinion adequate.
3. The internal control system was in order.
4. The Independent Auditors' Management Letter Comments were satisfactorily dealt with by the [4] Management.
5. We have reviewed the consolidated and separate audited financial statements prior to the Board's approval.

Dr Okpan Awa Erem
FRC/ 2014 / NIM/ 0000 0008663
Chairman
Audit Committee

27 March 2024

MEMBERS OF THE AUDIT COMMITTEE

Dr. Okpan Awa Erem -	Chairman - Shareholders Representative
Mr. Mohammed Gambo Fagge -	Shareholders Representative
Mrs. Adebisi Oluwayemisi Bakare	Shareholders Representative
Engr. Mohammed Gambo Umar, mni	Non-executive Director
Mr. Tajudeen Moyosola Shobayo FCA	Non-Executive Director

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Independent Auditor's Report

To the Members of Nigerian Aviation Handling Company Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Nigerian Aviation Handling Company Plc ("the Company") and its subsidiaries (together "the Group''), which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the Group and the Company as at 31 December 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year ended in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' Responsibilities for the Audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Independent Auditor's Report

To the Members of Nigerian Aviation Handling Company Plc

Report on the Audit of the Consolidated and Separate Financial statements - Continued

Key Audit Matters – Continued

The Key Audit Matter applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Determination of allowance for expected credit loss on trade receivables	We obtained management's model for the computation of expected credit loss on trade receivable and performed the following procedures:
As at 31 December 2023, the Group has gross trade receivables of N6.168 billion (2022: N4.263 billion) with allowance for expected credit loss of N1.266 million (2022: N951.196 million). The allowance for expected credit loss represents 21% (2022: 22%) of the gross trade receivable.	- analyzed the segmentation of the portfolio provided by management and ensured they applied the shared risk characteristics.
The determination as to whether a trade receivable is collectable involves Management's judgment. The trade receivables were tested for impairment using the Expected Credit Loss (ECL) model. The ECL model also requires judgment in the estimation of the amount and timing of future cash flows and assessment of a significant increase in credit risk.	- evaluated the loss rates to ensure that the calculation reflects the probability weighted outcome,
We considered this a Key Audit Matter due to the materiality of the amounts involved and the high level of management judgement required.	- tested the historical accuracy of the model by assessing the historical projections versus actual losses.
The Group's accounting policy on impairment of trade receivables and related ECL disclosures are shown in Note 31 in the financial statements	- evaluated the scalar adjustment multiplier to determine if they were appropriate.

Independent Auditor's Report

To the Members of Nigerian Aviation Handling Company Plc

Report on the Audit of the Consolidated and Separate Financial statements - Continued

Other Information
The Directors are responsible for the other information. The other information comprises the information included in the document titled "Nigerian Aviation Handling Company Plc Annual Financial Statements for the year ended 31 December 2023", which includes the Corporate information, Report of the Directors', Corporate Governance, Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements, Statement of Directors' Responsibilities in relation to the preparation of the Consolidated and Separate Financial Statements, Report of the Audit Committee and Other National Disclosures. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements
The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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Independent Auditor's Report

To the Members of Nigerian Aviation Handling Company Plc

Report on the Audit of the Consolidated and Separate Financial statements - Continued

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Building a better working world

Independent Auditor's Report

To the Members of Nigerian Aviation Handling Company Plc

Report on the Audit of the Consolidated and Separate Financial statements - Continued

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

Report on Other Legal and Regulatory Requirements
In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

- In our opinion, proper books of account have been kept by the group and company, in so far as it appears from our examination of those books;

- The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and

- in our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of 31 December 2023. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued a unmodified opinion in our report dated 28 March 2024. That report is included on page 27 - 28 of the financial statements.

Omolola Alebiosu, FCA
FRC/2012/PRO/ICAN/004/00000000145
For: Ernst & Young
Lagos, Nigeria.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0454550

28 March 2024.

NIGERIAN AVIATION HANDLING COMPANY PLC

CONSOLIDATED AND SEPERATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

		Group		Company	
		2023	2022	2023	2022
	Notes	₦'000	₦'000	₦'000	₦'000
Revenue from contract with customer	5	28,399,796	16,707,925	27,370,425	16,074,622
Operating costs	9a	(13,397,022)	(9,157,117)	(12,932,084)	(8,955,703)
Gross profit		15,002,774	7,550,808	14,438,341	7,118,919
Other income	6	754,919	350,953	236,833	347,788
Administrative expenses	9b	(6,098,691)	(3,724,289)	(5,790,220)	(3,521,551)
Expected credit losses	9c	(797,917)	(237,392)	(738,243)	(238,547)
Profit from operations		8,861,085	3,940,080	8,146,711	3,706,609
Finance costs	7	(202,041)	(177,391)	(202,041)	(167,716)
Finance income	7	19,985	79,721	19,985	79,721
Profit before tax		8,679,029	3,842,410	7,964,655	3,618,614
Income tax expense	8(a)	(3,139,056)	(1,168,667)	(3,063,505)	(1,070,741)
Profit for the year		5,539,973	2,673,743	4,901,150	2,547,873
Other comprehensive income		-	-	-	-
Total comprehensive income for the year, net of tax		5,539,973	2,673,743	4,901,150	2,547,873
Profit attributable to:					
Equity holders of the parent		5,539,973	2,658,158	4,901,150	2,547,873
Non-controlling interest	27	-	15,585	-	-
		5,539,973	2,673,743	4,901,150	2,547,873
Earnings per share:					
Basic/diluted earnings per share (Kobo)	10	284	136	251	131

The accompanying notes form an integral part of these financial statements

NIGERIAN AVIATION HANDLING COMPANY PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		Group		Company	
		2023	2022	2023	2022
	Notes	₦'000	₦'000	₦'000	₦'000
Assets					
Non-current assets					
Property, plant and equipment	11	7,549,881	7,621,117	7,436,593	7,498,793
Intangible assets	14	204,055	209,665	109,925	115,450
Investment property	15	276,156	287,434	276,156	287,434
Right-of-use assets	12&13	636,198	684,891	652,619	701,312
Investment in subsidiaries	16	-	-	205,000	39,500
Total non-current assets		8,666,290	8,803,107	8,680,293	8,642,489
Current assets					
Inventories	18	498,143	449,465	498,143	449,465
Trade and other receivables	20	10,102,417	4,861,344	6,339,895	4,525,297
Intercompany receivables	21	-	-	580,268	627,893
Intercompany loan	21b	-	-	3,210,000	-
Prepayments	19	5,134,983	1,803,296	4,842,061	1,522,568
Cash and short-term deposits	22	2,909,126	2,810,161	2,022,443	2,261,462
Total current assets		18,644,669	9,924,266	17,492,810	9,386,685
Total assets		27,310,959	18,727,373	26,173,103	18,029,174
Equity and liabilities					
Equity					
Share capital	23	974,531	974,531	974,531	974,531
Share premium	24	1,752,336	1,752,336	1,752,336	1,752,336
Retained earnings	26	9,400,480	6,368,770	8,693,467	6,131,193
Total equity attributable to equity holders of the Company		12,127,347	9,095,637	11,420,334	8,858,060
Non-controlling interests	27	-	(69,387)	-	-
Total equity		12,127,347	9,026,250	11,420,334	8,858,060
Non-current liabilities					
Lease liabilities	28a	1,122,453	1,142,809	1,132,193	1,154,759
Deferred tax liabilities	8C	985,117	878,207	986,857	879,947
Total non-current liabilities		2,107,570	2,021,016	2,119,050	2,034,706

NIGERIAN AVIATION HANDLING COMPANY PLC
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION – Continued

AS AT 31 DECEMBER 2023

		Group		Company	
		2023	2022	2023	2022
	Notes	₦'000	₦'000	₦'000	₦'000
Current liabilities					
Current tax liabilities	8b	2,775,559	792,626	2,686,789	740,704
Trade and other payables	29	8,670,615	5,736,989	8,398,092	5,328,452
Interest bearing borrowings	29.2	1,460,115	-	1,460,115	-
Lease liabilities	28	22,566	20,952	22,566	18,742
Deferred income	30	147,187	1,129,540	66,157	1,048,510
Total current liabilities		13,076,042	7,680,107	12,633,719	7,136,408
Total liabilities		15,183,612	9,701,123	14,752,769	9,171,114
Total equity and liabilities		27,310,959	18,727,373	26,173,103	18,029,174

The financial statements were approved by the Board of Directors on 27th March 2024 and signed on its behalf by:

Dr. Seinde Oladapo Fadeni	Mr. Indanil Gupta	Mr. Adeoye Emiloju
Chairman	Group Managing Director	Chief Financial Officer
FRC/2019/NIM/00000019430	FRC/2022/PRO/DIR/003/656485	FRC/2019/ICAN/00000019815

The accompanying notes form an integral part of these financial statements

NIGERIAN AVIATION HANDLING COMPANY PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

Attributable to the equity holders of the Group

2023	Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Total ₦'000	Non-Controlling interest ₦'000	Total equity ₦'000
At 1 January 2023	974,531	1,752,336	6,368,770	9,095,637	(69,387)	9,026,250
Profit for the year	-	-	5,539,973	5,539,973	-	5,539,973
Total comprehensive income for the year, net of tax	-	-	5,539,973	5,539,973	-	5,539,973
Acquisition of non-controlling interest (Note 27)			(169,387)	(169,387)	69,387	(100,000)
Dividend paid (Note 26c)	-	-	(2,338,876)	(2,338,876)	-	(2,338,876)
At 31 December 2023	974,531	1,752,336	9,400,480	12,127,347	-	12,127,347

Attributable to the equity holders of the parent

2022	Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Total ₦'000	Non-Controlling interest ₦'000	Total equity ₦'000
At 1 January 2022	812,109	1,914,758	4,376,542	7,103,409	(84,972)	7,018,437
Profit for the year	-	-	2,658,158	2,658,158	15,585	2,673,743
Total comprehensive income for the year	-	-	2,658,158	2,658,158	15,585	2,673,743
Bonus issue of shares	162,422	(162,422)	-	-	-	-
Dividend paid (Note 26c)	-	-	(665,930)	(665,930)	-	(665,930)
At 31 December 2022	974,531	1,752,336	6,368,770	9,095,637	(69,387)	9,026,250

The accompanying notes form an integral part of these financial statements

NIGERIAN AVIATION HANDLING COMPANY PLC
SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

Company

2023	Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Total ₦'000
At 1 January 2023	974,531	1,752,336	6,131,193	8,858,060
Profit for the year	-	-	4,901,150	4,901,150
Total comprehensive income	-	-	4,901,150	4,901,150
Dividend paid (Note 26c)	-	-	(2,338,876)	(2,338,876)
At 31 December 2023	974,531	1,752,336	8,693,467	11,420,334

2022	Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Total ₦'000
At 1 January 2022	812,109	1,914,758	4,249,250	6,976,117
Profit for the year	-	-	2,547,873	2,547,873
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	2,547,873	2,547,873
Bonus issue of share	162,422	(162,422)	-	-
Dividend paid (Note 26c)	-	-	(665,930)	(665,930)
At 31 December 2022	974,531	1,752,336	6,131,193	8,858,060

The accompanying notes form an integral part of these financial statements

NIGERIAN AVIATION HANDLING COMPANY PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		Group		Company	
		2023	2022	2023	2022
	Notes	₦'000	₦'000	₦'000	₦'000
Operating activities					
Profit before tax		8,679,029	3,842,410	7,964,655	3,618,614
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation of property, plant and equipment	9d	945,691	913,422	926,473	891,514
Depreciation of investment property	9d	11,278	10,319	11,278	10,319
Amortization of intangible asset	9d	16,935	6,833	16,850	6,746
Depreciation of right-of-use asset	9d	48,693	51,974	48,693	47,524
Profit on disposal of property, plant and equipment	6	-	(37,050)	-	(37,050)
Expected credit losses expenses	9c	797,917	237,392	738,243	238,547
Property, plant and equipment written off	11	57,222	25,007	57,222	25,007
Depreciation on property, plant and equipment written off	11	-	(2,779)	-	(2,779)
Inventories write down	17	-	43,320	-	43,320
Deferred rent released to profit or loss	30	(202,789)	(208,633)	(202,789)	(208,633)
Finance cost	7	202,041	177,391	202,041	167,716
Finance income	7	(19,985)	(79,721)	(19,985)	(79,721)
Provisions no longer required	6	-	(41,663)	-	(41,663)
Unrealized exchange gain	6	(278,254)	-	-	-
Unrealized exchange loss	9	204,063	-	204,063	-
		10,461,841	4,938,222	9,946,744	4,679,461
Working capital adjustments:					
Increase in inventories		(48,678)	(204,277)	(48,678)	(204,277)
Increase In trade and other receivables		(6,439,445)	(2,597,450)	(3,132,341)	(2,458,687)
Decrease/(increase) in intercompany receivables		-	-	47,625	(18,974)
Increase in prepayments		(3,331,687)	(99,021)	(3,319,493)	(38,182)
Increase in trade and other payables		2,729,563	303,962	2,865,577	5,130
Increase in Interest bearing borrowings		1,460,115	-	1,460,115	-
		4,831,709	2,341,436	7,819,549	1,964,471
Taxation paid	8(b)	(461,934)	(603,907)	(423,231)	(562,060)
Net cash flows from operating activities		4,369,775	1,737,529	7,396,318	1,402,411

