NEIMETH INTERNATIONAL
PHARMACEUTICALS PLC

# 2024

# Annual REPORT & Accounts

@Neimethplc @Neimethplc
Neimeth International Pharmaceuticals Plc


In Sickle Cell Disorder
Ciklavit*
Ciklavit
SUPPLEMENT NUTRITIONNEL
200ml
• Reduces the frequency of painful crisis
• Minimizes the severity of associated pain
• Improves patient's quality of life
• Convenient dosage regimen
...improving the well-being of people living with sickle cell disorder.
Neimeth
Neimeth International Pharmaceuticals Plc
I6, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria

## Our Vision

To be the Leading Innovative Healthcare Provider out of Africa

## Our Mission

To Promote Healthy Confident Living

## Core Values

* Customer Delight
* Innovation
* Integrity
* God Consciousness
* Leadership
* Community
* Teamwork

**Customer Delight**

We believe that our customers are the bedrock of our market position. We are committed to meeting the needs of our customers and satisfying their desires by striving to always offer them the best quality products at the best prices as well as address all their demands responsibly.

**Innovation**

We believe that by doing things differently; building a foundation on new and proven ideas, we can change any situation. Our commitment to innovation means we shall continuously introduce better and efficacious products to meet the changing market needs.

**Integrity**

At Neimeth, we expect our stakeholders to be people of integrity and we demand same of ourselves. Openness, honesty and ethical conduct must characterize our transactions.

**God Consciousness**

We believe that the Almighty God created Heaven and the Earth and all that are within them. We recognize the sovereign character of God and His love for mankind. Our desire is to do God's will and in all our dealings to reflect our love and respect for Him, knowing full well that we need divine guidance to successfully and consistently accomplish our mission/vision.

**Leadership**

We are committed to providing leadership at all levels in our organization, the Nigerian healthcare industry and indeed the sub Saharan Africa.

**Community**

We give our best as a corporate citizen to the communities in which we operate by improving their well-being; we receive commensurate rewards from them because our corporate life is tied to their well-being.

**Teamwork**

Neimeth expects staff to approach their tasks with the spirit of teamwork, sharing responsibilities and rewards with each other in an environment of trust and friendship.

# CONTENTS

Mr. Christopher Oshiafi joined the Board of Neimeth on the 26th of October 2023. He comes with over two decades of experience in Structured Finance, Consulting, Investment Banking and Venture Capital/Private Equity. He holds a B.Sc. in Accounting & Finance from the University of London and an MBA from the University of Lagos.

He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an Associate of the Chartered Insurance Institute of London (ACCII) UK and Chartered Institute of Taxation of Nigeria (ACIT). He attended various programs at the prestigious Columbia Business School New York, United States, INSEAD Business School, Fontainebleau, France, the IESE Business School in Barcelona, Spain. He is an alumnus of the Chief Executive Programme (CEP 17) of the Lagos Business School.

**Mr. Christopher Oshiafi**
*Chairman, Board of Directors*

He was the pioneer Managing Director/CEO of Trucbond Investments & Capital Limited as well as Founder/Pioneer Managing Director/CEO of PanAfrican Capital Holdings Limited. He served as Executive Director (Investment Banking) of Citizens International Bank, Vice Chairman, Board of Directors of Nigerian Aviation Handling Company Plc. and worked with the firm of Dantrop Consulting Limited as Managing Partner. He is currently the Group Managing Director of PanAfrican Capital Holdings Limited and Chairman of PAC Capital. He sits on the Board of various reputable firms.

**Pharm. Valentine C. Okelu**
*Managing Director/CEO*

Pharm. Valentine C. Okelu assumed duty on 15th August 2023 as Managing Director/CEO of Neimeth International Pharmaceuticals Plc. He graduated with distinction in Pharmacy from the University of Nigeria, Nsukka and holds a Master of Pharmacy degree from the same institution. He is an alumnus of Lagos Business School Advanced Management Program (AMP) and Strategic Marketing Management Program. He has attended several executive programs bordering on Marketing, Strategy and Management at top level institutions such as the London Business School, University of London and Wharton Business School at the University of Pennsylvania.

Pharm. Okelu is a Fellow of the Pharmaceutical Society of Nigeria (FPSN) and has membership of several professional associations, which include National Association of Industrial Pharmacists of Nigeria (NAIP), International Pharmaceutical Federation (FIP), Commonwealth Pharmacists Association (CPA) and Strategic & Competitive Intelligence Professionals, USA. He is currently Vice President of the Governing Council of Lagos Business School Alumni Association (LBSAA).

He began his professional career as a Medical Sales Representative at Rhone Poulenc Rorer/May & Baker Plc. before going on to become a Market Development Executive and later Market Development Manager in the same organization. He served as Product Manager – Cardiovascular in Aventis /May & Baker Plc.

Pharm. Okelu went from Head, Demand Creation (Pharma) at May & Baker Nigeria Plc. to occupy other roles within the organization, including Executive Director, Corporate Planning & Strategy and then Executive Director, Pharma Sales & Marketing, a role he occupied until 2023 when he left May & Baker Plc. to join Neimeth International Pharmaceuticals Plc.

Pharm. Okelu is reputed to be a highly motivated result-oriented professional with over 29 years of multi-sector and leadership experience spanning Academia, Community Pharmacy, Sales, Marketing, Corporate/Business Strategy and Operations, mostly at senior levels. He has garnered valuable experience in the pharmaceutical sector, working in different roles, regions and therapeutic segments. He also has a deep knowledge of strategy development, business planning and execution. He is a seasoned professional with demonstrated competence and valuable leadership skills.

Mazi Samuel I. Ohuabunwa (OFR)
*Non-Executive Director*

Mazi Sam Ohuabunwa is the founding Managing Director/CEO of Neimeth International Pharmaceuticals Plc. He led the Management Buy-Out (MBO) of Pfizer Products Plc. His core competencies include Enterprise Development, Governance, Corporate and Institutional leadership, Healthcare Facilities Development, Pharmaceutical Manufacturing and Marketing and Business re-engineering.

Mazi Ohuabunwa is a Fellow of several professional organizations, amongst which are the Pharmaceutical Society of Nigeria (FPSN), the Nigerian Academy of Pharmacy (FNAPharm), the West African Postgraduate College of Pharmacists (FPCPharm), the Nigerian Institute of Management (FNIM), the Nigerian Institute of Public Relations (FNIPR), and the Institute of Management Consultants (FIMC).

He is Founder/Chairman, Sam Ohuabunwa Foundation for Economic Empowerment (SOFEE), Managing Consultant of Starteam Consult, Past President Nigeria America Chamber of Commerce (NACC), Past President Nigerian Employers Consultative Association (NECA), and Past Chairman of the Nigeria Economic Summit Group (NESG). He is the Chairman of the African Centre for Business Development Strategy and Development as well as several other prestigious organizations. He is a past President of the Pharmaceutical Society of Nigeria (PSN).

He is a graduate of Pharmacy from the University of Ife. He had his Postgraduate training in Business and Organizational Management at the Columbia University N.Y. USA and the Lagos Business School.

He has authored several books and sits on the Board of other notable companies and organizations.

Pharm. (Mrs.) Roseline A. Oputa
*Executive Director, Sales & Marketing*

Pharm (Mrs.) Roseline Oputa MPSN obtained her Bachelor of Pharmacy Degree from the University of Nigeria Nsukka in 1990. She joined the Company in 1992 as Pharmaceutical Sales Representative and has held various positions such as Manager, Sales Training and Customer Satisfaction, National Demand Manager, Group Product Manager, Marketing Manager, Associate Director/Head of Ethical Product Group (EPG), Director of Administration and Corporate Programmes.

She is a member of the Chartered Institute of Directors (IoD) of Nigeria.

She joined the Board of Directors as an Executive Director on 28th October, 2017. Prior to her appointment, she served as operational Director of Sales and Marketing.

She later served as Executive Director, Administration and is currently the Executive Director, Sales & Marketing.

Mrs. Henrietta I. Orjiako
*Non-Executive Director*

Mrs. Henrietta I. Orjiako was appointed to the Board of Neimeth International Pharmaceuticals Plc. on the 20[th] of June 2024 and she sits on the Board as a Non-Executive Director. She is a seasoned Administrative expert with over 20 years managing various businesses ranging from private Real Estate, Oil & Gas Trade and Construction, as well as performing due diligence on the management of private wealth portfolio, private stock oversight and philanthropy.

She obtained her Bachelor of Arts and Master of Arts degrees from the University of Yaounde, Cameroon. She later proceeded to obtain a Post-Graduate Degree in Education and the Master of Educational Management degrees from the University of Lagos, Nigeria. Her educational journey continued with the "Leadership in Management" programme and a Master of Business Administration (MBA) from the Institute of Management, Lausanne, Switzerland. She is a Member of the Institute of Directors of Nigeria, Member, Certified Coaching Alliance (CCA) and a certified life, family and women empowerment coach.

Mrs. Orjiako's work career started with Highland Corporation Bank, Yaounde Cameroon. She was the Managing Director of Helko Nigeria Limited and Executive Director Corporate Services of the Oldrec Group Limited. She is currently Executive Director, Corporate Services of Salvic Petroleum Resources Limited.

Dr. (Mrs.) Atinuke Uwajeh joined the Board on the 27th of April 2023. She comes with a wealth of experience spanning over 30 years in the medical sector. She is a graduate of Medicine from the Obafemi Awolowo University. She was an intern at the Lagos University Teaching Hospital before proceeding to Howard University Hospital where she did her internship in Paediatrics and residency also in Paediatrics. She went on to obtain a fellowship in Paediatric Emergency Medicine from the University of Chicago Children's Hospital.

She began her career as Medical Officer at the Nigerian Airforce Medical Clinic, before proceeding to Fema Clinic as a Medical Officer. She worked as an Attending Physician at Mount Sinai Hospital and a Paediatrician at the Lincoln Medical Center, Jubilee Primary Care Associates and St. Anthony Hospital Pediatric Urgent Care Clinic. She also worked as a Physician at Peak Medical Associates and Advocate Health Centers.

Dr. (Mrs.) Atinuke R. Uwajeh
*Non-Executive Director*

Dr. (Mrs.) Uwajeh is co-founder, Paediatric Partners Hospital and Founder and Chief Medical Director of Atlantis Pediatric Hospital, Lekki, Lagos.

She is a Fellow of the American Academy of Pediatrics, a diplomate of the American Board of Pediatrics and a Member of the Nigerian Medical Association.

Prof. Maurice M. Iwu was invited to the Board on 20th of December 2011. He is the President of Bioresources Development Group (BDG), an independent biosciences research and development organisation.

He was a Professor of Pharmacognosy at the University of Nigeria Nsukka, and a Senior Research Associate at the Division of Experimental Therapeutics of Walter Reed Army Institute of Research, Washington D.C. (1993-2003), where he conducted research on drug discovery for the treatment of tropical and emerging diseases. He is a member of the Scientific Strategy Team of Elixagen Therapeutics (subsidiary of Jaguar Health Inc.) San Francisco, California.

Prof. Maurice Iwu attended the School of Pharmacy, University of Bradford, Bradford, England, where he obtained a Master of Pharmacy and Ph.D. in Pharmacognosy. He attended the Leadership and Strategy in Pharmaceuticals and Biotech Course (Course 10) at the Harvard Business School, Boston (USA).

**Prof. Maurice M. Iwu**
*Non-Executive Director*

Prof. Iwu has received many academic and professional honours among which are the World Health Organization (WHO) visiting Scholar to the Dyson Perrins Laboratory, University of Oxford, Fulbright Senior Scholar Award, Ohio State University, Columbus Ohio and the Department of Chemistry, Columbia University, New York, Senior Research Scholar Award, US National Research Council, Washington D.C. and the Richard Schultes International Prize for Ethnobiology. He also received commendation at the United States House of Representatives, 108th Congress of the United States of America on 16th February 2002. In 2009, he was awarded the Doctor of Letters degree (Honoris Causa) by the Imo State University.

He is the Chairman of the Herbal Pharmacopeia Review Committee of the Federal Ministry of Health and the Chairman of the Technical Committee on Traditional Medicine of the African Union Regional Organisation for Standardisation (ARSO). He consults on several fronts, and has served on the Boards of several non-profit and charitable foundations.

His working career spans the realms of academics, research and public service. He has presented over 300 scientific papers, published more than 200 research articles and is the author of several books.

**Dr. Olusegun E. Akanji**
*Non-Executive Director*

Dr. Olusegun Emmanuel Akanji was appointed to the Board of Neimeth on the 27th of April, 2023. He is a multi-skilled professional who joined the Board with a vast level of experience in several sectors. He obtained his B.Sc. and M.Sc. both in Sociology, MBA in Human Resources, MBA in Banking and PhD in Credit Management.

He holds professional membership of Nigeria Institute of Management, International Institute of Business Analysis, Chartered Institute of Bankers of Nigeria, Chartered Institute of Bankers Scotland, Institute of Credit Administration. He is an alumnus of the LCOB PROGRAM School at the Harvard Business School and Real Estate International Housing Finance Program at the Wharton School, University of Pennsylvania.

Dr. Akanji's career and management experience within the financial services space include commercial and investment banking, insurance and asset management. He gained strategy consulting exposure working at Accenture and Deloitte. He sits on the Board of Directors of a number of companies.

**Sir Ike T. Onyechi**
*Non-Executive Director*

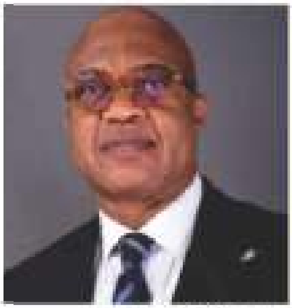
Sir Ike Onyechi was invited to the Board of Neimeth International Pharmaceuticals Plc on 20th December 2011. He is a consultant pharmacist with over 40 years practice in Nigeria. Sir Onyechi is an entrepreneur. He is the Chairman of Alpha Group of Companies, founded in 1985. He also founded the Alpha Specialties Ltd, a distributor of medical equipment and devices.

He graduated in 1980 with a B.Pharm degree in Pharmacy from University of Nigeria, Nsukka (UNN). He is an Alumnus of Enugu State University of Technology (MBA) and Lagos Business School (AMP-8), as well as a certified John Maxwell Team member and coach. He is a Fellow of the Pharmaceutical Society of Nigeria (FPSN). He has served as a member of several PSN standing and ad-hoc committees. He is Fellow, Nigeria Academy of Pharmacy (NAPharm) and Fellow, West African Post Graduate College of Pharmacists (WAPCP).

Sir Onyechi is a Member of the Board of Trustees of Association of Community Pharmacists of Nigeria (ACPN) and Nigeria Association of Industrial Pharmacists (NAIP). He has also served as Chairman of several reputable boards and associations at various times. He was the Chairman of the Diocesan Medical Board of Iyi Enu Mission Hospital, Ogidi and Chairman, Christian Pharmacists Fellowship of Nigeria (CPFN). He was the Chairman of the Nigerian Chapter of the WAPCP for many years.

Sir Ike has received many awards and honours which include the winner of the May and Baker 2020 Professional Service Awards, the Pfizer Award of Excellence in 2020 and NAIP Distinguished Service Award in 2019, amongst others.

He is a social entrepreneur, supporting worthy causes in education and healthcare.



**Mr. Eric E. Okoruwa**
*Non-Executive Director*

Mr. Eric Okoruwa joined the Board of Directors of Neimeth International Pharmaceuticals Plc. on the 20th of June 2024 as a Non-Executive Director. He comes to the Board with a vast wealth of experience from the corporate world.

Mr. Okoruwa has considerable experience in investment banking, deal structuring, project finance, asset management and he is curre
ntly the Group Executive Director at PanAfrican Capital Holdings Limited. He sits on the Board of a number of companies which include PAC Capital Limited, PanAfrican Capital Ghana Limited, PAC Asset Management Limited, PAC Securities Limited, Afrilife Healthcare Services Limited and Factoring & Supply Chain Finance Limited.

Mr. Okoruwa obtained his Bachelor of Science degree in Business Administration and a Master in Marketing from the University of Lagos. He is an alumnus of the Advanced Managers Programme (AMP26) of the Lagos Business School and the Global Chief Executive Programme Africa (GCEP) of the Lagos Business School, Strathmore Business School and Yale School of Management.

He also attended the Aresty Institute of Executive Education of Wharton University. He is a Fellow of the Chartered Institute of Credit Administration and a Member of the Institute of Directors of Nigeria.

Mrs. Patricia O. Aderibigbe was appointed to the Board of Neimeth International Pharmaceuticals Plc., on the 29th of October 2024 as an Independent Non-Executive Director (INED).

Mrs. Patricia O. Aderibigbe
*Independent Non-Executive Director*

Mrs. Aderibigbe is a visionary and a dynamic executive, offering three decades of outstanding track record in translating organization-wide strategies and objectives into measurable talent strategies. She played a pivotal role in the transformation of a medium-sized UK-based organization into a multi-National Enterprise with footprint in several European cities by implementing leading practices and solutions that drove employee loyalty and brand connection, institutionalizing operational efficiencies for culture codes for seamless post-merger integration across 17 countries.

Mrs. Aderibigbe has occupied top HR and operations positions across multiple sectors, countries and continents including Technology, Oil and Gas, Banking and Finance. She currently holds the position of Director of HR and Corporate Services at the Africa Finance Corporation.

Mrs. Aderibigbe had her first degree and Master's degree in English Language & Literature (University of Benin and University of Ibadan) and post-Graduate degrees in Personnel Management and Employment Relations and Law (London Southbank University and Kingston University, UK).

She is a certified Executive Coach, and a Member of WEF CHRO forum, a Fellow Chartered Institute of Personnel and Development (FCIPD), Life Member, Institute of Directors (IoD), UK, Trained Employment Tribunal Judge, UK and H-member, Chartered Institute of Bankers of Nigeria.

Mr. Adeyemi O. Odusanya
*Independent Non-Executive Director*

Mr. Adeyemi O. Odusanya was appointed to the Board of Neimeth International Pharmaceuticals Plc on the 29th of October 2024 and he sits on the Board as an Independent Non-Executive Director (INED).

He is a professional Banker with over 33 years of experience in leading financial institutions, formulating transformational strategies and managing global teams. He is a seasoned banker with his work experience cutting across various banks in Nigeria and Zambia.

He has occupied key executive positions in Guaranty Trust Bank Limited, United Bank of Africa Plc., Equatorial Trust Bank Limited, Access Bank Plc. and Keystone Bank Limited. He combines his wealth of experience with practical experience in diversified asset management portfolio as well as sustainable economic and social development. He has extensive experience liaising with government leaders and regulatory bodies. This earned him a position between 2003 and 2006 in the Ministry of Finance as the Special Assistant to the Honourable Commissioner of Finance, Ogun State. He is currently MD/CEO of Revere Capital limited, an investment management company operating as a Multi Family office as a service to Ultra high networth individuals.

He graduated with a first class honours in Accounting from Obafemi Awolowo University and concluded an Executive MSc. in Finance program from HEC, Paris. He is an Alumnus of Judge Business school, University of Cambridge, SAID Business school, University of Oxford and Wharton Business School, University of Pennsylvania, USA. He is a fellow of the Institute of Chartered Accountants of Nigeria (ICAN), Fellow, Institute of Credit and Collection Management, and Honourable Fellow of the Institute of Bankers and an associate of Chartered Institute of Taxation.

Obron-6®
ENRICHED MULTIVITAMINS AND MINERALS ESSENTIAL FOR NURSING MOTHERS AND MOTHERS-TO-BE
plus iron
..healthy mother, healthier baby..
Before Pregnancy
During Pregnancy
During Breastfeeding
Supplement for blood loss during menstruation
Neimeth
Neimeth International Pharmaceuticals Plc
16, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria

| | | | |
|---|---|---|---|
| **Directors** | Mr. Christopher Oduah | Chairman | (Appointed 20 June 2024) |
| | Dr. Ambrose B. I. Orjiako | Chairman | (Retired 20 June 2024) |
| | Pharm. Valentine C. Okelu | MD/CEO | |
| | Pharm (Mrs.) Roseline A. Oputa | ED, Sales & Marketing | |
| | Mrs. Florence I. Onyeneho | Acting ED, Finance | (Retired 30 October 2024) |
| | Alh. Samuel I. Olusanya | Non-Executive Director | |
| | Prof. Maurice M. Iwu | Non-Executive Director | |
| | Sir. Mc T. Onyeichi | Non-Executive Director | |
| | Mr. Thomas T. Dodo | Non-Executive Director | (Retired 20 June 2024) |
| | Dr. Afinabo R. Uwajeh | Non-Executive Director | |
| | Dr. Olusegun E. Jaiyeji | Non-Executive Director | |
| | Mrs. Henrietta I. Onyeabo | Non-Executive Director | (Appointed 20 June 2024) |
| | Mr. Eric E. Okereke | Non-Executive Director | (Appointed 20 June 2024) |
| | Mrs. Patricia D. Adenibigbe | Independent Non-Executive Director | (Appointed 29 October 2024) |
| | Mr. Adeyemi O. Olusanya | Independent Non-Executive Director | (Appointed 29 October 2024) |
| **Company Secretary** | Mrs. Chinonye S. Abiakumbi | | |
| **Registered Office** | Plot 16, Oshorhy Akarol Layout (Billings Way)<br>Oregun Industrial Estate<br>Oregun, Ikeja, Lagos.<br>Tel: +234 8094617000, +234 9058576284<br>E-mail: info@neimethplc.com.ng<br>Website: www.neimethplc.com.ng | | |
| **Auditor** | **BDO Professional Services**<br>ADOL House<br>15 CIPM Avenue<br>Central Business District<br>Alausa, Ikeja<br>Lagos | | |
| **Registrars** | **Meristem Registrars and Probate Services Limited**<br>213, Herbert Macaulay Way<br>Adekunle<br>Yaba<br>Lagos | | |
| **Legal Adviser/Solicitor** | Chris O. Onoxxx & Associates<br>BEALS PLAZA, 1, Juned Bolarinwa<br>Off Hakeem Balogun Street<br>Central Business District<br>Alausa, Ikeja<br>Lagos | | |
| **Bankers** | Access Bank Plc<br>First Bank of Nigeria Limited<br>Fidelity Bank Plc<br>Guaranty Trust Bank Limited<br>Providus Bank Plc<br>Sterling Bank Plc<br>United Bank for Africa Plc<br>Zenith Bank Plc | | |

Hemafolin®
BLOOD FORMING CAPSULES AND TONIC
Enriched with
•Vitamin B Complex
•Vitamin C
•Malt extract
Plus Iron
30 capsules
Hemafolin
BLOOD FORMING CAPSULES
Hemafolin
For:
• Enriched blood
• Vigour
• Vitality
Neimeth
Neimeth International Pharmaceuticals Plc
16, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria

**Major Statement of ComprehensiveIncome items:**

| | Period Ended 31-Dec-24 N'000 | Year ended 31-Dec-23 N'000 | % Change |
|---|---|---|---|
| Revenue | 4,485,116 | 2,208,591 | 103 |
| (Loss)/Profit before taxation | (854,434) | (1,689,870) | 50 |
| (Loss)/Profit after taxation | (885,333) | (1,797,551) | 50 |
| Share Capital | 2,136,552 | 2,136,552 | 0 |
| Shareholders' funds | 1,651,792 | 2,537,128 | (35) |
| Per Share Data: | | | |
| (Loss)/Earnings per share (Kobo) (Basic) | (21) | (42) | |
| Dividend per share (Kobo) | - | - | |
| Net assets per share (Kobo) | 0.39 | 0.59 | |
| Number of employees | 196 | 202 | |
| Market price | 2.29 | 1.94 | |

**NOTICE IS HEREBY GIVEN** that the 66th Annual General Meeting of the members of **Neimeth International Pharmaceuticals Plc.** ("the Company") will be held at **NECA House, Plot A2, Hakeem Balogun Street, Alausa, Lagos** on **Monday, 23rd June 2025 at 11.00am** to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the year ended 31st December 2024 and the Reports of the Directors, External Auditors and Statutory Audit Committee thereon.