The accompanying notes form an integral part of these financial statements

NIGERIAN AVIATION HANDLING COMPANY PLC
CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS – Continued
FOR THE YEAR ENDED 31 DECEMBER 2023

		Group		Company	
		2023	2022	2023	2022
	Notes	₦'000	₦'000	₦'000	₦'000
Investing activities					
Purchase of property, plant and equipment	11	(931,677)	(1,363,760)	(921,494)	(1,356,975)
Acquisition of investment properties	15	-	(1,306)	-	(1,306)
Acquisition of intangible asset	14	(11,325)	-	(11,325)	-
Liquidation of debt instrument	22b	-	368,628	-	368,628
Investment in subsidiary	16	-	-	(65,500)	-
Proceeds from disposal of property, plant and equipment		-	83,419	-	83,271
Refund of deferred income	30	(1,000,000)	-	(1,000,000)	-
Rent received	30	220,436	213,727	220,436	192,183
Interest received	7	19,985	79,721	19,985	79,721
Net cash flows used in investing activities		(1,702,581)	(619,571)	(1,757,898)	(634,478)
Financing activities					
Interest paid	7	(38,039)	-	(38,039)	-
Acquisition of non-controlling interest	16	-	-	(100,000)	-
Lease payment	28	(182,744)	(200,805)	(182,744)	(189,030)
Loan to related party	21c	-	-	(3,210,000)	-
Dividends paid	26c	(2,338,876)	(665,930)	(2,338,876)	(665,930)
Net cash flows used in financing activities		(2,559,659)	(866,735)	(5,869,659)	(854,960)
Net (decrease)/ increase in cash and cash equivalent		107,535	251,223	(231,239)	(87,027)
Cash and cash equivalents at 1 January		2,811,998	2,560,775	2,263,090	2,350,117
Cash and cash equivalents at 31 December	22	2,919,533	2,811,998	2,031,851	2,263,090

The accompanying notes form an integral part of these financial statements

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Reporting entity

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

2 Basis of preparation

(a) Statement of compliance
The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the provisions of the Companies and Allied Matters Act 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

The financial statements were authorized for issue by the Directors on 27 March, 2024.

(b) Functional and presentation currency
These financial statements are presented in the Nigerian Naira, which is the Group's functional currency. Except as indicated, financial information presented in Naira has been rounded to the nearest thousands.

(c) Basis of measurement
These financial statements are prepared on the historical cost basis except where fair values are adopted and disclosed in the policy and notes to the consolidated and separate financial statements.

(d) Composition of the financial Statement
Financial statements consist of :

(i) Consolidated and separate statement of profit or loss and other comprehensive statement
(ii) Consolidated and separate statement of the financial position
(iii) Consolidated and separate statement of changes in equity
(iv) Consolidated and separate statement of cash flows
(v) Notes to the consolidated and separate financial statements

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

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

2 Basis of preparation – Continued

(e) Use of estimates and judgments - Continued

Judgments

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

Determining the timing of satisfaction of Ground and Cargo Handling Services

Revenue from contract with customers is to be recognized over time because the customer simultaneously receives and consumes the benefits provided by the Company. The fact that another entity would not need to re-perform the service that the Company has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Company's performance as it performs.

The Company has determined that the input method is the best method in measuring progress of Ground and Cargo Handling Services contracts because it can demonstrate that the invoiced amount corresponds directly with the value to the customer of the Company's performance completed to date.

Operating lease commitments – Group as lessor

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

Going concern

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

Estimates and assumptions

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

Discount rate used to determine the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) as it relates to each specific subsidiary to measure lease liabilities. The IBR is the rate of interest that each entity in the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

2 Basis of preparation – Continued

(e) Use of estimates and judgments – Continued

Discount rate used to determine the incremental borrowing rate
The Group estimates the IBR using the following steps:

Step 1: Reference rate: This is generally a government bond reflecting risk-free rate. Repayment profile was considered when aligning the term of the lease with the term for the source of the reference rate.

Step 2: Financing spread adjustment: Use credit spreads from debt with the appropriate term by considering Company's stand-alone credit rating or similar Company credit rating.

Step 3: Lease specific adjustment: Use of market yield for the leased assets, as an additional data point and to check the overall IBRs calculated.

Re-assessment of useful lives and residual values
The Group carries its PPE at cost less accumulated depreciation and impairment in the consolidated and separate statements of financial position. The annual review of the useful lives and residual value of PPE result in the use of significant management judgements.

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

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2 Basis of preparation – Continued

(e) Use of estimates and judgments – Continued

Impairment of non-financial assets- Continued

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Fair value of financial instruments

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

Provision for expected credit losses of trade receivable

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Taxes

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

3 Material accounting policies

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

(a) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

• Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the
• Exposure, or rights, to variable returns from its involvement with the investee
• The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

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

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

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

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

3 Material accounting policies - Continued

(b) Foreign currency

Foreign currrency transactions

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

(c) Property, plant and equipment

Recognition and measurement

All property, plant and equipment are initially stated in the statement of financial position at cost .

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Items of property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of construction recognized includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in profit or loss.

Subsequent costs

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

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

Depreciation

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

3 Material accounting policies - Continued

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

Leasehold land	50 years
Buildings	50 years
Computer equipment	3-10 years
Furniture, and equipment	2-10 years
Motor vehicles	4- 5 years
Plant and machinery	6-15 years
Capital work-in-progress	Not depreciated

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

Capital work-in-progress are assets under construction which take substantial period of time before being ready for their intended use. These are recorded at the cost incurred to date less any impairment loss and no depreciation is charged on these amounts. Depreciation commences when the assets are ready for their intended use.

De-recognition

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

(d) Intangible assets

The group's intangible assets comprise software that are not integral part of the related hardware. The intangible assets have finite useful lives of between ten and thirty years (10-30 years) and are measured at cost less accumulated amortisation and accumulated impairment losses.

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

Intangible assets acquired separately

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

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 the profit or loss when the asset is derecognised.

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

(e) Inventories

Inventories are shown at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost includes direct cost and appropriate overheads and is determined on the first-in first-out method.

3 Material accounting policies - Continued

(f) Financial Instruments

i) Financial assets

Recognition

Non-derivative financial instruments- recognition and measurement

The Group recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Group initially recognizes trade and other receivables on the date of transaction. Transaction cost of a financial asset measured at fair value through profit or loss is recognized as profit or loss.

Trade and other receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Classification of non-derivative financial assets

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

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

3 Material accounting policies - Continued

(f) Financial Instruments – Continued

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
• Financial assets at amortised cost (debt instruments)
• Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
• Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

• Financial assets at fair value through profit or loss equity instruments measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss.

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

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

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

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

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

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

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

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

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

3 Material accounting policies - Continued

(f) Financial Instruments – Continued

Derecognition of financial assets

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

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

ii. Non-derivative financial liabilities.

Recognition and measurement of financial liabilities

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

(b) Classification of financial liabilities

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

(c) Derecognition of financial liabilities

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

Impairment of financial asset

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

- External credit rating of the financial asset
- Downgrade of internal credit rating
- and increase in leverage.

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognized, modified or impaired.

The Group’s financial assets at amortised cost includes trade receivables.

3 Material accounting policies - Continued

(f) Financial Instruments – Continued

Trade and other receivables
Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less allowance for impairment. The carrying amount of trade receivable is reduced through the use of an allowance account. When trade receivables are uncollectible, it is written off as 'administrative expenses' in the profit or loss. Subsequent recoveries of amounts previously written off are included in other operating income.

Cash and short-term deposits
Cash and cash equivalents comprise of cash, bank balances and call deposits with original maturities of three months or less. There is no significant loss of value on conversion.

For the purpose of the consolidated and separate statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(g) Share Capital

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

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

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

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

(j) Employee benefits
Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the profit or loss when they are due. In accordance with the Pension reform Act 2014, employees contribute 8% from their salary while the company contributes 10% on behalf of each employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3 Material accounting policies - Continued

(j) *Short-term benefits*

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

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

Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

(k) Provisions

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

(l) Revenue from contract with customers

The group is involved in aviation cargo, aircraft handling, crew and passenger transportation service delivery and power distribution. Revenue from contract with customer is recognized when controls of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in an exchange for those goods and services.

Passenger and Aircraft Handling services

The performance obligation is satisfied upon completion and acceptance by the customers.

Cargo Handling services

These are contracts with customers with respect to cargo handling services and the performance is satisfied overtime and payment is generally due upon completion and acceptance of the customers.

3 Material accounting policies - Continued

(l) Finance income and expense

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

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit and loss using the effective interest method. Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position except for foreign currency translation differences recorded in other comprehensive income.

(m) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production of goods and services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and impairment loss. Cost includes expenditure that is directly attributable to the acquisiton of the investment property. Investment property held by the Group is depreciated over the estimated useful life of 50 years on a straight- line basis. Fair values are determined at the end of the reporting period and disclosed.

(n) Earnings per share

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

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares. The Group did not have diluted shares, hence there was not calculation of diluted EPS.

(o) Fair value measurement

The group measures financial instruments and non-financial assets such as investment properties, at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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.

3 Material accounting policies - Continued

(o) Fair value measurement- Continued

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(p) Current versus non-current classification

The group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

• Expected to be realised or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period
Or
• Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(q) Leases

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

Group as a lease

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

3 Material accounting policies - Continued

(q) Leases - Continued

i) Right of use of assets

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

• Office building 15-20 years
• Leasehold land 50 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include only fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases

The Group applies the short-term lease recognition exemption to its short-term leases of properties (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Group as a lessee

The Group has lease contracts for various land and buildings used in its operations. Leases of land and buildings generally have lease terms between 15 to 20 years.The Group’s obligations under its leases are secured by the lessor’s title to the leased assets. Most of these lease contracts contain extension and termination options which have been considered in the non-cancellabe period of the lease. All lease arrangements below N50,000 are expensed in the year they are incurred.

3 Material accounting policies - Continued

(r) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

4 Changes in accounting policies and disclosures

4a. Standards and interpretations effective in the current year

In the current year, the Company has applied a number of amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2023.

As it is imperative for reporting entities to consider the impact of the new standards/amendments and ensure that the financial statements include necessary disclosures required on the initial application of an IFRS/amendments and in accordance with IAS 8.28.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The amendments has no impact on the accounting policy disclosures of the Group. The accounting policies adopted are consistent with those of the previous audited financial year.

4a. Standards and interpretations effective in the current year - Continued

Amendments to IAS 12 - Deferred Tax related to Assets and liabilities arising from a Single Transaction

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendment clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense), This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The amendment is effective for annual periods beginning on or after 1 January 2023.

The amendments has no impact on the Group's financial statements.

IFRS 17- Insurance Contract

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

In May 2023, IASB issued amendments to IAS 12, which introduced a mandatory exception in IAS 12 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes,' respectively.

(i) Disclosures

The amendments require an entity to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

An entity is required to separately disclose its current tax expense (income) related to Pillar Two income taxes, in the periods when the legislation is effective.

The amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

(ii) Transition

The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon issue of the amendments.

The disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023 but are not required for any interim period ending on or before 31 December 2023.

(v) Impact

The amendments has no impact on the company's financial statements.

4b. Standards and interpretations issued not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published but not yet effective. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lease liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (amendments to IFRS 16). The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 January 2024 and applies to seller lessee. A sellerlessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application).

The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16. Earlier application is permitted, and that fact must be disclosed. The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's financial statements.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the Group's audited financial statements.

Lack of exchangeability – Amendments to IAS 21

The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

4b. Standards and interpretations issued not yet effective- continued

Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7
In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

5 Revenue from contract with customers

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

Revenue from Contracts with Customer	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Passenger/aircraft handling	17,863,396	9,730,395	17,441,684	9,425,318
Cargo handling (Import Cargo)	6,279,648	4,756,022	5,671,989	4,427,795
Cargo handling (Export Cargo)	896,893	602,143	896,893	602,143
	25,039,937	15,088,560	24,010,566	14,455,256
Revenue other than from contracts with customers				
Leasing / Disinfection, other services	1,640,354	776,059	1,640,354	776,059
Equipment rental and maintenance	1,719,505	843,306	1,719,505	843,307
	3,359,859	1,619,365	3,359,859	1,619,366
Total revenue	28,399,796	16,707,925	27,370,425	16,074,622

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

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

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

Leasing: The company is into the leasing of properties and heavy-duty equipment to different Airline companies

b. Ten major customers contributed ₦18.61 billion (2022: ₦10.97 billion) towards the revenue of the Group.