2. To ratify the appointment of the following Directors appointed since the last Annual General Meeting:
   i. Mrs. Henrietta I. Orjiako
   ii. Mr. Eric E. Okoruwa
   iii. Mrs. Patricia O. Aderibigbe
   iv. Mr. Adeyemi O. Osiusanya
3. To re-elect the following Directors retiring by rotation:
   i. Dr. Olusegun E. Akanji
   ii. Mazi Samuel I. Ohuabunwa
   iii. Dr. (Mrs.) Atinuke R. Uwajeh
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To disclose the remuneration of the Managers of the Company.
6. To elect members of the Audit Committee in accordance with Section 404 (3) of the Companies and Allied Matters Act, 2020.

**SPECIAL BUSINESS**

7. To fix the remuneration of Non-Executive Directors.

   To consider and if thought fit, pass the following as special resolutions:

8. That Article 78 of the Memorandum and Articles of Association of the Company be amended as follows:
   i. A Non- Executive Director of the Company shall be required to hold a minimum of 10% of the Company's share capital, which must be fully paid up within 2 months of the date of his/her appointment or 60 days of the date the share qualification is required.
   ii. If such qualification is not met, the Non- Executive Director's position/office shall be vacated, unless the Board of Directors by special resolution grants a waiver for a given number of years.
   iii. An Executive Director shall not be required to hold any qualification share.
   iv. An Independent Non-Executive Director shall not be required to hold any qualification share.

   To consider and if thought fit, pass the following as special resolutions in view of the Company's recent 5-year strategic plan, proposed expansion of the Company's factory footprint and growth trajectory:

9. "That pursuant to Article 44 of the Company, provisions of the Companies and Allied Matters Act, 2020, and subject to the approval of the Securities and Exchange Commission and in compliance with the Listing Rules of the Nigerian Exchange Limited:
   i. The Directors be and are hereby authorized to raise additional capital of up to N20,000,000,000 (Twenty Billion Naira) or such amount as the Directors may deem fit, through an allotment of shares to be issued, whether by way of public offering, rights issue, strategic allotment, private/special placement or through a combination of methods, subject to terms and conditions to be determined by the Directors.
   ii. The Directors be and are hereby authorized to enter into any agreements and or execute any other documents necessary for and/or incidental to effecting the resolutions above.
   iii. That the Directors be and are hereby authorized to appoint such professional parties and perform all such other acts and do all such other things as may be necessary for or incidental to effecting the above resolutions, including without limitation, complying with directives of any regulatory authority as well as the increase in the Company's Minimum Share Capital.

10. "That pursuant to the Companies and Allied Matters Act, 2020 and Article 47 of the Company, and subject to the confirmation of the court:
    i. "The Share Premium Account of the Company be reduced by N2,000,000,000 (Two Billion Naira) from N2,377,756,000 (Two Billion, Three Hundred and Seventy Seven Million, Seven Hundred and Fifty Six Thousand Naira) to N377,756,000 (Three Hundred and Seventy-Seven Million, Seven Hundred and Fifty Six Thousand Naira) and the amount by which the Share Premium Account is so reduced be credited to a Capital Restructuring Reserve Account."
    ii. "That pursuant to the Resolution in paragraph (i) above, the amount of N2,000,000,000 (Two Billion Naira) standing to the credit of the Capital Restructuring Reserve Account be applied in writing off the accumulated losses of the Company."
    iii. "That the Solicitors of the Company be directed to seek orders of the Court sanctioning the balance sheet restructuring contained in the foregoing resolutions."
    iv. "That the terms of, and transactions contemplated by the Company's appointment of professional parties in connection with this Resolution, prior to this Resolution being passed, and the performance of obligations pursuant to the appointment of such professional parties, on behalf of the Company, be and are hereby ratified and approved."
    v. "The Directors and Management be and are hereby authorised to do all things necessary and incidental to the achievement and fulfilment of the above resolutions, including to enter into any agreements, execute any other documents and to appoint such further professional parties or advisers and comply with directives of any regulatory authority as may be deemed necessary for or incidental to effecting the foregoing resolutions."

**NOTES:**

1. **PROXY**
   A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy needs not be a member of the Company.

   A form of proxy is enclosed and if it is to be valid for the purpose of the meeting, it must be completed, duly signed and deposited at the registered office of the Company at 16, Akanni Doherty Layout (Billings Way), Oregun Industrial Estate Oregun or the office of the Registrar, Meristem Registrars and Probate Services Limited, 213 Herbert Macaulay Way, Adekunle, Yaba, Lagos not less than 48 hours before the time fixed for the meeting.

2. **CLOSURE OF REGISTER**
   The Register of Members and Transfer Books of the Company will be closed from Friday, 13th June 2025 to Wednesday, 18th June 2025 for the purpose of updating the Register of Members.

3. **STATUTORY AUDIT COMMITTEE**
   In accordance with Section 404(6) of the Companies and Allied Matters Act 2020, any member may nominate a shareholder as a member of the Audit Committee by giving written notice of such nomination to the Company Secretary at least 21 days before the time for holding the Annual General Meeting.

   Kindly note that by virtue of the provisions of the Nigerian Code of Corporate Governance and the Companies & Allied Matters Act, all members of the Statutory Audit Committee should be financially literate and at least one member should be a member of a professional accounting body in Nigeria established by an Act of the National Assembly.

4. **RE-ELECTION OF DIRECTOR AGED 70 YEARS OR MORE**
   In accordance with S. 282 of CAMA, special notice is hereby given that Mazi Samuel I. Ohuabunwa who has attained the age of 70 years will be presented for re-election as a Non-Executive Director on the Board of the Company at the 66th Annual General Meeting.

   The profiles of the Directors offering themselves for re-election as well as profiles of Directors whose appointments are to be ratified are provided in the Annual Report and on the Company's website: www.neimethplc.com.ng.

5. **RIGHTS OF SECURITIES HOLDERS TO ASK QUESTIONS**
   Securities holders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary on or before Wednesday, 18th June 2025.

6. **E-DIVIDEND**
   Shareholders who are yet to complete the e-dividend form or who need to provide up to date records and relevant bank accounts are urged to complete the e-dividend form which can be detached from the Annual Report and Accounts or downloaded from the Company's website at www.neimethplc.com.ng. The duly completed form should be returned to Meristem Registrars and Probate Services Limited, 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos.

7. **UNCLAIMED DIVIDEND**
   Shareholders are hereby informed that some dividends have remained unclaimed. Shareholders should therefore contact the Registrar for enquires to resolve any related issue.

8. **ELECTRONIC ANNUAL REPORT**
   The Electronic Copy of the 2024 Annual Report will be accessible online for viewing and download from our website at www.neimethplc.com.ng and also circulated via email to Shareholders who have provided their email addresses to the Registrars. Shareholders may also request an electronic copy of the 2024 Annual Report via: info@meristemregistrars.com

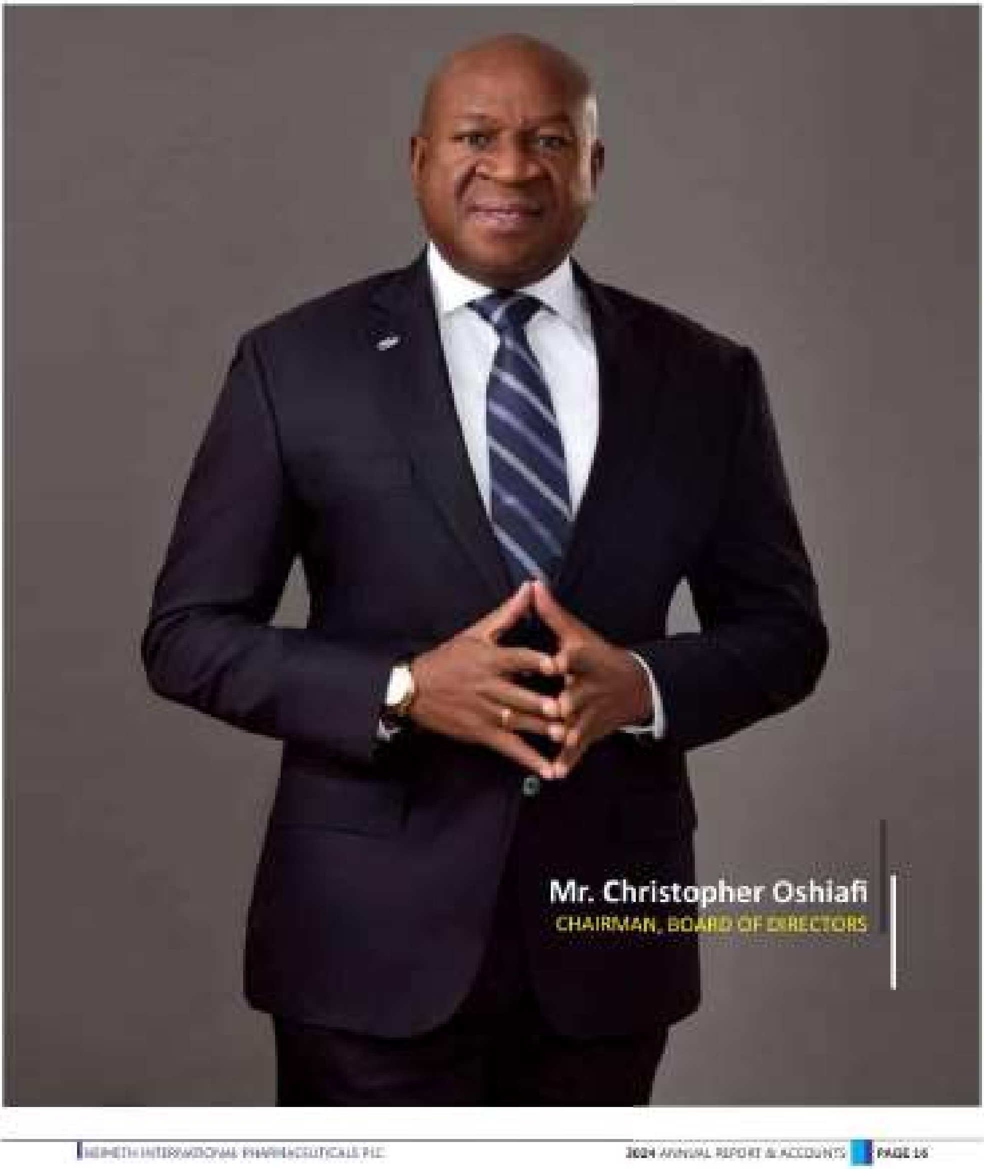
Dated this 27th day of May 2025

**BY ORDER OF THE BOARD**

**CHINENYE S. ADEKANMBI (MRS.)**
Company Secretary
FRC/2024/PRO/NBA/004/657332

Registered Office Address
16, Akanni Doherty Layout (Billings Way)
Oregun Industrial Estate, Oregun
Ikeja, Lagos.

STOP MALARIA FAST
with
NimARTEM®
Artemether +Lumefantrine
80/480mg & 20/120mg
NIMARTEM QS
NIMARTEM QS
NimARTEM
Comprimes 20/120
...Neimeth malaria Terminator
• Effective
• Easy to swallow
• Affordable
Available in Pharmacies Nationwide
Neimeth
Neimeth International Pharmaceuticals Plc
I6, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria


Mr. Christopher Oshiafi
CHAIRMAN, BOARD OF DIRECTORS

# Esteemed Shareholders, I welcome you to the 66th Annual General Meeting of our company

I present before you the Reports and Accounts of our company for the 2024 business year, which I am glad to say carries the message of a new era of hope and opportunities for all who have invested in Neimeth International Pharmaceuticals Plc. During the year, our company remained focused on manufacturing, sales and marketing of health care products with specialization in human and animal pharmaceutical products.

**Operating Environment**
First, let's take a look at the environment in which our company did business in 2024.

**The Global Economy in 2024**
In 2024, key global economic issues which impacted business were high inflation, food insecurity, and high commodity prices. Inflation remained a significant concern globally, with food-price inflation particularly high in developing countries. Global commodity prices remained above pre-COVID-19 pandemic levels, impacting developing economies like Nigeria. Added to these was economic policy uncertainties which hindered business growth in many countries.

The World Bank's Human Development Index 2024 shows that "Sub-Saharan Africa has the highest extreme poverty rate globally, and a large share of the poor is concentrated in a few countries," especially Nigeria. According to the report, Nigeria remained the poverty capital of the world in 2024, accounting for 19% of the extremely poor in the Sub-Saharan Africa, compared to 14% in the Democratic Republic of Congo, 9% in Ethiopia and 6% in Sudan. The report adds that "About 80% or 560 million of the world's estimated 695 million extreme poor resided in Sub-Saharan Africa in 2024, compared to 8% in South Asia, 2% in East Asia and the Pacific, 5% in the Middle East and North Africa, and 9% in Latin America and the Caribbean."

The report lists Nigeria, the Democratic Republic of Congo, Ethiopia, and war-torn Sudan as the four countries within Sub-Saharan Africa, with more than half of the population of the extreme poor in 2024. The World Bank predicts that without concrete and result-orientated mitigation programmes, the Nigerians living below poverty line will grow by 55% by 2027 because of the sluggish growth in the economy, high inflation and rising rural-urban disparities.

This picture by the World Bank shows that Nigeria's large population may no longer be an attraction for investment or a viable support for businesses in the country because of a very weak or near non-existent purchasing power among a large proportion of the populace. According to the World Bank's sister institution, the International Monetary Fund (IMF), poverty remained widespread in Nigeria in 2024. The state of the Nigerian economy by 2024 is summarised by Dr. Akinwunmi Adesina, President of the African Development Bank who said recently that Nigerians living in 2024 were worse off than those who lived 64 year ago at independence in 1960. He said so because Nigeria's GDP per capita fell from $1,847 in 1960 to $824 in 2024.

**The Nigerian Business Environment in 2024**
Amidst this grim picture of the business and social environment, business in Nigeria witnessed a mixed performance in 2024. Significant economic reforms, including fiscal and monetary policy adjustments, which were implemented in 2024, helped to drive economic growth and stability in some sectors while several sectors remained comatose.

Inflation remained a significant challenge, impacting businesses and consumers. According to the Consumer Price Index (CPI) of the Nigerian Bureau of Statistics (NBS), the headline inflation rate reached 33.40% in July 2024. The year ended at an even higher rate at 34.0% compared to 28.90% in 2023 and 21.34% in 2022.

Also, beside inflation, which was a global phenomenon, in Nigeria, foreign exchange liquidity challenges persisted due to limited inflows, adversely impacting businesses. Foreign Exchange rate volatility prevailed throughout 2024. The naira exchanged at an all-time high of N1,717.50 to 1USD in November 2024 compared to N903.925 to the US dollar in December 2023. The average exchange rate of Naira to USD in 2024 was N1,370, the highest in the five year period of 2020 to 2024. Consequently, companies operating in Nigeria were forced to carry huge foreign exchange losses in their books and this has been so since 2023 when the Government floated the Naira. The decision of the Government in June 2023 to float the naira led to exchange rate pressures, impacting import costs and adding to inflationary woes.

Despite these challenges the National Bureau of Statistics (NBS) reported that Nigeria's GDP for full year 2024 grew by 3.4% up from 2.7% in 2023. This growth was primarily driven by the non-oil sector, with the Services sector playing a significant role. Nominal GDP stood at N260 trillion at the end of 2024.

Services, especially financial services, information and communication, and utilities sectors continued to be key drivers of GDP growth. According to the Nigerian Bureau of Statistics (NBS), in the Fourth Quarter (Q4) of 2024, the Services sector expanded by 5.37% year-on-year. Strong exports and huge government consumption added substantially to the GDP growth. This growth was also assisted by consumers' willingness to draw on savings for consumption as household income and business profits decelerated.

Nigeria continued with a protectionist trade regime in 2024, with high tariffs and prohibitions on many imported items aimed at boosting domestic agricultural and manufacturing sectors. While this engendered some gains in trade positions, government revenue, and foreign investment, these gains were tempered by macroeconomic instability. Limited fiscal space for public investment and difficulty attracting private investments constrained the ability to make essential infrastructure improvements required to ease the operating conditions for businesses.

**The Pharmaceutical Sector**

In 2024, the global pharmaceutical industry saw a robust growth, particularly in Asia-Pacific, driven by factors like aging populations, emerging market demand, and new product launches, with a forecast of 3% growth in global pharmaceuticals output. The launch of new products, including those for weight loss contributed to the growth, with weight-loss medication predicted to reach about USD 80 billion by 2030. Vaccine production also continued to support growth, although at a lower level than in previous years.

Africa is the only pharmaceutical market where genuine growth is still achievable with the pharmaceutical market in the continent expected to reach $65 billion by 2030. The revenue of the pharmaceutical sector in Nigeria alone is estimated at $1.84 billion in 2025. Nigeria's annual growth rate in pharmaceutical revenue is put at 6.44% and this is expected to lead to a market volume of $2.36bn by 2029. Nigeria's pharmaceutical market is experiencing a surge in demand for locally produced generic drugs, due to dwindling purchasing powers.

The Pharmaceutical Industry in Nigeria faces a range of challenges that will shape its future direction, requiring adaptability and proactive strategic planning. These challenges include regulatory, technological, supply chain, cost, and socio-economic challenges. In particular, ensuring supply chain resilience is crucial for the Industry's long-term survival and success in Nigeria.

There is also a growing need for Nigerian pharmaceutical companies to recognise the urgency for programmes that would improve operational efficiency, particularly in research and development, production, and sales and marketing. The Healthcare Industry where our company belongs, however, remained boisterous in 2024 as people coped with various health conditions during the period.

**Our Performance in 2024**

It was in the midst of these daunting environmental challenges in 2024 that our company achieved a 103% revenue growth during the year and saw a major rebound in operations and profitability.

Total sales rose to N4.485 billion in 2024 as against N2.200 billion in 2023, engineered by an invigorated sales volume drive. Gross profit jumped by 167% from N734.070 million to N1.957 billion. Operating Profit turned positive to N18.886 million in 2024, from a loss of N1.021 billion in 2023. During the business year under review, several cost management measures adopted by the Management yielded good results. For instance, despite the 103% increase in sales revenue, marketing and distribution expenses fell by 14% from N792.382 million to N680.453 million. In a similar vein, administrative expenses fell by 28% from N868.115 million to N628.176 million. However finance cost rose by 32% from N667.548 million to N873.320 million. A 41% increase in foreign exchange losses from N1.451 billion to N2.048 billion changed the narrative to a Loss Before Tax (LBT) of N654.434 million and Loss After Tax (LAT) of N885.333 million for the year. Compared to LBT of N1.683 billion and LAT of N1.797 billion in 2023, our performance in 2024 was indeed excellent.

Following in the steps of our performance in operations and profitability, Neimeth International Pharmaceuticals Plc.'s share price saw a major rebound in 2024 as investors reassessed the company on the basis of emerging results. Underlying performance ratios, which measure the depth of structural improvement and intrinsic value creation, were all positive in 2024, underlining the fact that the actual figures were driven by substantial changes in the fundamentals of the Company.

**Board Changes**

Dear Shareholders, in the course of the year, there were changes on the Board which saw the exit of some directors and entry of others. Effective June 20, 2024, Dr. Ambrose Orjiako who had served as Chairman of the Board of Directors retired from the Board. The Board appreciates his immeasurable contributions to the growth of the Company and wishes him well in all his endeavours. Mr. Thomas Osobu equally retired as a Non-Executive Director of the Company on June 20, 2024, while Mrs. Florence Onyenakwe who had served as Company Secretary and later as Acting Executive Director of Finance retired from service on October 30 2024. The Board wishes them well in their future endeavours.

Mr. Christopher Oshiafi, my humble self, who joined the Board on October 26, 2023 became Chairman of the Board of Directors on June 20, 2024, while Mrs. Henrietta Orjiako and Mr. Eric Okoruwa also joined the Board as Non-Executive Directors on June 20, 2024. Mrs. Patricia Adenibigbe and Mr. Adeyemi Odusanya joined the Board as Independent Non-Executive Directors on October 29, 2024. We welcome them all on board and wish them an eventful tenure.

**Fund Virement**
In the course of the year, the Board of Directors reallocated, with the approval of the Securities & Exchange Commission, the sum of N1.5 billion originally designated for the construction of a new plant in Amawbia, Anambra State. This fund was directed towards the expansion and efficiency improvement of our existing plant in Oregun, Lagos State. This decision arose from the persistent depreciation of the Naira and the inflationary pressures, which significantly affected the Company's working capital and the budget for the new project. The funds initially set aside from the Company's 2022 Rights Issue was no longer sufficient to complete the project, as adverse macroeconomic conditions caused substantial cost increases. In the light of these challenges, the Board approved the reallocation of the N1.5 billion to enhance the capacity and operational efficiency of the Oregun plant, as well as improve compliance with Current Good Manufacturing Practices (cGMP).This strategic adjustment aligns with the Company's long-term growth objectives and ensures that our company can continue to deliver on its operational goals while optimizing the use of available funds.

**New Factory Project**
Work is continuing at the Amawbia project site, despite the decision to optimize the available fund for the consolidation of operations in the existing facility at Oregun. Enough funds have been reserved to ensure the completion of the factory building structure, pending the raising of funds to fully complete the project. We shall continue to pursue our vision of having a WHO-compliant production facility that will serve as a centre of excellence for pharmaceutical research, development, manufacturing, and distribution which aligns with our vision to become the leading healthcare provider out of Africa. Furthermore, this facility will enable us to maximize the opportunities presented by the African Continental Free Trade Agreement (AfCFTA), positioning Neimeth as a key player in pharmaceutical production and distribution across the continent. We shall provide updates as the project progresses.