6 Other income	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Rental income from investment property (Note 30)	202,789	208,633	202,789	208,633
Sundry income*	38,448	62,127	29,691	58,962
Foreign exchange gain **	509,329	-	-	-
Profit on disposal of property, plant and equipment	-	37,050	-	37,050
Income from training services	4,353	1,480	4,353	1,480
Provision no longer required	-	41,663	-	41,663
	754,919	350,953	236,833	347,788

* Sundry income relates to commission received, agents' registration fees and insurance claims.

** This consist of realized exchange gain of N231.075 million and N278.254 million unrealized exchange gains.

7 Finance income and expense calculated using effective interest method

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Finance income:				
Interest income on fixed & bank deposits	19,985	79,721	19,985	79,721
	19,985	79,721	19,985	79,721
Interest on lease liabilities (Note 28)	(164,002)	(177,391)	(164,002)	(167,716)
Interest on short-term loan	(38,039)	-	(38,039)	-
Finance costs	(202,041)	(177,391)	(202,041)	(167,716)
Net finance costs	(182,056)	(97,670)	(182,056)	(87,995)

The above finance income and expenses relate to transactions on financial assets and liabilities through statement of profit or loss.

8 Taxation

(a) The tax charge for the period comprises:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Company income tax	2,425,230	623,340	2,357,168	587,279
Police Trust Fund	411	224	401	218
NASENI Fund Expense	20,550	2,762	20,052	2,762
Education tax (2.5%)	295,067	134,410	288,086	131,258
Prior year under provision*	290,888	245,430	290,888	194,441
	3,032,146	1,006,166	2,956,595	915,958
Deferred tax (Note 8c)	106,910	162,501	106,910	154,783
	3,139,056	1,168,667	3,063,505	1,070,741

*Prior year under provision relates to provision for additional tax liability assessed on the entity by the tax authority as a result of the tax audit exercise during the year.

8 Taxation- continued

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

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
At 1 January	792,626	961,665	740,704	957,758
Charge for the year (Note 8a)	3,032,146	1,006,166	2,956,595	915,958
Payments made during the year	(461,934)	(603,907)	(423,231)	(562,060)
Witholding tax offset	(587,279)	(571,298)	(587,279)	(570,952)
At 31 December	2,775,559	792,626	2,686,789	740,704

Reconciliation between tax expense and the product of accounting profit for the year ended 31 December 2023 is as follows:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Accounting profit before income tax	8,679,029	3,842,410	7,964,655	3,618,614
At Nigeria's statutory income tax rate of 30% (2022: 30%)	2,603,709	1,152,723	2,389,397	1,085,584
Education tax (2.5%)	295,067	134,410	288,086	131,258
Balancing charge	-	11,115	-	11,115
Non-deductible expenses	543,236	511,991	529,502	506,325
Non-taxable income	(58,490)	(30,818)	(54,823)	(27,934)
Under provision in the previous year	290,888	245,430	290,888	194,441
Capital Allowance unabsorbed	(556,315)	(859,170)	(399,998)	(833,028)
Police Trust Fund	411	224	401	218
NASENI fund	20,550	2,762	20,052	2,762
Income tax expense reported in the profit or loss	3,139,056	1,168,667	3,063,505	1,070,741
Effective tax rate (%)	36%	30%	38%	30%

(c) The movement on the deferred tax liability during the year was as follows:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
At 1 January	878,207	715,706	879,947	725,164
Charge for the year (Note 8a)	106,910	162,501	106,910	154,783
At 31 December	985,117	878,207	986,857	879,947

8 Taxation- continued

Group	Statement of Financial Position		Statement of Comprehensive Income	
	2023	2022	2023	2022
	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	2,162,102	2,012,800	149,302	305,855
Unrealised exchange gain	(128,900)	(69,652)	(59,248)	32,562
Capital Allowance unutilized	(403,769)	(409,204)	5,435	92,442
Financial asset impairment	(365,441)	(288,747)	(76,694)	(66,239)
Right of use	195,786	210,393	(14,607)	(2,464)
Intangible asset	32,978	-	32,978	-
Lease Liability	(346,428)	(352,050)	5,622	6,395
Provision for share of profit	(161,211)	(222,870)	61,659	(206,050)
Stock adjustment provision	-	(2,463)	2,463	-
Deferred tax expense			106,910	162,501
Deferred tax liabilities	985,117	878,207		

Deferred tax relates to the following:

Company	Statement of Financial Position		Statement of Comprehensive Income	
	2023	2022	2023	2022
	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	2,162,102	2,012,800	149,302	309,396
Unrealised exchange gain	(128,900)	(69,646)	(59,254)	23,810
Capital Allowance unutilized	(402,029)	(412,388)	10,359	98,014
Financial asset impairment	(365,441)	(286,468)	(78,973)	(76,958)
Right of use	195,786	210,394	(14,608)	(2,463)
Intangible asset	32,978	-	32,978	-
Lease Liability	(346,428)	(352,050)	5,622	6,395
Provision for share of profit	(161,211)	(220,231)	59,020	(203,411)
Stock adjustment provision	-	(2,464)	2,464	-
Deferred tax expense			106,910	154,783
Deferred tax liabilities	986,857	879,947		

9a. Operating costs

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Payroll	7,615,783	5,036,730	7,530,471	5,031,719
Local travels	4,313	2,236	4,278	1,886
Depreciation, amortization (Note 9d)	897,104	810,954	894,499	792,872
Diesel	820,702	490,924	853,774	490,272
Oil, motor repairs & fuel expenses	124,821	78,155	102,453	78,105
Trainings (internal and external)	262,565	114,951	218,672	112,125
Outstation and estacode allowances	27,540	28,484	19,545	28,287
Air ticket (local and foreign)	31,995	16,328	31,066	15,914
Other security expenses***	18,634	23,270	18,634	23,270
Machineries and equipment spares	384,775	238,567	384,775	238,567
Boots, helmets, ear muff etc.	62,846	75,247	62,846	75,247
Computer consumables and network	25,833	39,216	25,833	29,193
Inventory write down	-	43,320	-	43,320
Electricity	122,899	58,229	121,499	57,724
Insurance	117,956	99,553	115,261	97,940
Printing and stationeries	29,277	20,480	27,452	19,228
Subscriptions	20,206	64,766	18,493	63,071
Relocation expenses (staff & equipment)	102,276	150,800	67,063	145,777
Office and warehouse maintenance****	119,594	103,013	119,464	102,881
Aircraft Disinfectant costs	2,431	29,044	2,431	29,045
Staff uniform	-	110,072	-	94,344
Concession expenses*	1,414,858	847,769	1,414,858	847,769
Short term lease	428,539	124,369	428,539	124,369
Other operating costs (Note 9ai)	762,075	550,640	470,178	412,778
	13,397,022	9,157,117	12,932,084	8,955,703

9ai Other Operating Costs:	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Cleaning & fumigation	1,472	752	1,472	752
Clearing charges	10,801	54,233	10,801	54,233
Office plant, equipment, fittings and Value-added service expense	68,176	58,176	1,843	7,272
Postages, telex, newspaper and periodicals	25,935	18,995	25,935	18,995
Office Rent	7,156	13,658	7,156	13,658
Hotel accommodation	3,625	7,600	3,625	7,600
Motor running expenses and vehicles license	16,449	30,153	12,301	26,930
Consumables	38,705	103,904	38,705	66,043
Fuel expenses	26,327	14,230	26,327	14,230
Staff uniform & coverall	42,143	13,558	42,143	13,558
Operational Cost - Inland Freights	194,836	36,326	-	-
Maintenance	6,549	15,881	6,549	15,881
Year-end gifts	60,864	134,046	53,985	131,646
License renewals	13,391	3,823	9,711	600
Long service award	40,664	-	30,196	-
Palliative support	58,894	-	55,362	-
Hajj Expenses	111,926	22,864	111,926	22,864
Others**	34,162	22,441	32,141	18,516
	762,075	550,640	470,178	412,778

* Concession expenses is a percentage of revenue based on concession agreement reached with Federal Airport Authority of Nigeria (FAAN).

** Others consist of water, utilities- others, network, damaged/loss cargo and airlines surcharge expenses.

*** Other security expenses relates to amount paid to Federal Airport Authority of Nigeria (FAAN) for all security access to airports in Nigeria.

**** Included in office and warehouse maintenance is capital work in progress with the cost of N57.22 million (2022: 25.0 million), accumulated depreciation of N2.78 million and inventory written of as at 31 December 2022 of N43.32 million and direct operating expenses (including repairs and maintenance, operating rental income (included in operating cost) as well as cost of reepairs and maintenance of N11.28 million (2022:N10.32 million).

Prior year amount for "Others" have been brokendown further to Hajj expenses, Operational cost -inland freights and Fuel expense to align with current year presentation. This does not have impact on the result.

9a. Operating costs - Continued

9b. Administrative expenses:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Payroll costs	2,289,515	1,543,987	2,178,507	1,425,929
Directors' remuneration	216,924	84,062	216,924	80,562
Board expenses	420,308	324,511	383,458	296,637
Depreciation/amortization (Note 9d)	125,493	171,595	108,795	163,231
Trainings (internal and external)	111,768	80,403	107,619	74,888
Outstation and estacode allowances	168,469	99,717	167,459	89,006
Hotel accommodation	52,323	34,481	52,322	29,459
Air ticket (local and foreign)	156,723	120,935	156,723	112,413
Outsourced security	65,966	55,688	64,466	49,216
Other security expenses*	42,084	39,921	40,584	33,460
Computer consumables and network	102,412	88,536	101,172	75,165
Electricity	82,625	46,831	67,625	41,314
Insurance	36,208	20,925	35,791	15,434
Printing and stationeries	69,766	17,620	67,756	12,117
Audit fees	30,000	20,000	30,000	20,000
Office and warehouse maintenance	110,078	108,521	110,078	95,531
Advertisement	13,448	9,946	13,448	8,356
Corporate social responsibility	158,132	-	158,132	-
Corporate gifts	239,279	73,779	234,430	68,757
Public relations, business promotion and Business development	287,344	162,330	272,400	159,089
Subscriptions	92,051	89,293	90,670	84,430
Foreign exchange difference ***	437,617	112,755	437,617	218,999
Professional fees (Note 9bii)	158,347	109,890	158,347	105,777
Other administrative expenses (Note 9bi)	631,811	308,563	535,897	261,781
	6,098,691	3,724,289	5,790,220	3,521,551

9b. Administrative expenses - Continued

9b (i). Other administrative expenses:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Cleaning & Fumigation	68,760	41,771	43,329	41,692
Other Motor Running Expenses ****	8,511	8,876	7,635	6,723
Office Plant, Equipment & Fittings	25,281	5,900	15,281	5,741
Telephone	39,154	46,927	25,499	41,314
Staff Uniform & Overall	3,923	17,326	2,103	12,304
Entertainment	65,977	22,584	62,630	16,841
Postages, Telex, Newspaper & Periodicals	29,628	8,899	17,998	3,878
Consumables	12,019	28,987	8,510	22,075
Bank Charges	68,326	25,468	56,017	23,914
Clearing Charges	26,543	806	17,873	556
Damaged/loss cargo expenses	85,000	-	85,000	-
Donations	12,482	16,267	12,482	16,267
Fuel exoenses	26,201	25,770	26,201	25,770
Network expenses	56,451	31,773	56,451	31,773
Licence renewal	16,055	-	16,055	-
Palliative Support	24,623	-	24,623	-
Long Service Award	18,304	-	18,304	-
Others**	44,573	27,209	39,906	12,933
	631,811	308,563	535,897	261,781

*Other security expenses consist of FAAN securities and access fees

** Other expenses consist of Airline surcharge, water, lease rental, filing & company secretary fee and visa, travelling and logistics, printing & stationeries, stamp duty etc.

*** Foreign exchange difference consist of realized exchange diference of N233.55 million and N204.06 million unrealized exchange difference.

**** This relates to cost of minor repairs to motor vehicles.

9b (ii) Professional fees are analyzed as follows.

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Consulting fees	129,140	78,806	129,140	74,693
Registrar's fees	13,383	16,843	13,383	16,843
Legal fees	15,824	14,241	15,824	14,241
	158,347	109,890	158,347	105,777

Ernst and Young rendered review of Internal Control over Financial Reporting (ICFR) besides the provision of audit services to the Group, with a total fee of ₦'10 million.

Nature of service	Partner	FRC Number	Amount
Review of internal control over financial reporting (ICFR)	Omolola Alebiosu	FRC/2012/PRO/ICAN/004/00 000000145	10,000,000

9c. Expected credit losses	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Expected credit losses on trade receivables (Note 31a)	789,347	253,532	727,012	254,742
Expected credit losses on intercompany (Note 21a)	-	357	3,451	357
Expected credit losses/ (write-back) on short term deposit (Note 22a)	8,570	(3,752)	7,780	(3,807)
Expected write-back on treasury bill (Note 22c)	-	(12,745)	-	(12,745)
	797,917	237,392	738,243	238,547

Prior year amount for "Others" have been brokendown further to network expenses and fuel expenses to align with current year presentation. This does not have impact on the result.