Plans are also being made to increase the Company's factory footprints, in order to compete more favourably with our peers. A fund raising exercise is being planned to achieve this now that the Company has returned to profitability.

**Appreciation**
Distinguished Shareholders, my faith in our company is upbeat and rekindled by the 2024 business year performance. I am sure you are equally encouraged at this new beginning. We have not only flattened the curves, we have created a tangible roadmap that will take the Company to its desired destination.

Please permit me to send a note of appreciation to all those who made our sterling performance possible starting with you all for approving the various requests which we tendered before you in 2024 and giving the Board the freedom to take well considered steps. To the entire members of the Board, serving and retired, the Management team and all the staff I say "thank you."

Mr. Christopher Oshiafi
Chairman, Board of Directors


Pharm. Valentine C. Okelu
MANAGING DIRECTOR/CEO

## Dear Shareholders,

## It is my pleasure to welcome you all to this Annual General Meeting and to present the Managing Director's Report for the financial year ended December 31, 2024.

I am particularly pleased to describe 2024 as a **Year of Meaningful Progress**—a pivotal period in our efforts to reposition Neimeth International Pharmaceuticals PLC for sustainable growth and value creation.

**Macroeconomic Landscape: Headwinds and Opportunities**

The 2024 business year was marked by macroeconomic turbulence, yet the long-term outlook for pharmaceutical manufacturing in Nigeria remained strong. The Nigerian pharmaceutical market, valued at $1.7 billion in 2024, is expected to reach $4 billion by 2030, driven by rising incidences of chronic conditions such as diabetes, cancer, and cardiovascular diseases, as well as increased demand for treatment of infectious diseases. These factors point to a compelling growth trajectory for pharmaceutical manufacturers in Nigeria and across Africa.

However, the business environment in Nigeria posed serious challenges. Inflation soared to 34%, driven mainly by food and commodity prices, which significantly diminished consumers' purchasing power. Income levels remained largely stagnant, and many Nigerians found it increasingly difficult to afford basic necessities, including healthcare. Additionally, the foreign exchange crisis intensified. Following the Central Bank's decision in mid-2023 to float the Naira, the exchange rate plunged from approximately ₦800 to over ₦1,700 per US dollar by November 2024. This severe devaluation exacerbated inflation, increased the cost of doing business, and triggered financial strain across multiple sectors, including pharmaceuticals. Other longstanding issues—such as inadequate infrastructure, high energy costs, and regulatory inconsistencies—further complicated the operating environment.

**Financial Performance: A Turnaround**


Despite these formidable challenges, and a huge funding gap, Neimeth recorded one of its strongest performances in recent history, achieving a complete turnaround in operational and financial outcomes. In my remarks at the 65th AGM last year, I, on behalf of my colleagues in the Management, committed to doubling our revenue in 2024. I am pleased to report that we fulfilled this promise, with revenue growing by 103%, from ₦2.2 billion in 2023 to ₦4.5 billion in 2024. This growth reflects a significant recovery in our business, placing Neimeth among the fastest-growing pharmaceutical companies on the Nigerian Exchange (NGX) in 2024.

Our gross profit expanded dramatically by rising from ₦734 million in the previous year to ₦1.96 billion in 2024. We reversed a negative bottom line to deliver an operating profit of ₦18.5 million—a remarkable turnaround from the ₦1.02 billion operating loss recorded in 2023. This was made possible by fundamental improvements in operational efficiency, cost control, and route-to-market strategies.

We also made notable progress in cost containment. Marketing and distribution expenses declined by 14%, falling from N792.4 million in 2023 to N680.5 million in 2024. Administrative expenses also dropped significantly, decreasing by 28% to N628.2 million. Finance costs, however, rose to N873.3 million—a 31% increase—due largely to the impact of high interests paid because of the company's exposure to the banks, including the foreign currency-denominated balances. While we adjusted product prices where feasible, we deliberately avoided passing on the full burden of cost increases to consumers, as this would have constrained demand and negatively affected sales volumes.

It is important to note that we incurred a foreign exchange loss of N2.05 billion, resulting in a pre-tax loss of N858.4 million for the year. To mitigate future exposure to currency volatility, we have initiated a restructuring of our foreign currency balances, and have converted them to Naira. We are actively negotiating extended repayment terms with the banks. These actions are designed to improve financial flexibility, strengthen cash flow, and support our return to profitability.

**Segment Performance**

In 2024, Neimeth continued to operate through two main business segments—human pharmaceutical products and animal health products. The human pharmaceuticals segment delivered strong performance, with revenue doubling from N2.1 billion in 2023 to N4.3 billion in 2024. This growth was driven by improved product availability, enhanced distribution, and increased market demand.

The animal health segment also experienced growth, though at a more modest scale. Revenue increased from N142.8 million to N184.3 million during the year. Given the relatively small contribution of this segment to our overall revenue, management is working to ensure aggressive growth and increased contribution by the animal health business.

**Capital Market Performance & Shareholder Value**

Neimeth's performance in the capital market in 2024 reflected the growing investor confidence in our renewed strategy and operational improvements. By year-end, our stock had appreciated by 2.69%. This trend has continued into 2025, with our share price rising by over 37.12% - a combined 50.2% gain over the past 12 months, positioning Neimeth as one of the best-performing stocks on the NGX. Underlying financial metrics support this upward trajectory. The Company's pre-tax profit margin improved significantly, rising from -76.47% to -19.05%. This means that Neimeth now incurs a loss of N19.05 for every N100 in sales, compared to a previous loss of N76.47. Return on Equity (ROE) improved from -79.85% to -53.60%, while Return on Assets (ROA) rose from -17.66% in 2023 to -7.59% in 2024. These improvements underscore our return to structural profitability and value creation for shareholders.

**Production Capacity Expansion**

In our continued effort to meet growing market demand and eliminate production backlogs, we completed a significant upgrade of our production facility in Oregun, Lagos, in 2024. Further work is being done to continue improving the manufacturing capacity in order to dramatically reduce the number of unfulfilled orders. This will also not only enhance our responsiveness to customer demand but also improve operational efficiency across the value chain. This expansion is well aligned with the Federal Government's policy support for local manufacturing. We are confident that, by the end of this business year, all our production lines will be fully optimized for maximum output and efficiency.

**Strategic Initiatives**

To drive future growth and safeguard against recurring macroeconomic shocks, Neimeth is implementing a comprehensive set of strategic initiatives. We have currently restructured our foreign-denominated loans into Naira to reduce foreign exchange exposure, while also negotiating extended payment terms on existing credit facilities to bolster liquidity and improve our working capital position.

We are also deepening our local supply chain by sourcing raw materials domestically, which not only mitigates foreign exchange risks but also supports local industry. Maximizing utilization of our expanded capacity at the Oregun facility remains a top priority, as it will enable economies of scale and improve margin performance. These initiatives collectively aim to strengthen our balance sheet and lower overall borrowing costs, putting Neimeth on a more sustainable and profitable path.

**Innovation & Research**
Research and Development (R&D) is the cornerstone of our long-term competitiveness. At Neimeth, we remain committed to innovation that meets Africa's healthcare needs and aligns with our vision "to be the leading innovative healthcare provider out of Africa."

In 2024, we made substantial investments in internal innovations aimed at developing new products and refining existing formulations to enhance efficacy and accessibility. In parallel, we are collaborating with medical researchers and academic institutions with the hope of creating more affordable treatments using indigenous raw materials. Additionally, we intensified efforts to localize production inputs, reducing dependency on imported components and creating a more resilient supply chain.

**Outlook for 2025: Sustained Growth**
We entered 2025 on a strong footing, and our first quarter results are indicative of continued momentum. Revenue rose by 86% in Q1 2025, increasing from ₦648 million in the same period of 2024 to ₦1.206 billion. Gross profit also expanded by 27%, while operating profit more than doubled—surging by 114% from ₦210 million to ₦449.9 million. These early results validate the effectiveness of our strategic interventions.

Looking ahead, we remain focused on building on these gains. Our priorities include deepening market penetration, optimizing production, accelerating product development, and continuously improving efficiency to deliver stronger financial outcomes and long-term shareholder value.

**Conclusion**
In closing, I want to reiterate that the 2024 financial year was a defining period in the history of Neimeth International Pharmaceuticals PLC—a year that tested our resilience, demanded bold decisions, and ultimately validated our strategy. We faced economic conditions that were among the most volatile in recent memory. Yet, in the face of these headwinds, Neimeth not only survived—we began to thrive.

We returned to strong revenue growth, restored profitability at the operating level, reduced costs significantly, and outperformed our peers in the capital market. More importantly, we laid the groundwork for long-term transformation that has positioned Neimeth for a more stable, productive, and prosperous future.
But we are not resting on our laurels. The journey ahead requires discipline, innovation, and agility. We are approaching the future with clarity of purpose and renewed confidence. Our strategy is clear: we will deliver value—not only to our shareholders but also to our patients, partners, and communities.

I extend my sincere appreciation to our esteemed shareholders for your patience, trust, and support. To the Chairman and Board of Directors, thank you for your guidance, unwavering support and steadfast belief in the Management team.

As we look ahead to 2025 and beyond, we do so with optimism and resolve. Together, we will write the next chapter of Neimeth's growth story—one defined by resilience, excellence, and sustainable impact.

Thank you.

**Pharm J. Valentine Okelu** FPSN
Managing Director/Chief Executive Officer

**Pharm. Valentine C. Okelu**
Managing Director/CEO

**Pharm. (Mrs.) Rosaline A. Oputa**
Executive Director, Sales & Marketing

**Mrs. Oluwaseye S. Adekunmi**
Company Secretary
[illegible]

**Mrs. Nkiruka I. Ofodile**
Head of Finance

**Mrs. Ngozi E. Kanu**
Head of Internal Audit

**Mr. Paul M. Ohiomo**
Head of Human Resources

**Pharm. Chuka D. Chukwuma**
Head of Manufacturing

This corporate governance report shows how the affairs of the Company were directed in the course of the reporting year and outlines the corporate governance approach adopted.

The Framework for the Company's corporate governance practices is hinged on applicable laws, rules and regulations in Nigeria, amongst which are:

1. The Companies and Allied Matters Act (CAMA) 2020
2. The Nigerian Code of Corporate Governance (NCCG) 2018
3. The Listing Rules of the Nigerian Exchange Limited (NGX)
4. The Rules of the Securities & Exchange Commission (SEC)
5. The Securities and Exchange Commission (SEC) Corporate Governance Guidelines 2021
6. The Memorandum and Articles of Association of Neimeth International Pharmaceuticals Plc.
7. The Board Charter
8. International best practices.

In the year under review, there were no penalties or sanctions imposed on the Company.

The primary responsibility for ensuring good corporate governance in the Company lies with the Board, and it is dedicated to promoting the interest of shareholders and other stakeholders and committed to ensuring that the Company strives to meet the highest standards of performance and governance in conducting its business. The corporate governance practices adopted by the Board are therefore constantly being reviewed in line with the dynamics of the business environment and designed to ensure that the Company's business is conducted in a fair, transparent, accountable and sustainable manner.

**THE BOARD OF DIRECTORS**

The Board defines the Company's strategic objectives and is tasked with ensuring oversight and control over the Company's business to ensure the overall prosperity and sustainability of the Company. The Board at all times aspires to excellence in governance standards. In carrying out its responsibilities and duties as provided for in the applicable laws, rules and regulations, it is supported by the Company Secretariat, headed by the Company Secretary/Chief Compliance Officer who gives guidance to the Board on governance matters. The Board is also supported by members of the Executive Management Team, led by the Managing Director/Chief Executive Officer who is tasked with the day-to-day running of the Company. The Executive Management Team is responsible for providing appropriate information concerning the business. To aid the Board's effectiveness, the Board works as a team and meets regularly. Board papers are circulated in advance of such meetings to ensure robust discussions and full participation in decision making. Where necessary, board members are entitled to obtain independent professional advice at the Company's expense.

To effectively perform its oversight function and monitor Management's performance, the Board is required to have a minimum of four (4) scheduled meetings every year. The record of meeting attendance of the Board and its Committees in the year under review is contained in this report.

**BOARD COMPOSITION**

In line with relevant provisions, the Board is of a sufficient size relative to the scale and nature of the Company's business. The Board is composed in such a way that ensures diversity of experience and inclusion, irrespective of gender, disability, ethnicity, religion/belief and background amongst others, without compromising certain core competencies, experience, independence, compatibility, integrity, leadership, reputation and the ability to understand the Company's business.

In line with the Company's Board Diversity Policy, the composition of the Board allows for a balanced board as part of the essence of corporate governance. The Board collectively reflects the diverse nature of the business environment in which Neimeth operates and ensures its composition is in alignment with the strategic needs of the Company.

The Board comprises a mix of Executive, Non-Executive and Independent Non-Executive Directors, headed by a Non-Executive Director who provides leadership as Chairman of the Board. The majority of board members are Non-Executive Directors.

The Non-Executive Directors are independent of Management and exercise their judgment as Directors without any constraint.

**BOARD CHANGES**

Since the last Annual General Meeting of the Company held on June 20, 2024, there have been a couple of changes to the constitution of the Board.

Dr. Ambrose Orjiako who had served as Chairman of the Board of Directors and Mr. Thomas Ovbe who had served as a Non-Executive Director of the Company, retired from the Board on June 20, 2024, while Mrs. Florence Onyemelwe who had served as Company Secretary and later as Acting Executive Director of Finance, retired on October 10 2024. The Board wishes them well in their future endeavours.

Mr. Christopher Ushiadi, who joined the Board on October 26, 2023 became Chairman of the Board of Directors on June 20, 2024, while Mrs. Henrietta Orjiako and Mr. Eric Okoruwa also joined the Board as Non-Executive Directors on June 20, 2024. Mrs. Patricia Aderibigbe and Mr. Adeyemi Odusanya joined the Board as Independent Non-Executive Directors on October 29, 2024.

The Board remains effective and ably responsible for providing the required strategic leadership.

The Company's Articles of Association provides that the Company's Board shall consist of not more than thirteen directors. In the course of the 2024 financial year, the Board did not exceed that number at any given time.

**BOARD RESPONSIBILITIES**

The role of the Board is to provide leadership and strategic guidance for the Company. In addition to overseeing Management's implementation of the Company's strategic objectives, the Board is accountable to security holders for the performance of Neimeth's business.

The Board has adopted a Board Charter which sets out the roles, responsibilities, structure and processes of the Board.

***Specific matters reserved for the Board include***

1. Strategic direction of the Company and significant corporate strategic initiatives
2. Composition and review of the functioning of the Board and its Committees
3. Approval of employment and employment of members of top management
4. The appropriation and distribution of profits
5. Monitoring of risk exposures and ensuring effective mitigation strategies
6. Acquisitions and disposals of significant assets
7. Major changes to the capital, organizational or corporate structure
8. Review of actual business performance relative to established objectives and oversight of the Company's Operations
9. Remuneration of Executive Directors
10. Induction and training of new Directors
11. Approval of Periodic and Annual Report and Accounts
12. Review of the Company's Corporate Governance Framework
13. Overall responsibility for compliance with relevant laws, regulations codes of corporate governance
14. Convening of meetings of shareholders

**BOARD APPOINTMENT**

Directors are appointed in line with the Company's Policy on Appointment of Directors. Appointments are made on merit, against objective criteria, the minimum of which must be met with due regard for the benefits of diversity on the Board, including gender. Directors must have the appropriate balance of skills, experience, independence and knowledge to enable them discharge respective duties and responsibilities effectively.

The current shape and profile of the Board is analyzed to determine current strength and weaknesses, thereby identifying the gap between the skills and knowledge needed on the Board and what Board members currently possess. This will reveal the sought after expertise, knowledge, skills, experience and other required factors.

Directors must be fit and proper persons with good character and sufficient time to devote to their responsibilities as directors. The appointment of a Director shall be formalised through a letter of appointment and ratified by Shareholders at the Annual General Meeting.

**BOARD PERFORMANCE EVALUATION**

The Board is committed to a formal evaluation process of its performance, that of its Committees and individual Directors. The purpose of the evaluation is to ensure the Board, its Committees, and individual Directors are effective and productive, and to identify opportunities for improvement.

The evaluation of the Board shall consider the mix of skills, experience, objectivity, competence of members of the Board, its diversity, knowledge of the Company and its strategic direction, attendance at meetings, how the Board works together and other factors relevant to its effectiveness.

The effectiveness of the Committees of the Board shall be reviewed and assessed as part of the evaluation exercise and relevant changes to Committee composition and strength are made where needed, to ensure the Committees are supporting the Board effectively.

The annual evaluation of the MD/CEO is by the Board through the Board Establishment & Remuneration Committee, while the MD/CEO performs the annual evaluation of the Executive Directors based on agreed criteria or performance indicators.

This process is to be externally facilitated by an independent external consultant at least once in three years. The Board was evaluated by an external facilitator for the year under review.

**BOARD TRAINING**

The Board is committed to evolving a continuing education programme to ensure existing Directors are up-to-date with the Company's business and objectives, as well as relevant industry information, their fiduciary responsibilities and other external information such as corporate governance requirements and best practices.

**RISK MANAGEMENT POLICIES AND PRACTICES**

The Board through the relevant Board Committees is responsible for reviewing the adequacy and effectiveness of risk management and controls, overseeing management's processes for the identification of significant risks across the Company and the adequacy of prevention, detection and reporting mechanisms. The Committees are also responsible for ensuring periodic review of changes in the economic and business environment, including emerging trends, and other factors relevant to the Company's risk profile, as well as reviewing and recommending for the approval of the Board, relevant risk management procedures and controls.

Management provided assurances to the Board during the year under review that the risk management and control systems in the Company were operating efficiently and effectively. These assurances were examined critically by the relevant Committees at their scheduled meetings and their findings were reported to the Board for necessary action.

**CODE OF BUSINESS ETHICS**

At Neimeth, it is believed that success at the expense of the Company's reputation will be short-lived, thus, a Code of Ethics and Professional Conduct has been adopted to promote and enhance good behaviour. The Code is intended as a guide in making the right decisions and sets out the principles that affect decision making, as well as expected standards of behaviour and ethical responsibilities of the Employees, Management and Directors of Neimeth. It also serves as a guide on conduct suitable for representatives of the Company. This Code addresses responsibilities to the Company, staff, customers, suppliers, consumers and the government, and is designed to ensure consistency in how employees conduct themselves within the Company and in their dealings outside of the Company.

The Code deals with a wide-range of topics such as Fair Employment Practices, Anti-Bribery and Corruption, Money Laundering & Financing of Terrorism, Intellectual Property, Quality, Privacy, Conflict of Interest and Ethical Standards for Directors of the Board.

**RECORD OF DIRECTORS' ATTENDANCE**

In accordance with the Companies and Allied Matters Act 2020, the record of Directors' attendance at Board meetings during the year under review will be available for inspection at the Annual General Meeting. The meetings of the Board were presided over by the Chairman. Written notices of Board meetings were circulated along with relevant Board papers, and records of meetings were appropriately captured by the Company Secretariat team.

**BOARD MEETINGS**

The Board met at least once every quarter as scheduled. However, it met a total of six times within the year under review. Meeting dates and attendance of each Director is reflected below.

| No. | Members | Status | Meetings | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 30th January 2024 | 25th March 2024 | 27th May 2024 | 28th June 2024 | 25th July 2024 | 29th October 2024 | No. of Meetings Attended |
| 1. | Dr. A. B. C. Orjiako | Non-Executive Director/Chairman | ✓ | ✓ | ✓ | ✓ | NLB | NLB | 4 |
| 2. | Mr. C. Ilobuh | Non-Executive Director/Chairman | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 3. | Pharm. V. C. Okelu | Executive Director/MD/CEO | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 4. | Pharm. (Mrs.) R. A. Opara | Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 5. | Mrs. F. I. Ogunsakin | Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | NLB | 5 |
| 6. | Mazi S. I. Ohuabunwa | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 7. | Sir I. T. Onyeocha | Non-Executive Director | ✓ | ✓ | ✓ | X | ✓ | ✓ | 5 |
| 8. | Prof. M. M. Ibeh | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 9. | Mr. T. T. Osuku | Non-Executive Director | ✓ | ✓ | ✓ | X | NLB | NLB | 3 |
| 10. | Dr. O. E. Akanji | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 11. | Dr. A. B. Osuagwu | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 6 |
| 12. | Mrs. N. I. Orjiako | Non-Executive Director | NYB | NYB | NYB | NYB | ✓ | ✓ | 2 |
| 13. | Mr. E. E. Okorocha | Non-Executive Director | NYB | NYB | NYB | NYB | ✓ | ✓ | 2 |
| 14. | Mrs. P. O. Adeshigbe | Independent Non-Executive Director | NYB | NYB | NYB | NYB | NYB | NYB | - |
| 15. | Mr. A. O. Odusanya | Independent Non-Executive Director | NYB | NYB | NYB | NYB | NYB | NYB | - |

✓ = Present, X = Absent, NYB = Not Yet on the Board, NLB = No Longer on the Board

**BOARD COMMITTEES**

The Board has committees through which its duties and responsibilities are undertaken, as spelt out in each Committee's terms of reference. The terms of reference of the Committees are in line with the provisions of the Nigerian Code of Corporate Governance 2018 and best practices. Committees are free to seek independent professional advice at the expense of the Company, subject to the approval of the Board.

The Company Secretary acts as Secretary to all the Board Committees.

The Board Committees were restructured towards the end of the reporting year. Below are the Committees prior to the restructuring and after. All the Committees discharged their responsibilities effectively and in line with their Terms of Reference. The Meetings of the Committees were attended by relevant members of the senior management of the Company.

**Finance and Budget Committee**

This Committee handled oversight over financial matters and monitoring of Management's administration of the Company in the under listed matters. The Committee was also responsible for oversight of audit matters. It consisted of Non-Executive Directors as members. The Committee's terms of reference in summary are as follows:

- Review and recommend for Board approval the organization's quarterly and annual financial statements and reports.
- Monitor the financial performance of the organization against the approved budget.
- Review and recommend financial policies, including investment strategies, debt management and financial risk management.
- Oversee the preparation and implementation of the annual budget to ensure it aligns with the organization's strategic goals.
- Ensure that financial risks are adequately identified, assessed, and mitigated.
- Review any significant financial proposals or investments and make recommendations to the Board.
- Review the financial implications of major projects or acquisitions.
- Ensure compliance with legal, regulatory, and ethical standards in financial matters.
- Oversee corporate financing, capital expenditure, treasury management, banking relations, borrowing and investments requirements.