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
9d. Depreciation and Amortization	₦'000	₦'000	₦'000	₦'000
Depreciation of property, plant and equipment (Note 11)	945,691	913,422	926,473	891,514
Amortisation of intangible assets (Note 14)	16,935	6,834	16,850	6,746
Depreciation of investment property (Note 15)	11,278	10,319	11,278	10,319
Depreciation of right-of-use asset (Note 12&13)	48,693	51,974	48,693	47,524
	1,022,597	982,549	1,003,294	956,103
Depreciation and amortization allocation:				
Operating Costs (Note 9a)	897,104	810,954	894,499	792,872
Administrative expenses (Note 9b)	125,493	171,595	108,795	163,231
	1,022,597	982,549	1,003,294	956,103

	Group		Company	
9e. Payroll cost	Dec-23	Dec-22	Dec-23	Dec-22
	N'000	N'000	N'000	N'000
Payroll costs allocation				
Operating costs (Note 9a)	7,615,783	5,036,730	7,530,471	5,031,719
Administrative expenses (Note 9b)	2,289,515	1,543,987	2,178,507	1,425,929
	9,905,298	6,580,717	9,708,978	6,457,648

10. Basic earnings per share

The calculation of basic earnings per share at 31 December 2023 was based on the earnings attributable to ordinary shareholders of Group of ₦5.54 billion (2022: N2.66 billion) (Company: 2023: N4.90 billion and 2022: ₦2.55 billion) and on ordinary shares of 1,949,062,200 (2022: 1,949,062,200) of 50k each being the average number of ordinary shares in issue during the year.

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	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Profit attributable to ordinary shareholders	5,539,973	2,658,158	4,901,150	2,547,873
Average number of ordinary shares	1,949,062	1,949,062	1,949,062	1,949,062
Basic earnings per share (Kobo)	284	136	251	131

11 Property, Plant and Equipment – Group

GROUP	Leasehold Land ₦'000	Building ₦'000	Plant & Machinery ₦'000	Motor Vehicles ₦'000	Computer Equipment ₦'000	Furniture & Equipment ₦'000	Capital WIP ₦'000	Total ₦'000
COST:								
At I January 2022	50,218	3,380,097	9,799,734	589,850	1,597,212	547,997	46,535	16,011,643
Additions	-	6,817	68,173	439,309	49,750	68,111	731,600	1,363,760
Write-off	-	(1,306)	(18,765)	-	(2,163)	(2,773)	-	(25,007)
Disposals	-	-	(356,880)	(142,795)	(153)	(1,194)	-	(501,022)
Transfer/reclassification	(50,218)	(12,542)	421,592	-	28,266	(9,503)	11,325	388,920
At 31 December 2022	-	3,373,066	9,913,854	886,364	1,672,912	602,638	789,460	17,238,294
Additions	-	-	193,017	429,785	39,319	36,291	233,265	931,677
Write-off	-	-	-	-	-	-	(57,222)	(57,222)
Disposals	-	-	-	(65,200)	-	-	-	(65,200)
Transfer	-	732,238	-	-	-	-	(732,238)	-
At 31 December 2023	-	4,105,304	10,106,871	1,250,949	1,712,231	638,929	233,265	18,047,549
DEPRECIATION:								
At I January 2022	9,906	686,292	6,025,612	510,220	1,448,454	491,607	-	9,172,091
Charge for the year	1,000	63,330	631,769	99,875	82,448	35,000	-	913,422
Write-off	-	(26)	(1,527)	-	(458)	(768)	-	(2,779)
Disposals	-	-	(334,125)	(119,372)	(143)	(1,011)	-	(454,651)
Transfer	(10,906)	(2,362)	3,174	-	484	(1,296)	-	(10,906)
At 31 December 2022	-	747,234	6,324,903	490,723	1,530,785	523,532	-	9,617,177
Charge for the year	-	81,481	575,702	186,721	55,973	45,814	-	945,691
Disposals	-	-	-	(65,200)	-	-	-	(65,200)
At 31 December 2022	-	828,715	6,900,605	612,244	1,586,758	569,346	-	10,497,668
NET BOOK VALUE:								
At 31 December 2023	-	3,276,589	3,206,266	638,705	125,473	69,583	233,265	7,549,881
At 31 December 2022	-	2,625,832	3,588,951	395,641	142,127	79,106	789,460	7,621,117

11 Property, plant and equipment – Company

	Leasehold Land	Building	Plant & Machinery	Motor Vehicles	Computer Equipment	Furniture & Equipment	Capital WIP	Total
COST:	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2022	50,218	3,291,982	8,987,810	549,850	1,579,373	490,176	46,535	14,995,944
Additions	-	6,817	68,174	439,309	45,868	65,207	731,600	1,356,975
Reclassified	-	(1,306)	(18,765)	-	(2,163)	(2,773)	-	(25,007)
Disposal	-	-	(356,880)	(142,795)	(153)	(683)	-	(500,511)
Transfer	(50,218)	(12,542)	421,592	-	28,266	(9,504)	11,325	388,919
At 31st December 2022	-	3,284,951	9,101,931	846,364	1,651,191	542,423	789,460	16,216,320
Additions	-	-	192,407	429,785	33,506	36,211	229,585	921,494
Write-off	-	-	-	-	-	-	(57,222)	(57,222)
Disposals	-	-	-	(65,200)	-	-	-	(65,200)
Transfer/reclassification	-	732,238	-	-	-	-	(732,238)	-
At 31st December 2023	-	4,017,189	9,294,338	1,210,949	1,684,697	578,634	229,585	17,015,392
DEPRECIATION:								
At 1 January 2022	9,908	675,890	5,234,673	480,646	1,433,208	459,662	-	8,293,987
Charge for the year	1,000	61,567	626,377	93,332	80,396	28,842	-	891,514
Disposals	-	-	(334,125)	(119,374)	(143)	(648)	-	(454,290)
Reclassified	-	(26)	(1,638)	-	(458)	(769)	-	(2,891)
Transfer	(10,908)	(2,362)	3,174	-	484	(1,181)	-	(10,793)
At 31 December 2022	-	735,069	5,528,461	454,604	1,513,487	485,906	-	8,717,527
Charge for the year	-	79,719	571,111	182,797	53,096	39,749	-	926,472
Disposals	-	-	-	(65,200)	-	-	-	(65,200)
At 31 December 2023	-	814,788	6,099,572	572,201	1,566,583	525,655	-	9,578,799
NET BOOK VALUE:								
At 31 December 2023	-	3,202,401	3,194,766	638,748	118,114	52,979	229,585	7,436,593
At 31 December 2022	-	2,549,882	3,573,470	391,760	137,704	56,517	789,460	7,498,793

11 Property, plant and equipment – Continued

i. None of the items of PPE has been pledged as securities for liabilities during the year. (2022; Nil)

ii. Capital work-in-progress represents cost incurred on the construction of Lagos export center and re-implementation of Oracle and IBM lotus as at 31 December 2023.

iii. Write off: This represents costs that have been capitalized as part of capital work in progress over a long period of time which could not be associated with any item of property, plant and equipment.

iv. Transfers/reclassification: This consist of N50.218 million leasehold land transferred to right-of-use asset and reclassification of assets from one class of asset to another (Buildings and Furniture & equipment to plant & machinery and computer equipment) due to wrong classification. In addition, item of property, plant and equipment worth N538.048 million were also transferred from Deposit for property, plant and equipment to plant & machinery (N421.592 million), computer equipment (N28.266 million) and capital work-in-progress (N110.236 million) in 2022 financial year. No reclassification of assets from one class of asset to another in 2023 financial year. Also a total of N732.238 million transferred from capita-work-in progress to Building in 2023 financial year.

12 Right-of-use assets- Group

	Building	Leasehold land	Total
Cost;	N'000	N'000	N'000
At 1 January 2022	903,637	-	903,637
Transfer from property, plant and equipment	-	50,218	50,218
At 31 December 2022	903,637	50,218	953,855
At 31 December 2023	903,637	50,218	953,855
Depreciation			
At 1 January 2022	206,084	-	206,084
Charge for the year	51,974	-	51,974
Transfer from property, plant and equipment	-	10,906	10,906
At 31 December 2022	258,058	10,906	268,964
Charge for the year	47,524	1,169	48,693
At 31 December 2023	305,582	12,075	317,657
Net Book Value			
31-Dec-23	598,055	38,143	636,198
31-Dec-22	645,579	39,312	684,891

13. Right-of-use asset- Company

	Building	Leasehold land	Total
Cost;	₦'000	₦'000	₦'000
At 1 January 2022	894,987	-	894,987
Transfer from property, plant and equipment	-	50,218	50,218
At 31 December 2022	894,987	50,218	945,205
Addition	-	-	-
At 31 December 2023	894,987	50,218	945,205
Depreciation:			
At 1 January 2022	185,463	-	185,463
Charge for the year	47,524	-	47,524
Transfer from property, plant and equipment	-	10,906	10,906
At 31 December 2022	232,987	10,906	243,893
Charge for the year	47,524	1,169	48,693
At 31 December 2023	280,511	12,075	292,586
Net Book Value			
31-Dec-23	614,476	38,143	652,619
31-Dec-22	662,000	39,312	701,312

14 Intangible assets

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Cost:				
At 1 January	540,668	540,668	446,196	446,196
Addition	11,325	-	11,325	-
At 31 December	551,993	540,668	457,521	446,196
Amortization:				
At 1 January	331,003	324,169	330,746	324,000
Amortization for the year	16,935	6,834	16,850	6,746
At 31 December	347,938	331,003	347,596	330,746
Carrying amount:				
At 31 December	204,055	209,665	109,925	115,450

i. None of the items of Intangible asset was pledged as securities for liabilities during the year (2022; Nil).
ii. Intangible asset consist of Oracle ERP, Hemes, IBM Lotus, Windows and Galaxy applications
iii. A total of N11.325 milion relating to intangible asset was transferred from asset clearing to intangible asset for capitalization in 2023 financial year.

15 Investment property

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Cost:	₦'000	₦'000	₦'000	₦'000
At 1 January	419,722	418,416	419,722	418,416
Additions	-	1,306	-	1,306
At 31 December	419,722	419,722	419,722	419,722
Depreciation:				
At 1 January	132,288	121,969	132,288	121,969
Charge for the year	11,278	10,319	11,278	10,319
At 31 December	143,566	132,288	143,566	132,288
Carrying amounts				
At 31 December	276,156	287,434	276,156	287,434

The fair value of the investment property at 31 December 2023 was ₦760 million (2022: ₦687 million). Total rental revenue from the investment property for the year ended 31 December 2023 was ₦202.789 million (2022: ₦208.633 million). The fair value of the properties are based on valuation performed by Biodun Olapade & Co. accredited independent valuers. (FRCN/2013/NIESV/000000004303) with their staff lead valuer in person of Yetunde Adekoya (FRC/2023/PRO/NIESV/004/629776) is a renowned specialist in valuing this types of investment properties.

	Company	Group
	Dec-23	Dec-22
	₦'000	₦'000
Total Rental income from investment properties**	202,789	208,633
Direct operating expenses (including repairs and maintenance) generating rental income (included in operating cost)	(11,278)	(10,319)
Profit arising from investment properties	191,511	198,314

** This decreased by N5.844 million (3%) in comparison with 2022 rental income from investment property. The decrease is due to less office spaces being taking up by tenants as against 2022.

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

Fair value hierarchy disclosures for investment properties are in Note 34.

16 Investment in subsidiaries

	Company			
	Percenntage	Dec-23	Percenntage	Dec-22
Shares in subsidiaries:	holding	₦'000	holding	₦'000
Nahco FTZ Limited	100	10,000	100	10,000
Nahco Energy and Infrastructure Limited	100	125,500	63%	25,500
Mainland Cargo Options Ltd	40	4,000	40	4,000
NAHCO Management Services Limited	51	25,500	-	-
NAHCO Travel and Hospitality Limited	100	30,000	-	-
NAHCO Foods and Beverages Limited	100	10,000	-	-
		205,000		39,500
Movement in investment in subsidiaries				
At 1 January		39,500		39,500
Acquisition of subsidiaries		65,000		-
Acquisition of Non-controlling interest		100,000		-
At 31 December		205,000		39,500

16 Investment in subsidiaries – Continued

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

(i) NAHCO FTZ Limited

The company holds ₦10million ordinary shares of N1 each in this subsidiary, representing 100 percent of the issued share capital of ₦10million. The principal activity of this subsidiary is the management and operation of Free Trade Zone which includes leasing of plant and equipment, logistics, warehousing, transhipment, manufacturing and provision of related services. NAHCO FTZ was granted approval to operate at the Murtala Mohammed International Airport, Lagos as NFZ by the Nigerian Export Processing Zone Authority (NEPZA) in February 2014 and the applicable fees have been paid. The company has since commenced activities towards making the zone operational.