The Committee met three times during the year under review. Meeting dates of the Committee and attendance of each member are reflected below:

| S/N | Membership | Status | Meetings | | | |
|---|---|---|---|---|---|---|
| | | | 23rd January 2024 | 23rd May 2024 | 19th July 2024 | No of Meetings Attended |
| 1. | [illegible] | Chairman | ✓ | ✓ | ✓ | 3 |
| 2. | [illegible] | Member | ✓ | ✓ | ✓ | 3 |
| 3. | [illegible] | Member | ✓ | ✓ | ✓ | 3 |
| 4. | [illegible] | Member | ✓ | ✓ | NLB | 2 |
| 5. | [illegible] | Member | ✓ | ✓ | X | 2 |

✓ = Present, X = Absent with apology, NLB = No Longer on the Board

**Establishment and Remuneration Committee**

The Committee was made up of Non-Executive Directors. The Terms of Reference of the Committee are summarized below:

- Oversight over the Remuneration policy for executive directors and senior management.
- Review of Human Resource policies, organizational structure and succession planning.
- Establishing criteria for Board and Committee memberships.
- Dealing with matters pertaining to executive management selection and performance evaluation.

The Committee met two times during the financial year to discuss issues related to its terms of reference. Meeting dates and attendance of each Director are reflected below.

| S/N | Membership | Status | Meetings | | |
|---|---|---|---|---|---|
| | | | 23rd January 2024 | 16th April 2024 | No. of Meetings Attended |
| 1. | Mazi S. I. Ohuabunwa | Chairman | ✓ | ✓ | 2 |
| 2. | Mr. T. T. Ibidoja | Member | ✓ | ✓ | 2 |
| 3. | Dr. A. E. Akanji | Member | ✓ | ✓ | 2 |

✓-Present

**Innovation and Strategy Committee:**

Neimeth has as one of its core values-Innovation, as this is crucial to the continuing success of any organisation. The Committee was made up of Non-Executive Directors and its terms of reference were broadly divided into:

- Providing direction on the Company's research and development programme
- Reviewing the strategic plan of the Company and the effectiveness of its operational plan in accomplishing the vision and mission of the Company.

The Committee met four times during the reporting period. Meeting dates and attendance of each member are reflected below:

| S/N | Membership | Status | Meetings | | | | |
|---|---|---|---|---|---|---|---|
| | | | 20th February 2024 | 21st March 2024 | 15th April 2024 | 22nd July 2024 | No. of Meetings Attended |
| 1. | Prof. M. M. Iwu | Chairman | ✓ | ✓ | ✓ | ✓ | 4 |
| 2. | Mazi S. I. Ohuabunwa | Member | ✓ | ✓ | ✓ | ✓ | 4 |
| 3. | Dr. A. E. Akanji | Member | ✓ | ✓ | ✓ | ✓ | 4 |
| 4. | Mr. T. T. Ibidoja | Member | ✓ | ✓ | ✓ | NLB | 3 |
| 5. | Dr. I. T. Oyewole | Member | ✓ | ✓ | ✓ | ✓ | 4 |

✓-Present, NLB – No Longer on the Board

**Corporate Governance and Compliance Committee**

The Committee was responsible for monitoring, reviewing and enhancing the Corporate Governance practices of the Company and its terms of reference included:

- To review the corporate governance practices of the Company and ensure that they are up-to-date and in compliance with relevant regulatory and legal provisions and best practices;
- To 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;
- To periodically evaluate the skills, knowledge and experience required on the Board;
- To make recommendations on experience required by Board Committee members, Committee appointments and removal, operating structure, reporting and other committee matters;
- To ensure that the Board conducts a Board evaluation on an annual basis and
- To make recommendations to the Board on any changes necessary to the corporate governance practices of the Company.

The Committee was made up of Non-Executive Directors. The Committee met twice during the year under review. Meeting dates and attendance of each member are reflected below.

| S/N | Membership | Status | Meetings | | |
|---|---|---|---|---|---|
| | | | 19th January 2024 | 12th April 2024 | No. of Meetings Attended |
| 1. | Mr. F. T. [illegible] | Chairman | ✓ | ✓ | 2 |
| 2. | Prof. M. M. Iwu | Member | ✓ | ✓ | 2 |
| 3. | Dr. [illegible] | Member | ✓ | ✓ | 1 |

✓ - Present

**<u>Risk, Health and Quality Assurance Committee</u>**

The Committee's terms of reference in summary were as follows:

- Review and assessment of the Company's risk management framework, including risk appetite, risk strategy and risk policies to ensure alignment with strategic objectives.
- Ensure that Management integrates risk management into the day-to-day operations of the business and provide guidelines for mitigation of potential risk.
- Oversee management processes for the identification of significant risks across the Company and the adequacy of prevention, detection and reporting mechanisms.

| S/N | Membership | Status | Meetings | | | |
|---|---|---|---|---|---|---|
| | | | 19th January 2024 | 17th April 2024 | 16th July 2024 | No. of Meetings Attended |
| 1. | Sir I.T. Onyechi | Chairman | ✓ | ✓ | X | 1 |
| 2. | Mazi S.I. Ohuabunwa | Member | ✓ | ✓ | ✓ | 3 |
| 3. | Prof. M.M. Iwu | Member | ✓ | ✓ | ✓ | 3 |
| 4. | Dr. [illegible] | Member | ✓ | ✓ | ✓ | 3 |
| 5. | Mrs F.I. [illegible] | Member | ✓ | ✓ | ✓ | 3 |

✓ - Present X - Absent with apology

**<u>Executive Search Committee</u>**

The Executive Search Committee of the Board was responsible for the search and selection of executive members of the Board and members of the Executive Management.

The Committee did not meet during the year under review. Members of the Committee were:

- Prof. M.M. Iwu – Chairman
- Sir I.T. Onyechi – Member
- Mazi S.I. Ohuabunwa – Member

**Plant Optimization Committee**

This was an ad-hoc committee of the Board, set up for the special purpose of advising on and overseeing the construction of the new cGMP compliant manufacturing plant in Amaechi, Anambra State. The Committee did not meet during the year under review.

Members of the Committee were:

- Sir Ike T. Onyechi - Chairman
- Mazi Samuel I. Ohuabunwa
- Mr. Thomas T. Osubi
- Prof. Maurice M. Iwu
- Dr. (Mrs.) Afolake R. Uwagerh

**RESTRUCTURED BOARD COMMITTEES**

The Board Committees were restructured in October 2024 to bring fresh insights into the Committees and ensure that the potentials of the Committees are maximized. Below are the Committees as restructured, detailing their membership and meetings held in the course of the reporting year.

**Finance, Budget and Strategy Committee**

The Committee's terms of reference in summary are as follows:

- Review and recommend for Board approval the organization's quarterly and annual financial statements and reports.
- Monitor the financial performance of the organization against the approved budget.
- Review and recommend financial policies, including investment strategies, debt management, and financial risk management.
- Oversee the preparation and implementation of the annual budget to ensure it aligns with the organization's strategic goals.
- Monitor the execution of the strategic plan and assess its effectiveness.
- Ensure that financial risks are adequately identified, assessed, and mitigated.
- Review any significant financial proposals or investments and make recommendations to the Board.
- Review the financial implications of major projects or acquisitions.
- Ensure compliance with legal, regulatory, and ethical standards in financial matters.
- Oversee corporate financing, capital expenditure, treasury management, banking relations, borrowing and investments requirements.

| S/N | Membership | Status | Meetings: 23rd October 2024 | No of Meetings Attended |
|---|---|---|---|---|
| 1. | Dr. O. E. Akanji | Chairman | ✓ | 1 |
| 2. | Mr. A. B. Odusanya | Vice Chairman | NYB | - |
| 3. | Prof. M. M. Iwu | Member | ✓ | 1 |
| 4. | Mr. E. E. Okereke | Member | ✓ | 1 |
| 5. | Mrs. H. I. Orjiako | Member | ✓ | 1 |
| 6. | Sir I. T. Onyechi | Member | ✓ | 1 |

✓ - Present, NYB – Not Yet on the Board

**Remuneration, Establishment & Governance**

The Terms of Reference of the Committee are summarized below:

- Oversight of the Remuneration policy for executive directors and senior management.
- Development, monitoring and implementation of governance policies and practices.
- Review of Human Resource policies, organizational structure, and succession planning.
- Establishing criteria for Board and Committee memberships.
- Conducting periodic evaluations of Board skills, knowledge, and experience as well as Board committee appointments and governance practices.
- Dealing with matters pertaining to executive management selection and performance evaluation.

| S/N | Membership | Status | Meetings | |
|---|---|---|---|---|
| | | | 15th Oct. 2024 | No. of Meetings Attended |
| 1. | [illegible] | Chairman | NYB | - |
| 2. | [illegible] | Vice Chairman | ✓ | 1 |
| 3. | [illegible] | Member | ✓ | 1 |
| 4. | [illegible] | Member | ✓ | 1 |
| 5. | [illegible] | Member | ✓ | 1 |

✓ - Present, NYB – Not Yet on the Board

**Technical and Product Development Committee**

The focus of the Board Technical and Product Development Committee is on technical operations, product development, quality assurance, plant optimization, and innovation in this area. It combines the responsibilities related to technical aspects, product oversight, and special projects.

The Terms of Reference of the Committee are summarized as follows:

- Providing direction on the Company's technology, research and product development strategy to ensure support for the Company's overall business strategy.
- Overseeing the development and implementation of new products, including the evaluation of product performance, customer satisfaction, and market competitiveness.
- Encourage and assess innovation initiatives within the company, ensuring that the company remains competitive in its industry.
- Identify and evaluate technology-related risks and recommend mitigation strategies.
- Review and recommend to the Board the technology and product development budgets and ensure appropriate resources are allocated to achieve the company's objectives.
- Evaluate potential technology partnerships, alliances, or acquisitions and make recommendations to the Board.
- Overseeing the technical aspects of production, including quality assurance and compliance with industry standards, relevant laws, regulations, and internal policies.
- Reviewing technical infrastructure and recommending upgrades or new investments as needed.
- Overseeing plant construction projects.

Meeting dates and attendance of each member are reflected below:

| S/N | Membership | Status | Meetings | | |
|---|---|---|---|---|---|
| | | | 21st October 2024 | 11th November 2024 | No. of Meetings Attended |
| 1. | Prof. [illegible] | Chairman | ✓ | ✓ | 2 |
| 2. | [illegible] | Vice Chairman | ✓ | ✓ | 2 |
| 3. | Dr. [illegible] | Member | ✓ | ✓ | 2 |
| 4. | Dr. (Mrs.) A.R. [illegible] | Member | ✓ | X | 1 |

✓ - Present, X - Absent with apology

**Risk Management Committee**

The Committee is responsible for assisting in the oversight of the risk profile, risk management framework and the risk mitigation strategy determined by the Board.

The Terms of Reference of the Committee include:

- Review and recommend for Board approval the organization's quarterly and annual financial statements and reports.
- Monitor the financial performance of the organization against the approved budget.
- Review and recommend financial policies, including investment strategies, debt management, and financial risk management.
- Oversee the preparation and implementation of the annual budget to ensure it aligns with the organization's strategic goals.
- Ensure that financial risks are adequately identified, assessed, and mitigated.
- Review any significant financial proposals or investments and make recommendations to the Board.
- Review the financial implications of major projects or acquisitions.
- Ensure compliance with legal, regulatory, and ethical standards in financial matters.
- Oversee corporate financing, capital expenditure, treasury management, banking relations, borrowing and investments requirements.