(ii) NAHCO Energy and Infrastructure Limited

NAHCO Plc previously hold 63% shareholding in NAHCO Energy and Infrastructure Limited, however, on 1 January 2023, the Company acquired the Non-controlling interest 37% shareholding (15 million shares of N1 each) for N100 million. With this acquisition NAHCO Plc has increased its shareholding to 100% in NAHCO Energy & Infrastructure Limited. The company intends to carry out energy and power distribution in Nigeria.

	Amount ₦'000
Cash consideration paid to Non-controlling interest	(100,000)
Carrying value of additional interest in NAHCO Energy	(69,387)
Difference recognised in retained earnings	(169,387)

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

(iii) Mainland Cargo Options Limited

The company holds 4million ordinary shares in the subsidiary representing 40% of the issued share capital of ₦10 Million. The remaining 60% are owned by Nahco Energy and Infrastructure Limited. Consequently, the Group has 100% interest in Mainland Cargo Options Limited. In addition, the business strategy, operations and the board of the Company are under the control of Nigerian Aviation Handling Company Plc. The company is into cargo logistics and started operations in 2015.

(iv) NAHCO Management Services Limited

The company holds 25.5 million shares in the subsidiary representing 51% of the registered share capital of N50 million. The company intend to carry on the business of Airport operations services to include Aircraft maintenance, Airport maintenance, Airport facility maintenance and management.

(v) NAHCO Travel and Hospitality Limited

The company holds 30 million shares in the subsidiary representing 100% of the registered share capital of N30 million. The company intend to carry on the business of Travel, tour and hospitality.

(vi) NAHCO Foods and Beverages Limited

The company holds 100% interest in the subsidiary.

Disclosure of Entity with Non-Controlling Interest within the Group

16a Mainland Cargo Options Limited

Summary of financial position and performance of Mainland Cargo Options Limited as at 31 December 2023 is as shown below:

As at 1 January 2023, there is no more Non-controlling interest in Mainland Cargo Options Limited, hence there will be no financial information disclosed for the subsidiary as at 31 December 2023.

Proportion of equity interests held by non-controlling interests	"Country of incorporation and Operation"	-	22.20%
		Dec-23 ₦'000	Dec-22 ₦'000
Mainland Cargo Options Limited	Nigeria		
Non-current assets		-	13,119
Current assets		-	418,434
Total assets		-	431,553
Total equity		-	272,967
Non-controlling interest		-	-
Non-current liabilities		-	1,740
Current liabilities		-	158,585
Total equity and liabilities		-	431,553

16 Investment in subsidiaries – Continued

16a Mainland Cargo Options Limited – Continued

Summarized Statement of Comprehensive Income

Mainland Cargo Options Limited	Dec-23 ₦'000	Dec-22 ₦'000
Revenue	-	328,226
Profit	-	69,889
Profit attributable to the owners of the company	-	54,304
Profit attributable to the non-controlling interests	-	15,585
Other Comprehensive income	-	-
Total Comprehensive income	-	69,889
Summary of Cashflow		
Net cashflow from operating activities	-	-
Net cashflow used in investing activities	-	(3,799)
Net cashflow from financing activities	-	-

16b NAHCO Energy and Infrastructure Limited

Summary of financial position

As at 1 January 2023, there is no more Non-controlling interest in NAHCO Energy and Infrastructure Limited, hence there will be no financial information disclosed for the subsidiary as at 31 December 2023.

16c NAHCO Management Services Limited

Summary of financial position

NAHCO Management Services Limited as at 31 December 2023 is as shown below:

	"Country of incorporation and Operation"		
Proportion of equity interests held by non-controlling interests		49.00%	-
		Dec-23 ₦'000	Dec-22 ₦'000
NAHCO Management Services Limited	Nigeria		
Non-current assets		-	-
Current assets		3,351,984	-
Total assets		3,351,984	-
Total equity		-	-
Non-controlling interest		-	-
Non-current liabilities		-	-
Current liabilities		3,351,984	-
Total equity and liabilities		3,351,984	-

16c NAHCO Travels and Hospitality Limited

The company holds 100% interest in the subsidiary. The entity is yet to commence operation.

17 Inventories

	Group Dec-23 ₦'000	Group Dec-22 ₦'000	Company Dec-23 ₦'000	Company Dec-22 ₦'000
Spare parts	317,549	321,717	317,549	321,717
Stationeries/medical	61,818	53,497	61,818	53,497
Diesel	118,776	74,251	118,776	74,251
	498,143	449,465	498,143	449,465

17 Inventories - Continued

Inventories recognized as an expense during the year ended 31 December 2023 amount to ₦84.47 million (2022: ₦77.3 million). This is disclosed as part of operating cost in the statement of profit or loss and other comprehensive income. No expense was recognized for inventory write down during the year (2022: N43.32 million).

The company did not pledge any of its inventories as securities for liabilities during the year ended 31 December 2023 (2022: None).

18 Prepayments

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
Prepayments comprise:	₦'000	₦'000	₦'000	₦'000
Deposit for property, plant and equipment	4,680,043	1,596,963	4,426,344	1,343,964
Prepaid insurance	219,782	42,490	216,483	40,792
Prepaid Stock*	78,269	10,772	78,269	10,775
Others**	156,889	153,071	120,965	127,037
	5,134,983	1,803,296	4,842,061	1,522,568

*This represents advance payment for assets related item that are yet to be delivered, as at end of the year.

** others: this include advance payment for services that yet to be enjoyed by the entity as at year-end such as HMO, annual dues, etc.

19 Trade and other receivables

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Trade and other receivables comprise:				
Trade receivables (Note 31)	6,168,062	4,262,665	5,722,203	3,966,245
Less Allowance for expected credit losses (Note31)	(1,265,543)	(951,196)	(1,193,057)	(941,045)
	4,902,519	3,311,469	4,529,146	3,025,200
Withholding tax receivable **	1,822,124	1,409,200	1,786,057	1,367,138
Advance for project altitude	3,341,984	-	-	-
Other receivables	35,790	140,675	24,692	132,959
	10,102,417	4,861,344	6,339,895	4,525,297

Trade receivables are invoices on ground handling services issued to customers net of taxes and allowance for expected credit losses on the debts. The group's credit policy allows a 30-day credit period for all its customers.

Other receivables consist of rent advance, fund advance, recoverable deposit and staff advance for routine services to be carried out. This is to be retired within fourteen (14) days or on the completion of projects.

	Dec-23	Dec-22	Dec-23	Dec-22
19.1 Summary of financial and non-financial assets:	₦'000	₦'000	₦'000	₦'000
Financial assets	8,280,293	3,452,144	4,553,838	3,158,159
Non-financial asset	1,822,124	1,409,200	1,786,057	1,367,138
	10,102,417	4,861,344	6,339,895	4,525,297

20 Intercompany receivables

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Nahco FTZ Limited	-	-	33,196	199,988
NAHCO Energy and Infrastructure Limited	-	-	420,760	420,760
Mainland Cargo Options	-	-	-	19,366
Nahco Management Services Limited	-	-	131,984	-
NAHCO Foods and Beverages Limited	-	-	10,000	-
	-	-	595,940	640,114
Less allowance for expected credit loss (Note 20a)	-	-	(15,672)	(12,221)
	-	-	580,268	627,893

Prior year amount for "Other receivables" have been brokendown further to reclassify Withholding tax clearing balance (N510.701 million) to Withholding tax receivables to align with current year presentation.

20a. Allowance for expected credit losses of Intercompany receivables

	Dec-23	Dec-22
	₦'000	₦'000
At 1 January	12,221	11,864
Expected credit loss expenses (Note 9c)	3,451	357
	-----------	-----------
At 31 December	15,672	12,221
	======	=====

Intercompany receivables are funding assistance provided to subsidiaries to finance operations. The fund is repayable on demand and attracts no interest. Intercompany receivables are eliminated in the consolidated financial statements of the Group.

20b Intercompany loan	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Nahco Management Services Limited	-	-	3,210,000	-
	---------------	---------------	---------------	---------------
	-	-	3,210,000	-
	========	========	========	========

This represents intercompany loan granted to NAHCO Management Services Limited by Nigerian Aviation Handling Company Plc during the year 2023 for the actualization of its interest in project altitude. The loan is repayable on demand.

21 Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

		Related party loan	Payments on behalf of related parties	Rent/ service charge	Amounts due from/ (to) related parties
		₦'000	₦'000	₦'000	₦'000
NAHCO FTZ Limited	2023	-	-	33,196	-
	2022	-	-	199,988	-
NAHCO Energy and Infrastructure Limited	2023	-	420,760	-	-
	2022	-	420,760	-	-
Mainland Cargo Options	2023	-	-		-
	2022	-	19,366	-	-
NAHCO Management Services Limited	2023	3,210,000	131,984	-	(30,000)
	2022	-	-	-	-
NAHCO Travels and Hospitality Limited	2023	-	-	-	(25,500)
	2022	-	-	-	-
NAHCO Foods and Beverages Limited	2023	-	10,000	-	-
	2022	-	-	-	-

Nature of related party transactions

Intercompany receivables are payments made on behalf of the subsidiaries. The subsidiaries have been informed and the company expects to get value from the subsidiaries.

Intercompany receivables are eliminated in the consolidated financial statements.

Parent

The ultimate controlling party of the Group is Nigerian Aviation Handling Company Plc (nahco aviance). The company acquired a 100% stake in a Subsidiary, NAHCO FTZ and a 100% and 100% stake in the second and third subsidiaries; NAHCO Energy and Power and Mainland Cargo Options Limited (MCO) respectively.

Key Management Personnel (KMP)

Key management personnel are those who have authority and responsibility for planning, directing and controlling activities in the Group either directly or indirectly. These include:

1. Executive Directors
2. Non- Executive Directors
3. Management team that implements Board strategies by Board delegated authority
4. Key Management Personnel of the Company's subsidiaries: NAHCO NFZ, NAHCO Energy and Infrastructure, Mainland Cargo Options Ltd, NAHCO Management Services Limited, NAHCO Travels and Hospitality Limited and NAHCO Foods and Beverages Limited.

Transactions with key management personnel

There were no transactions with key management personnel or their close family members in the year ended 31 December 2023 (2022 : Nil).

Loans to Directors

The group did not lend money to any of its Directors during the year under review (2022: None).

21 Related party transactions - Continued

Payments on behalf of key management personnel (KMP):

There were no payments made on behalf of the KMPs during the year ended 31 December 2023. (2022: Nil)

Key management personnel compensation:

Variable pay (Bonuses) applicable to Executive Directors during the year is a total of N53 million (2022: N30million). The bonuses are deferred subject to performance conditions of the Group and individuals.

Key management personnel comprised:

	Group		Company	
	2023	2022	2023	2022
Aggregate No. of persons- Senior Management	10	10	7	7
Aggregate No. of persons- Non-Executive Directors.	10	10	9	9
	-----	-----	-----	-----
Total	20	20	16	16
	===	===	===	===

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Short-term employee benefits- Fixed	300,275	208,453	300,275	192,731
Short-term employee benefits- Variable	71,432	51,087	71,432	44,397
	-------------	-------------	-------------	-------------
Total	371,707	259,540	371,707	237,128
	=======	=======	=======	=======

Transactions with other related party

The following are the related parties of the Group;

1. Key management personnel of NAHCO Plc and close members of their families.

2. Key management personnel of the subsidiaries, NAHCO FTZ, NAHCO Energy, MAINLAND CARGO OPTIONS, NAHCO Travel and Hospitality Limited, NAHCO Foods and Beverages Limited and NAHCO Management Services Limited.

3. Entities controlled by the above or where they have significant influence.

Entity with control by the Company
NAHCO FTZ Limited
NAHCO Energy and Infrastructure Limited
Mainland Cargo Options.
Nahco Management Services Limited
NAHCO Hotels and Hospitality Limited
NAHCO Foods and Beverages Limited

22 Cash and short-term deposits

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Bank and cash balances	1,514,801	1,542,263	1,079,359	1,505,513
Domiciliary accounts	790,674	597,076	488,863	205,347
Short term deposits (Note 32)	614,058	672,659	463,629	552,230
	-------------	-------------	-------------	-------------
	2,919,533	2,811,998	2,031,851	2,263,090
Allowances for Expected credit losses on Short-term deposits (Note 22a)	(10,407)	(1,837)	(9,408)	(1,628)
	---------------	---------------	---------------	---------------
	2,909,126	2,810,161	2,022,443	2,261,462
	========	========	========	========

Included in short term deposits is the investment placement for unclaimed dividend as at 31 December 2023.

Short-term deposits are made for varying period between one day and three months depending on the Immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Cash at banks earns interest at floating rates based on daily bank deposit rates and available on demand, hence no expected credit loss is computed on bank balances.

22 Cash and short-term deposits - Continued

22.1 For the purpose of cash flows, cash and short-term deposits comprise the following

	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Cash and short-term deposits	2,919,533	2,811,998	2,031,851	2,263,090
Total Cash and short-term deposits	2,919,533	2,811,998	2,031,851	2,263,090

22a. Allowances for expected credit losses/(write back) of short-term deposits

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
At 1 January	1,837	5,589	1,628	5,435
Expected credit loss/(write-back) (Note 9c)	8,570	(3,752)	7,780	(3,807)
At 31 December	10,407	1,837	9,408	1,628

22b. Debt Instrument at Amortized costs

	Group		Company	
	22-Dec	21-Dec	22-Dec	21-Dec
	N'000	N'000	N'000	N'000
At 1 January	-	368,628	-	368,628
Liquidation	-	(368,628)	-	(368,628)
Treasury Bill	-	-	-	-
Gross amount	-	-	-	-
Allowances for expected credit losses on treasury bills	-	-	-	-
At 31 December Federal Govt Treasury Bill (Net)	-	-	-	-

22c. Expected credit loss of debt instrument at amortized cost

	Group		Company	
	Dec-23	22-Dec	Dec-23	22-Dec
	N'000	N'000	N'000	N'000
At 1 January	-	12,745	-	12,745
Credit losses (write-back) /expenses (Note 9c)	-	(12,745)	-	(12,745)
At 31 December	-	-	-	-

23 Share capital

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
1,949,062,500 (2022: 1,949,062,500 called-up and fully paid ordinary shares of 50 kobo each	974,531	974,531	974,531	974,531
	974,531	974,531	974,531	974,531

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

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

Movement in share capital

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
1,949,062,500 (2022: 1,949,062,500 called-up and fully paid ordinary shares of 50 kobo each	974,531	812,109	974,531	812,109
Bonus share of 1 for 5 unit at 50 kobo each	-	162,422	-	162,422
	974,531	974,531	974,531	974,531

24 Share premium

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
At 1 January	1,752,336	1,914,758	1,752,336	1,914,758
Bonus shares issue	-	(162,422)	-	(162,422)
At 31 December	1,752,336	1,752,336	1,752,336	1,752,336

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

25 Dividend proposed

The directors will propose dividend of N2.54 kobo for year ended 31 December 2023 at the next Annual General Meeting (2022: N 1.20 kobo)

The dividend is subject to approval by the shareholders at the Annual General Meeting and will be subjected to withholding tax at appropriate rate. Consequently, it has not been included as a liability in these consolidated financial statements.

Refer to Note 26b for details relating to dividend..

26 Retained earnings

		Group		Company
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
At 1 January	6,368,770	4,376,542	6,131,193	4,249,250
Dividend paid (Note 26b)	(2,338,876)	(665,930)	(2,338,876)	(665,930)
Total comprehensive income for the year	5,539,973	2,658,158	4,901,150	2,547,873
Excess of consideration paid and carrying value of non-controlling interest acquired	(169,387)	-	-	-
At 31 December	9,400,480	6,368,770	8,693,467	6,131,193

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

**This relates to acquisition of 37% (15,000,000 shares) minority shareholding in NAHCO Energy and Infrastructure Limited by Nigerian Aviation Handling Company Plc in 2023 financial year.

26b. Changes in liabilities arising from financing activities

	1-Jan 2023	Dividend declared	Cash flows	31-Dec 2023
	₦'000	₦'000	₦'000	₦'000
Dividend declared	-	2,338,876	-	-
Dividen paid	-		(2,338,876)	-
Unclaimed dividend	610,953	-	76,673	687,626
Total liabilities from financing activities	610,953	2,338,876	(2,262,203)	687,626

	1-Jan 2022	Dividend declared	Cash flows	31-Dec 2022
	₦'000	₦'000	₦'000	₦'000
Dividend declared and paid	-	665,930	-	-
Dividen paid	-	-	(665,930)	
Unclaimed dividend	578,106	-	32,847	610,953
Total liabilities from financing activities	578,106	665,930	(633,083)	610,953

26c. Dividend Per share

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Dividend approved	2,338,876	665,930	2,338,876	665,930
Number of shares in issue	1,949,062	1,949,062	1,949,062	1,949,062
Dividend Per share (kobo)	1.20	0.34	1.20	0.34

27 Non-controlling interests

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

On 1 January 2023 the Group, which had a 63% ownership interest, acquired 37% of the ownership interests of NAHCO Energy and Infrastructure Limited for N100 million. Following the acquisition, the Group still controls NAHCO Energy and Infrastructure Limited and retains 100% of the ownership interests. The transaction has been accounted for as an equity transaction with non-controlling interests (NCI), resulting in the following:

Group	Dec-23	Dec-22
	₦'000	₦'000
At 1 January	(69,387)	(84,972)
Share of current year profit	-	15,585
Consideration paid to acquire non-controlling interests	(100,000)	-
Excess of consideration paid recognised in equity (Note 26)	169,387	-
At 31 December	-	(69,387)

28 Lease Liabilities-

Group

Cost	Building 2023	Building 2022
	₦'000	₦'000
At 1 January	1,163,761	1,187,175
Accretion of interest	164,002	177,391
Lease payment	(182,744)	(200,805)
As at 31 December	1,145,019	1,163,761

	₦'000	₦'000
Current	22,566	20,952
Non-current	1,122,453	1,142,809
	1,145,019	1,163,761

Company	Building	Building
Cost	2023	2022
	₦'000	₦'000
At 1 January	1,173,501	1,194,815
Accretion of interest	164,002	167,716
Lease payment	(182,744)	(189,030)
As at 31 December	1,154,759	1,173,501

	2023	2022
	₦'000	₦'000
Current	22,566	18,742
Non-current	1,132,193	1,154,759
	1,154,759	1,173,501

28 Lease Liabilities- Continued

The following are the amounts recognized in the profit or loss:	2023 Group ₦'000	2023 Company ₦'000
Depreciation expense of right-of-use assets (Note 12 and 13)	48,693	48,693
Short term leases (Note 9a)	428,539	428,539
Interest expense on lease liabilities (Note 7)	(164,002)	(164,002)
Total Amount recognized in the profit or loss	313,230	313,230

	2022 Group	2022 Company
Depreciation expense of right-of-use assets (Note 12 and 13)	51,974	47,524
Short term leases (Note 9a)	124,369	124,369
Interest expense on lease liabilities (Note 7)	177,391	167,716
Total Amount recognized in the profit or loss	353,734	339,609

29 Trade and other payables

Trade and other payables comprise:

	Group Dec-23 ₦'000	Dec-22 ₦'000	Company Dec-23 ₦'000	Dec-22 ₦'000
Trade payables	3,484,675	1,522,002	3,393,618	1,462,933
Other payables (Note 29.1)	5,185,940	4,214,987	4,938,974	3,865,519
Due to related parties (Note 21c)	-	-	65,500	-
	8,670,615	5,736,989	8,398,092	5,328,452

The group maintains a 60 days credit period with all vendors.

29.1 Other payables

	Dec-23 ₦'000	Group Dec-22 ₦'000	Dec-23 ₦'000	Company Dec-22 ₦'000
Financial liabilities:				
Concession fee: FAAN rental & service charge	1,393,018	819,747	1,383,018	819,747
Directors' retirement***	173,541	221,908	173,541	221,908
Staff participatory scheme****	383,915	263,738	368,910	263,738
Performance bonus *****	543,700	474,465	537,370	470,365
Unclaimed dividend (29.1.1)	687,625	610,953	687,625	610,953
Inventory AP accrual	183,794	396,436	110,236	396,436
Expense AP accrual	410,505	139,328	379,538	133,828
Deposit for services	430,945	352,204	325,302	73,408
Memorandum of understanding credit note	67,295	2,591	67,295	2,591
Pension payables	59,174	7,671	59,174	7,671
Other accruals*	186,853	101,048	186,703	66,958
	4,520,365	3,390,089	4,278,712	3,067,603
Non financial liabilities				
Value Added Tax	63,943	283,356	61,784	283,356
Withholding Tax	53,500	126,243	50,346	126,243
Industrial training fund	305,576	265,431	305,576	265,431
Amount due to government agencies**	242,556	149,868	242,556	122,886
	665,575	824,898	660,262	797,916
	5,185,940	4,214,987	4,938,974	3,865,519

* Other accruals include Provision for non-accident bonus, insurance claim payable, Provision for year-end gift, deposit for services, agent welfare fees etc.

** This represents PAYE payable to some states of the federation as well as FCT and the National Housing Scheme

*** This represents provision for Directors' retirement as approved by the Board.

**** This represents provision for Staff share of Profit for the year based on certain percentage of the profit after tax as prescribed in the staff hand book.

***** This represents bonus payable to staff subject to individual employee performance appraisal and the performance of the Company and its subsidiaries for the year.

Summary of financial and non-financial liability:	Group Dec-23 ₦'000	Dec-22 ₦'000	Company Dec-23 ₦'000	Dec-22 ₦'000
Financial liabilities	8,005,040	4,912,091	7,737,830	4,530,536
Non-financial liabilities	665,575	824,898	660,262	797,916
	8,670,615	5,736,989	8,398,092	5,328,452

Prior year amount have been brokendown further to include inventory AP accrual, expense accrual, deposit for services, memorandum of understanding credit note, pension payable, industrial training fund and amount due to government agencies to align with current year presentation.

29 Trade and other payables - Continued

29.1.1 Unclaimed dividend

Unclaimed dividend amounting to ₦687.63 million (2022: ₦610.95million) represents the funds returned to the Group by the Registrars. This amount has been invested by the Group. Any dividend not claimed/paid six months after the date of declaration is returned to the company by the Registrar, and this is recorded as liability in the company's books.

		Group		Company	
		Dec-23	Dec-22	Dec-23	Dec-22
29.2	Interest bearing borrowings	₦'000	₦'000	₦'000	₦'000
	Bank overdraft	1,460,115	-	1,460,115	-
		1,460,115	-	1,460,115	-

Bank overdraft

Bank overdrafts represent facilities obtained from Guaranty Trust Bank Plc with a maximum limit upto NGN1.5 billion with a tenor of 12 months at interest rates of 19% p.a.

		Group		Company	
		Dec-23	Dec-22	Dec-23	Dec-22
29.3	Due to related parties	₦'000	₦'000	₦'000	₦'000
	NAHCO Management Services Limited	-	-	30,000	-
	NAHCO Travels and Hospitality	-	-	25,500	-
	NAHCO Foods and Beverages Limited	-	-	10,000	-
		-	-	65,500	-

This relates to NAHCO Plc unpaid shareholding in its subsidiaries.

			Group		Company
30	Deferred income	Dec-23	Dec-22	Dec-23	Dec-22
		₦'000	₦'000	₦'000	₦'000
	At 1 January	1,129,540	1,124,446	1,048,510	1,064,960
	Rent received during the year	220,436	213,727	220,436	192,183
	Refund to Nigerian Export Promotion Council	(1,000,000)	-	(1,000,000)	-
	Amount released to the profit or loss	(202,789)	(208,633)	(202,789)	(208,633)
	At 31 December	147,187	1,129,540	66,157	1,048,510

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

31 Allowance for expected credit losses

The aging of trade receivables at the reporting date were:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Current (1- 30 days)	4,769,580	1,699,426	4,371,545	1,705,110
31-90 days	379,877	378,335	379,573	287,570
91-180 days	228,775	828,799	226,859	704,713
More than 180 days	789,830	1,356,105	744,226	1,268,852
	6,168,062	4,262,665	5,722,203	3,966,245
Expected credit loss (Note31a)	(1,265,543)	(951,196)	(1,193,057)	(941,045)
	4,902,519	3,311,469	4,529,146	3,025,200

31 Allowance for expected credit losses expenses - Continued

31a The movement in the allowance for expected credit loss in respect of trade receivables during the year was as follows:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
At 1 January	951,196	737,495	941,045	686,303
Derecognition of asset	(475,000)	(39,831)	(475,000)	-
Allowance for expected credit losses	789,347	253,532	727,012	254,742
At 31 December	1,265,543	951,196	1,193,057	941,045

The expected credit loss on trade receivables were in respect of receivables for which the Group has determined that there are objective indicators of impairment. Impairment losses have been recognized based on the difference between the carrying amounts and the present value of the estimated future cash flows on these receivables. The Group holds no collateral in respect of its trade receivables. Expected credit loss on trade receivables is recognized in Statement of profit or loss and other comprehensive income.

32 Financial Risk Management objectives and policies

Overview

The Group's principal financial liabilities comprise lease liabilities and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, investments and cash and bank balances.

The Group has exposure to the following risks from its use of financial instruments:

· Credit Risk
· Liquidity Risk
· Market Risk

The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks.

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk.

Further quantitative disclosures are included throughout these financial statements.

32.1a Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The sources of the Group's credit risk include trade receivables, intercompany receivables and deposits with banks and financial institutions and investments in debt instrument.

32 Financial Risk Management objectives and policies - Continued

32.1a. Trade receivables

Customer credit risk is managed by credit managers and management as a whole subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any deliveries to major customers are generally covered by valid customer order. Customer backgrounds are studied to avoid concentration risk

Deposits with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis throughout the year, subject to approval of the Group's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. The Group's maximum exposure to credit risk at the reporting date is the carrying value of each of class of financial assets disclosed below:

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Trade receivables	4,902,519	3,311,469	4,529,146	3,025,200
Other receivables	35,790	140,675	24,692	132,959
Intercompany loan	-	-	3,210,000	-
Bank and cash balances	1,514,801	1,542,263	1,079,359	1,505,513
Domiciliary accounts	790,674	597,046	488,863	205,347
Short term deposits	614,058	672,659	463,629	552,230
	7,857,842	6,264,112	9,795,689	5,421,249

Trade receivables

For trade receivables, the Group applied the simplified approach in computing ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit loss (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

When trade receivables are uncollectible, it is written off as 'administrative expenses' in the profit or loss. Subsequent recoveries of amounts previously written off are included in other operating income.

32 Financial Risk Management objectives and policies – Continued

Set out below is the information about the credit risk exposure on the Group's trade receivables as at 31 December 2023 using a provision matrix:

The Group
31-Dec-23

	Trade receivables Days past due							
	Current	0 - 30 days	31 – 90 days	91-120 days	121 - 180 days	181-360 days	After360 days	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	0.00%	35.31%	41.00%	53.10%	68.55%	91.00%	100.00%	
Estimated total gross carrying amount at default	4,232,153	537,427	379,877	132,672	96,324	67,362	722,247	6,168,062
Expected credit losses		189,766	155,751	70,449	66,031	61,299	722,247	1,265,543

The Company
31-Dec-23

	Current	0 - 30 days	31 – 90 days	91-120 days	121 - 180 days	181-360 days	After360 days	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	0.00%	38.00%	46.00%	58.00%	73.00%	91.00%	100.00%	
Estimated total gross carrying amount at default	4,021,008	349,555	379,877	130,535	96,324	67,362	677,542	5,722,203
Expected credit loss	-	132,568	176,090	75,243	70,598	61,016	677,542	1,193,057

The Group
31-Dec-22

	Trade receivables Days past due							
	Current	30-Jan days	31 – 90 days	91-120 days	121 – 180 days	181-360 days	After 360 days	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	1.45%	1.46%	1.83%	2.43%	2.97%	3.67%	100.00%	
Estimated total gross carrying amount at default	1,453,820	245,606	378,335	212,323	616,476	477,458	878,647	4,262,665
Expected credit losses	21,117	3,586	6,840	5,149	18,326	17,531	878,647	951,196

The Company
31-Dec-22

	Current	30-Jan days	31 – 90 days	91-120 days	121 – 180 days	181-360 days	After 360 days	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	1.06%	4.32%	1.56%	2.82%	2.39%	4.45%	100.00%	
Estimated total gross carrying amount at default	1,463,349	241,761	287,570	153,564	551,149	393,245	875,607	3,966,245
Expected credit loss	15,522	10,449	4,484	4,335	13,164	17,484	875,607	941,045

32 Financial Risk Management objectives and policies – Continued

Expected credit loss measurement - other financial assets

The Group applied the general approach in computing expected credit losses (ECL) for intercompany receivables (non-trade), and cash and bank balances. The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The ECL is determined by projecting the Probability of default, Loss given Default (LGD) and Exposure at default (EAD) for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The reconciliation of these balances are as stated above.

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 2d Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Group obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within its credit risk department verifies the accuracy of inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios. The Group used GDP growth, oil price and inflation as key drivers in computing expected credit loss and also as assumptions for the Group’s base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 December 2023.

32 Financial Risk Management objectives and policies – Continued

An analysis of ECL allowances is as follows:

	Group		Company		
	2023		2023		
	Short-term deposits	Total	Intercompany receivables	Short term deposits	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Upside (18%)	1,833	1,833	2,821	1,693	4,514
Base (68%)	7,076	7,076	10,657	6,397	17,054
Downside (14%)	1,499	1,499	2,194	1,318	3,512
	10,408	10,408	15,672	9,408	25,080

Intercompany receivables	Company	
	2023	2023
	Stage 1 individual	Total
	₦'000	₦'000
Gross carrying amount at 1 January	640,114	640,114
New financial assets originated or purchased (Note 20)	595,940	595,940
Assets derecognised or repaid (excluding write offs)	(640,114)	(640,114)
Gross carrying amount at 31December	595,940	595,940
Expected credit losses for intercompany receivables		
ECL allowance at 1 January	12,221	12,221
New financial assets originated or purchased (Note 20a)	15,672	15,672
Assets derecognised or repaid (excluding write offs)	(12,221)	(12,221)
ECL allowance at 31 December	15,672	15,672

32 Financial Risk Management objectives and policies – Continued

Short term deposits

	Group 2023 Stage 1 individual ₦'000	Group Total ₦'000	Company 2023 Stage 1 individual ₦'000	Company Total ₦'000
Gross carrying amount at 1 January	672,659	672,659	552,230	552,230
New financial assets originated or purchased (Note 22)	614,058	614,058	463,629	463,629
Assets derecognised or repaid (excluding write offs)	(672,659)	(672,659)	(552,230)	(552,230)
Gross carrying amount at 31 December	614,058	614,058	463,629	463,629

Expected credit loss allowance for short term deposits

	Group Individual 2023 ₦'000	Group Total 2023 ₦'000	Company Individual 2023 ₦'000	Company Total 2023 ₦'000
ECL allowance at 1 January	1,837	1,837	1,628	1,628
New financial assets originated or purchased (Note 22a)	10,407	10,407	9,408	9,408
Assets derecognised or repaid (excluding write offs)	(1,837)	(1,837)	(1,628)	(1,628)
ECL allowance at 31 December	10,407	10,407	9,408	9,408

31-Dec-22	Group 2022 Short-term deposits ₦'000	Group Treasury bills ₦'000	Group Total ₦'000	Company 2022 Intercompany receivables ₦'000	Company Short term deposits ₦'000	Company Treasury bills ₦'000	Company Total ₦'000
Upside (10%)	163	-	163	1,204	163	-	1,386
Base (81%)	1,318	-	1,318	9,906	1,318	-	11,224
Downside (9%)	147	-	147	1,111	147	-	1,258
	1,628	-	1,628	12,221	1,628	-	13,849

Intercompany receivables	Company 2022 Stage 1 ₦'000	Company 2022 ₦'000
Gross carrying amount at 1 January	629,506	629,506
New assets originated or purchased (Note 20)	640,114	640,114
Assets derecognised or repaid (excluding write offs)	(629,506)	(629,506)
Gross carrying amount at 31 December	640,114	640,114

Expected credit losses on intercompany receivables

	Company 2022 Stage 1 individual ₦'000	2022 Total ₦'000
ECL allowance at 1 January	11,864	11,864
New assets originated or purchased (Note 20a)	12,221	12,221
Assets derecognised or repaid (excluding write offs)	(11,864)	(11,864)
ECL allowance at 31 December	12,221	12,221

Short term deposits

	Group 2022 Stage 1 Individual ₦'000	Total ₦'000	Company 2022 Stage 1 individual ₦'000	Total ₦'000
Gross carrying amount at 1 January	1,661,826	1,661,826	1,591,043	1,591,043
New assets originated or purchased (Note 22)	672,659	672,659	552,230	552,230
Assets derecognised or repaid (excluding write offs)	(1,661,826)	(1,661,826)	(1,591,043)	(1,591,043)
Gross carrying amount at 31 December	672,659	672,659	552,230	552,230

32 Financial Risk Management objectives and policies – Continued

Expected credit losses on short term deposit

	Group 2022 Stage 1 Individual ₦'000	Total ₦'000	Company 2022 Stage 1 individual ₦'000	Total ₦'000
ECL allowance at 1 January	5,589	5,589	5,435	5,435
New assets originated or purchased	1,837	1,837	1,628	1,628
Assets derecognised or repaid (excluding write offs)	(5,589)	(5,589)	(5,435)	(5,435)
ECL allowance at 31 December	1,837	1,837	1,628	1,628

Liquidity risk

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

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

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments

Group	Carrying amount ₦'000	Less than 3 months ₦'000	3 to 12 months ₦'000	1-5 years ₦'000	> 5 years ₦'000	Total ₦'000
Year ended 31 December 2023						
Trade and other payables*	-	-	8,005,040	-	-	8,005,040
Interest bearing borrowings	-	-	1,460,115	-	-	1,460,115
Lease Liability	1,145,019	-	170,744	838,210	1,655,931	2,664,885
	1,145,019	-	9,635,899	838,210	1,655,931	12,130,040

	Carrying amount ₦'000	Less than 3 months ₦'000	3 to 12 months ₦'000	1-5 years ₦'000	> 5 years ₦'000	Total ₦'000
Year ended 31 December 2022						
Trade and other payables*	-	-	4,912,091	-	-	4,912,091
Lease Liability	1,163,761	-	170,744	838,210	1,826,675	2,835,629
	1,163,761	-	5,082,835	838,210	1,826,675	7,747,720

*Withholding tax, Amount due to government agencies (PAYE), industrial training fund (ITF) and VAT payables are not financial instrument. Hence, they have been excluded from trade and other payables.

32 Financial Risk Management objectives and policies – Continued

Company

	Carrying amount ₦'000	Less than 3 months ₦'000	3 to 12 months ₦'000	1-5 years ₦'000	> 5 years ₦'000	Total ₦'000
Year ended 31 December 2023						
Trade and other payables*	-	-	7,737,830	-	-	7,737,830
Lease Liability	1,154,759		182,744	898,210	1,691,931	2,772,885
	1,154,759	-	7,920,574	898,210	1,691,931	10,510,715

	Carrying amount ₦'000	Less than 3 months ₦'000	3 to 12 months ₦'000	1-5 years ₦'000	> 5 years ₦'000	Total ₦'000
Year ended 31 December 2022						
Trade and other payables*	-	-	4,530,536	-	-	4,530,536
Lease Liability	1,173,501		182,744	898,210	1,874,675	2,955,629
	1,173,501	-	4,713,280	898,210	1,874,675	7,486,165

*Withholding tax and VAT payables are not financial instrument. Hence, they have been excluded from trade and other payables.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Group is exposed to currency risk and insignificant interest rate risk. Financial instruments affected by currency risk include cash and short-term deposit, trade and other receivables and trade and other payables.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group’s exposure to the risk of changes in foreign exchange rates relates primarily to the Group’s operating activities (when revenue or expense is denominated in a different currency from the Group’s functional currency). Management has set up a policy requiring the Group to manage its foreign currency risk against its functional currency. To manage its foreign currency risk arising from future commercial transaction and recognised asset and liabilities, the Group ensures that significant transaction is contracted in the functional currency.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to this risk as it does not have a floating interest-bearing loan and borrowing in its books

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro and GBP exchange rates, with all other variables held constant. The impact on the Group’s profit before tax is due to changes in the fair value of monetary assets and liabilities.

32 Financial Risk Management objectives and policies – Continued

Foreign currency sensitivity- continued

		Foreign currency Balances	Change in USD rate	Effect on profit before tax
		₦'000		₦'000
2023	Trade receivables	321	5%	14,544
			-5%	(14,544)
	Trade Payable	2,233	5%	101,292
			-5%	(101,292)
	Cash and bank balances	536	-5%	(24,297)
			5%	24,297
2022	Trade receivables	344	5%	7,949
			-5%	(7,949)
	Trade Payable	1,684	5%	38,861
			-5%	(38,861)
	Cash and bank balances	439	-5%	(10,148)
			5%	10,148

			Change in EURO rate	Effect on profit before tax
				₦'000
2023	Cash and balances	0.053	5%	3
		-	-5%	(3)
2022	Cash and balances	-	5%	26
			-5%	(26)

			Change in POUNDS rate	Effect on profit before tax
				₦'000
2023	Cash and bank balances	2	5%	137
			-5%	(137)
2022	Cash and bank balances	-	5%	6
			-5%	(6)

Transactions in foreign currencies other than US Dollars were not significant in the current year.

The table below show financial instruments by their measurement bases:

Group

	Amortised cost	Fair value	Carrying amount
At 31 December 2023	₦'000	₦'000	₦'000
Cash and cash equivalents (Note 22)	2,919,533	-	2,919,533
Trade and other receivables (Note 20)*	4,553,838	-	4,553,838
Total financial assets	7,473,371	-	7,473,371
Trade & other payables (Note 29)*	8,005,040	-	8,005,040
Interest bearing borrowings	1,460,115	-	1,460,115
Lease liability (Note 28)	1,145,019	-	1,145,019
Total financial liabilities	10,610,174	-	10,610,174

32 Financial Risk Management objectives and policies – Continued

The table below show financial instruments by their measurement bases - continued

Group	Amortised cost	Fair value	Carrying amount
At 31 December 2022	₦'000	₦'000	₦'000
Cash and cash equivalents (Note 22)	2,811,998	-	2,811,998
Trade and other receivables (Note 20)*	3,962,845	-	3,962,845
Total financial assets	6,774,843	-	6,774,843
Trade & other payables (Note 29)*	5,327,390	-	5,327,390
Lease liability (Note 28)	1,163,761	-	1,163,761
Total financial liabilities	6,491,151	-	6,491,151

Company	Amortised cost	Fair value	Carrying amount
	₦'000	₦'000	₦'000
At 31 December 2023			
Cash and cash equivalents (Note 22)	2,031,851	-	2,031,851
Trade and other receivables (Note 20)*	4,553,838	-	4,553,838
Intercompany receivables (Note 21)	580,268	-	580,268
Total financial assets	7,165,957	-	7,165,957
Trade & Other payables (Note 29)*	7,737,830	-	7,737,830
Interest bearing borrowings	1,460,115	-	1,460,115
Lease liability (Note 28a)	1,154,759	-	1,154,759
Total financial liabilities	10,352,704	-	10,352,704

Company	Amortised cost	Fair value	Carrying amount
	₦'000	₦'000	₦'000
At 31 December 2022			
Cash and cash equivalents (Note 22)	2,263,090	-	2,263,090
Trade and other receivables (Note 20)*	3,668,860	-	3,668,860
Intercompany receivables (Note 21)	627,893	-	627,893
Total financial assets	6,559,843	-	6,559,843
Trade & Other payables (Note 29)*	4,530,536	-	4,530,536
Lease liability (Note 28a)	1,173,501	-	1,173,501
Total financial liabilities	5,704,037	-	5,704,037

*Withholding tax/Value Added Tax receivables and payables are not financial instrument. Hence they have been excluded from trade and other receivables and trade and other payables

33 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 40% and 50%. The Group includes within net debt, trade and other payables and interest bearing borrowings less cash and short-term deposits.

	Group		Company	
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Trade and other payables (Note 29)	8,670,615	5,736,989	8,398,092	5,328,452
Interest bearing borrowings	1,460,115	-	1,460,115	-
Less cash and bank balance (Note 22)	(2,909,126)	(2,810,161)	(2,022,443)	(2,261,462)
Net debt	7,221,604	2,926,828	7,835,764	3,066,990
Equity	12,127,347	9,095,637	11,420,334	8,858,060
Capital and net debt	19,348,951	12,022,465	19,256,098	11,925,050
Gearing ratio (%)	37%	24%	41%	26%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets short term obligations to creditors and related parties providing funding support.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2023 and 31 December 2022.

34 Fair value measurement of financial assets and liabilities

The management assessed that cash and cash equivalents, trade and other receivables, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Set out below is a comparison by class of the carrying amounts and fair values of the Group's financial instruments that are carried in the financial statements.

Group & Company

	Carrying Amount			Fair value
	Dec-23	Dec-22	Dec-23	Dec-22
	₦'000	₦'000	₦'000	₦'000
Financial liabilities:				
Interest bearing borrowings	1,460,115	-	1,460,115	-
Leases	1,145,019	1,163,761	1,154,759	1,173,501
Total	2,605,134	1,163,761	2,614,874	1,173,501
Financial assets:				
Trade receivables	6,168,062	4,262,665	5,722,203	3,966,245
Total	6,168,062	4,262,665	5,722,203	3,966,245

34 Fair value measurement of financial assets and liabilities - continued

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

· Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

· Investment properties are evaluated using the DCF method, using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

As at 31 December 2023 and 31 December 2022, the Group's financial instruments carried on the statement of financial position are measured at amortised cost as such, level 3 has been used for their fair value determination.

The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 December 2023:

	31-Dec-23	Level 1	Level 2	Level 3
Asset for which fair value are disclosed (Note 15):	₦'000	₦'000	₦'000	₦'000
Investment property		-	-	760,000

	31-Dec-22	Level 1	Level 2	Level 3
	₦'000	₦'000	₦'000	₦'000
Asset for which fair value are disclosed (Note 15):				
Investment property		-	-	687,400

There have been no transfers between Level 1 and Level 2, and Level 2 and Level 3 during the period.

The fair value of the properties are based on valuation performed by Biodun Olapade & Co. accredited independent valuers. (FRCN/2013/NIESV/000000004303) with their staff lead valuer in person of Yetunde Adekoya (FRC/2023/PRO/NIESV/004/629776) is a renowned specialist in valuing this types of investment properties.

35 Revenue

An analysis of the entity's revenue is as follows:

	Group		Company	
	2023	2022	2023	2022
	₦'000	₦'000	₦'000	₦'000
Ground Handling	17,863,396	9,730,395	17,441,684	9,425,318
Cargo Handling	7,176,541	5,358,165	6,568,882	5,029,938
Others	3,359,859	1,619,366	3,359,859	1,619,366
	28,399,796	16,707,926	27,370,425	16,074,622

35a Segment reporting

Products and services from which reportable segments derive their revenues

Information reported for the purposes of resource allocation and assessment of segment performance is based on the products delivered or service rendered to customers.

The company has presented the reconciliation of segment profits in previous year and continues to disclose the same in this year's financial statement as the reconciliation is reported to the Chief Operating Officer for the purpose of decision making.

In addition, two minor operating segments, for which the quantitative thresholds for separate disclosures have not been met, are currently combined below under 'other'.

The entity's reportable segments under IFRS 8 are therefore as follows:

Ground Handling - engaged in ramp services, passenger profiling, baggage handling and crew transportation.

Cargo Handling-: involved in cargo documentation services for airlines, import and export facilitation through customs bonded warehouses across the network.

Other - The main sources of revenue for these operating segments are equipment rentals and lease rentals.

35b Segment revenue and results

Segment revenue	Revenue	Operating cost	Profit
	N'000	N'000	N'000
31-Dec-23			
Ground Handling	17,441,684	8,240,914	9,200,770
Cargo Handling	6,568,882	3,103,691	3,465,191
Others	3,359,859	1,587,479	1,772,380
	27,370,425	12,932,084	14,438,341
31-Dec-22			
Ground Handling	9,425,318	6,878,152	2,547,166
Cargo Handling	5,029,938	1,396,098	3,633,840
Others	1,619,366	882,867	736,499
	16,074,622	9,157,117	6,917,505

35 Revenue - Continued

35c Segment profit or loss represents the gross profit or loss earned/ incurred by each segment without allocation of distribution and administrative expenses, other gains/ losses, investment income as well as finance costs. This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

There was no intersegment transaction as all revenue generated above was from external customers.

35d Segment assets and liabilities

The company does not report its assets and liabilities on a segmental basis and the reported segments are not assessed by the Chief Operating Decision Maker on this basis.

36 Information relating to employees

The average number of persons employed by the company during the financial year was as follows;

	2023	2022
	Numbers	Numbers
Operations	1,339	1,407
Administration	269	244
	---------	---------
	1,608	1,651
	=====	=====

Employees of the Company, other than directors, whose duties were wholly or mainly discharged in Nigeria, received

	2023	2022
Naira	Numbers	Numbers
Less than 1,000,000	-	-
1,000,001-2,000,000	374	362
2,000,001-3,000,000	681	888
3,000,001-4,000,000	432	323
4,000,001-5,000,000	77	49
5,000,001-8,000,000	20	12
8,000,001-10,000,000	20	17
Above 10,000,000	4	-
	---------	---------
	1,608	1,651
	=====	=====

Directors mix	2023	2022
	Numbers	Numbers
Executive	3	3
Non-Executive	8	9
	-----	-----
	11	12
	===	===

	₦'000	₦'000
Highest paid Director	40,000	40,000
	======	======

37 Contingent liabilities

There are pending lawsuits for and against the Company in various courts of law. The lawsuits are being handled by external legal counsel. The contingent liabilities in respect of pending litigations and claims amounted to ₦ 379.182 million (2022: ₦539.091 million). No provision has been made in the financial statements for the claims. In the opinion of the Directors and based on legal advice, the Group's liability is not likely to be significant. No case was decided against the company during the year.

38 Capital commitments

The group did not have any capital commitments as at 31 December 2023 (2022: Nil)

39 Events after the reporting date

No event or transactions have occurred since the end of the reporting date, which would have a material effect upon the financial statements at that date or which need to be mentioned in the financial statements in order to make them not misleading as to the financial position or results of operations.

OTHER NATIONAL DISCLOSURES

NIGERIAN AVIATION HANDLING COMPANY PLC

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Group				Company			
	2023		2022		2023		2022	
	₦'000		₦'000		₦'000		₦'000	
Revenue	28,399,796		16,707,925		27,370,425		16,074,622	
Other income	754,919		350,953		236,833		347,788	
Finance income	19,985		79,721		19,985		79,721	
	29,174,700		17,138,599		27,627,243		16,502,131	
Bought in materials & service	(7,171,933)		(4,809,925)		(3,492,468)		(4,855,807)	
	22,002,767		12,328,674		24,134,775	100	11,646,324	
Applied as follows:								
To pay employees and directors						%		%
Salaries, wages, pensions and related costs	10,164,306	46	6,675,980	54	9,966,486	41	6,573,393	56
To providers of capital:								
Finance cost	-202,041	(1)	177,391	1	-202,041	(1)	-167,716	(1)
Dividend	2,338,876	11	665,930	5	2,338,876	10	665,930	6
Government:								
Income tax expenses	3,032,146	14	1,006,166	9	2,956,595	12	915,958	8
Asset replacement:								
Depreciation and amortization	1,022,597	5	982,548	8	1,003,294	4	956,103	8
Deferred taxation-	106,910	-	162,501	1	106,910	-	154,783	1
Retained profit	5,539,973	25	2,658,158	22	7,964,655	33	2,547,873	22
	22,002,767	100	12,328,674	100	24,134,775	100	11,646,324	100

The value added represents the wealth created through the Company's assets by its own and its employees' efforts. This statement shows the allocation of wealth created amongst employees, government and that retained for future creation of wealth

NIGERIAN AVIATION HANDLING COMPANY PLC

FIVE-YEAR FINANCIAL SUMMARY

GROUP	2023	2022	2021	2020	2019
	₦'000	₦'000	₦'000	₦'000	₦'000
Statement of Profit or Loss					
Revenue	28,399,796	16,707,925	10,232,674	7,126,121	9,996,145
Profit before tax	8,679,029	3,842,410	924,855	361,279	1,340,503
Income tax	(3,139,056)	(1,168,667)	(153,240)	(59,148)	(623,304)
Profit after tax	5,539,973	2,673,743	771,615	302,131	717,199
Statement of Financial Position					
Non-current assets	8,666,290	8,803,107	7,951,385	8,308,382	7,821,663
Current assets	18,644,669	9,924,266	8,490,205	5,444,052	6,887,838
Total assets	27,310,959	18,727,373	16,441,590	13,752,434	14,709,501
Non-current liabilities	2,107,570	2,021,016	1,879,462	1,997,496	1,992,304
Current liabilities	13,076,042	7,680,107	7,543,691	5,305,089	6,082,213
Total liabilities	15,183,612	9,701,123	9,423,153	7,302,585	8,074,517
Financed by:					
Share capital	974,531	974,531	812,109	812,109	812,109
Share Premium	1,752,336	1,752,336	1,914,758	1,914,758	1,914,758
Retained earnings & NCI	9,400,480	6,299,383	4,291,570	3,722,982	3,908,117
Total equity	12,127,347	9,026,250	7,018,437	6,449,849	6,634,984
Total equity and liabilities	27,310,959	18,727,373	16,441,590	13,752,434	14,709,501

NIGERIAN AVIATION HANDLING COMPANY PLC

FIVE-YEAR FINANCIAL SUMMARY

COMPANY	2023	2022	2021	2020	2019
	₦'000	₦'000	₦'000	₦'000	₦'000
Statement of Profit or Loss					
Revenue	27,370,425	16,074,622	9,658,964	6,779,005	9,570,197
Profit before tax	7,964,655	3,618,614	742,824	329,642	1,040,114
Income tax	(3,063,505)	(1,070,941)	(163,094)	(37,820)	(603,746)
Profit after tax	4,901,150	2,547,873	579,730	291,822	436,368
Statement of Financial Position					
Non-current assets	8,680,293	8,642,489	7,770,712	8,100,982	7,572,265
Current assets	17,492,810	9,386,685	8,513,087	5,540,787	6,987,037
Total assets	26,173,103	18,029,174	16,283,799	13,641,769	14,559,302
Non-current liabilities	2,119,050	2,034,706	1,898,665	1,998,981	1,988,966
Current liabilities	12,633,719	7,136,208	7,409,016	5,043,373	5,775,478
Total liabilities	14,752,769	9,171,114	9,307,681	7,042,354	7,764,444
Financed by:					
Share capital	974,531	974,531	812,109	812,109	812,109
Share premium	1,752,336	1,752,336	1,914,758	1,914,758	1,914,758
Retained earnings	8,693,467	6,131,193	4,249,251	3,872,548	4,067,991
Total equity	11,420,334	8,858,060	6,976,118	6,599,415	6,794,858
Total equity and liabilities	26,173,103	18,029,174	16,283,799	13,641,769	14,559,302