Meeting dates and attendance of each member are reflected below:

| S/N | Membership | Status | Meetings | |
|---|---|---|---|---|
| | | | 17th October 2024 | No. of Meetings Attended |
| 1. | [illegible] | Chairman | ✓ | 1 |
| 2. | Mr. [illegible] | Vice Chairman | X | - |
| 3. | Pharm. [illegible] | Member | ✓ | 1 |
| 4. | Dr. [illegible] | Member | ✓ | 1 |
| 5. | Mrs. [illegible] | Member | NYB | - |
| 6. | Mr. [illegible] | Member | NYB | - |

✓ - Present, X – Absent with apology, NYB – Not Yet on the Board.

**Statutory Audit Committee**

In accordance with section 404(3) of the Companies and Allied Matters Act 2020, the Statutory Audit Committee comprised five members during the year under review, three Shareholders representatives and two Board representatives. The following members and Directors were elected and nominated at the 2024 Annual General Meeting (AGM) and will serve on the Committee up to the conclusion of year 2025 Annual General Meeting. The functions of the Committee are provided in section 404(7) of the Companies and Allied Matters Act 2020.

Members of the Committee with meetings attended are as below.

| S/No | Members | Status | Meetings | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 31st January 2024 | 28th March 2024 | 28th May 2024 | 13th August 2024 | 24th October 2024 | No. of Meetings Attended |
| 1. | Dr. H. O. Ojiako | Chairman/ Shareholder Representative | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| 2. | Alhaji M. I. Jinadu | Shareholder Representative | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| 3. | Azee R. A. Durojaiye | Shareholder Representative | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| 4. | Mazi S. I. Ohaabunwa | Board Representative | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| 5. | Dr. O. E. Akanji | Board Representative | NYC | NYC | NYC | ✓ | ✓ | 2 |
| 6. | Mr. T. T. Osobu | Board Representative | ✓ | ✓ | ✓ | NLB | NLB | 3 |

✓=Present, NYC = Not Yet on the Committee, NLB = No Longer on the Board

**DISCLOSURE OF AGE**

In compliance with section 279(3) of the Companies and Allied Matters Act 2020, Mazi Samuel I. Ohaabunwa, Prof. Maurice M. Iwu and Sir Ike. T. Onyechi hereby disclose to members of the Company that they are over 70 years of age.

**UNCLAIMED DIVIDEND**

Total unclaimed dividend fund in the Company stood at approximately ₦59,016,590.41 as at December 31, 2024. Shareholders are advised to contact the Company Registrar or the Company Secretary to retrieve their unclaimed dividends.

***Please see the link below to view names of shareholders with unclaimed dividend***

https://www.neimethplc.com.ng/wp-content/uploads/2025/05/NEIMETH-UNCLAIMED-DIVIDEND-LIST.pdf

**RELATIONS WITH SHAREHOLDERS**

Neimeth International Pharmaceuticals Plc. respects the rights of its Shareholders and believes that it is important for the Board of Directors and Management to have direct regular and constructive engagement with them in order to allow open dialogue. It is believed that constructive engagement with shareholders can provide valuable insight that will assist the Board in maintaining the high standards of governance to which the Board is committed. The Company has therefore adopted a Shareholders Engagement Policy to facilitate regular engagement between Shareholders and the Company in such a way that Shareholders' needs, interests and expectations are balanced with the objectives of the Company.

The Company remained committed to the sustenance of appropriate engagement with its shareholders during the year under review and maintained a good level of communication through regular disclosures via the Issuer's portal of the Nigerian Exchange Limited and the website of the Company.

## COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Company is committed to complying with the Nigerian Code of Corporate Governance 2018 (NCCG 2018) and the Corporate Governance sectoral Guidelines of the Securities and Exchange Commission (SCCG). The Board of Directors ensure that the Company's business and corporate practices are guided by these governance documents, all relevant rules and regulations and best practices. However, compliance is a continuum and by virtue of the annual reporting on compliance with the NCCG 2018 and reporting on the SCCG (Revised Form 01) submitted to the Financial Reporting Council and relevant Regulators, the progress of the Company in complying with the provisions of the Code and Guidelines is monitored. These reports are available on the Issuer's Portal of the Nigerian Exchange Limited and the website of the Company.

During the year under review, the Board reviewed and approved several frameworks and policies in its bid to enhance its corporate governance practices. The Board remains committed to improving on the Company's compliance level with the NCCG 2018 and SCCG 2021, until a status of total compliance is attained.

## SECURITIES TRADING POLICY AND DEALING IN THE COMPANY'S SHARES

In compliance with the Nigerian Exchange Limited's (NGX) Issuers' Rules, Neimeth International Pharmaceuticals Plc. has established a Securities Trading Policy which applies to all its Directors and employees that may possess any inside or material information about the Company.

The Policy is designed to ensure compliance with the Issuers' Rule with respect to dealings in the Company's shares and to ensure that no insider and their connected persons trade in Neimeth's securities during closed periods.

The Company notifies the NGX of its closed periods and informs its insiders of the commencement of a closed period. The Company made inquiries from its insiders and where non-conformity with relevant Rules or Regulations was observed during the year under review necessary steps were taken to address same. The Company's Security Trading Policy is available on the website of the Company (www.neimethplc.com.ng).

## REMUNERATION POLICY

Neimeth has established a Remuneration Policy for the Board and Executive Management Team. The Company's remuneration framework is aimed at attracting, retaining and motivating the best talents to achieve the strategic objectives of the Company. Neimeth aims to set the remuneration of the Board and Management at levels which are fair and competitive.

## DIRECTORS' TENURE POLICY

Neimeth has developed a Director Tenure Policy that sets out the approach of the Company to term limits and tenure of Non-Executive Directors. In determining the tenure of the Non-Executive Directors, the Board has considered the need for continuous refreshing of the Board.

The Board's Tenure policy is that each Non-Executive Director shall retire from the Board by not standing for re- election at the next Annual General Meeting of the Company's shareholders following the earliest of his or her 15th anniversary on the Board as a Non-Executive Director or his or her 75th birthday and in a case of incapacitation. The Board in its absolute discretion, may however determine that it is in the best interest of the Company and its shareholders to extend a Director's tenure for an additional period of time.

## CONFLICT OF INTEREST POLICY

Neimeth has formulated and adopted a Conflict of Interest Policy to regulate and guide the Board, individual Directors and employees of the Company in conflict of interest situations. These are situations/ activities that interfere or conflict with the conscientious performance of their duties and may involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources. When a director or employee is engaged in carrying out a task on behalf of the Company and that director or employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the director or employee's unbiased judgment, the Company expects the Director or employee to disclose this as appropriate and take other steps as prescribed by the Policy.

## RELATED PARTY TRANSACTION POLICY

The Board of Directors of the Company recognizes that related party transactions can present a heightened risk of potential or actual conflicts of interest and may create the appearance that the Company's decisions are based on considerations other than the best interests of the Company and its shareholders. Thus, the Company has developed a Related Party Transaction Policy which ensures that the interest of the Company and its shareholders are protected at all times in any transaction it enters into, especially when a party to the transaction is a related party.

There was no material related party transaction in the course of the reporting year.

**WHISTLE-BLOWING POLICY**

Neimeth has a Whistle Blowing Policy which establishes a mechanism and channel for the Company's employees and relevant stakeholders to raise concerns about any aspect of the Company's business, and report any illegal or substantial unethical behavior in such a confidential manner that allows the Company to investigate the report and take necessary action in accordance with relevant regulations. The Policy also aims to encourage a culture of openness and accountability and sets out a broad framework that seeks to encourage stakeholders to safeguard the Company's interest by raising concerns that may adversely affect the Company.

**ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

It is the commitment of Neimeth to conduct its business in an honest and ethical manner. For this reason, the Company takes a zero-tolerance approach to bribery and corruption. The Company does not take part in acts of corruption or pay bribes either directly or indirectly. The Company prohibits its employees from engaging in acts of corruption, and from paying bribes or accepting bribes from public officials and private individuals such as the personnel of companies with which the Company engages in business relationship. The Company's Anti-bribery & Corruption Policy in conjunction with the Company's Code of Ethics and Professional Conduct provide detailed guidelines on gifts and hospitality.

**ENTERPRISE RISK MANAGEMENT POLICY FRAMEWORK**

Every business exists to provide value for its stakeholders and all businesses face uncertainty. The challenge is to determine how much uncertainty the Company will accept as it strives to grow stakeholders' value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value. Enterprise Risk Management enables Management to effectively deal with uncertainty and associated risk and opportunity, thereby enhancing the capacity to build value. Some risks are accidental and unforeseen, while others can be anticipated and mitigated. Neimeth's Risk Management Policy Framework defines and formalizes Neimeth's approach to the oversight and management of material business risks. All material business risks must be identified and managed by a process of risk assessment aligned with Neimeth's Enterprise Risk Management Framework.

The objectives of the Policy Framework include providing a systematic approach to early identification and management of risks, formulating and adopting risk mitigation strategies that are cost effective and efficient in reducing risk to an acceptable level, monitoring and reviewing risk levels to ensure that risk exposure remains within an acceptable threshold and creating good corporate governance practices amongst others.

**COMPLAINTS MANAGEMENT POLICY**

In accordance with the Securities and Exchange Commission Rules (SEC Rules) relating to the Companies Management Framework of the Nigerian Capital Market (the Framework) and the Nigerian Exchange Directive (NGX Directive), Neimeth International Pharmaceuticals Plc. has established a clearly defined and transparent Complaints Management Policy to handle and resolve complaints within the scope of the Framework.

This Policy is designed to effectively and efficiently handle and resolve complaints in a fair, impartial, timely and objective manner.

All Complaints are to be addressed to:

**The Company Secretary**
**Neimeth International Pharmaceuticals Plc.**
**1A, Alhaji Doherty Layout (Billings Way), Oregun Industrial Estate, Oregun.**
**P.M.B 21111 Ikeja, Lagos State.**
**Telephone: +234 8054431508, +234 9030576286, +2348162465756, +2349082725207**
**E-mail: info@neimethplc.com.ng, companysecretary@neimethplc.com.ng**

Planet Governance

23 May 2025

**TO: THE SHAREHOLDERS OF NEIMETH INTERNATIONAL PHARMACEUTICALS PLC**

**REPORT ON THE BOARD AND CORPORATE GOVERNANCE EVALUATION OF NEIMETH INTERNATIONAL PHARMACEUTICALS PLC FOR THE YEAR ENDED DECEMBER 31, 2024**

Planet Governance Advisory Limited, a leading corporate governance consulting firm in Nigeria, was engaged by Neimeth International Pharmaceuticals Plc ("the Company") to conduct an independent evaluation of its Board and corporate governance practices for the financial year ended December 31, 2024. This assessment was carried out in accordance with the provisions of the Nigerian Code of Corporate Governance (NCCG) 2018, the Securities and Exchange Commission (SEC) Corporate Governance Guidelines 2020, and globally recognized corporate governance best practices.

**Scope of the Evaluation**

The evaluation involved a comprehensive review of the Company's corporate and statutory documents, including Board and Committee meeting minutes, governance policies, and other relevant documents. In addition, structured questionnaires were administered to Board members, and interviews were conducted with key secretariat staff. These activities were guided by the requirements of applicable regulatory codes and international governance standards.

**Key Focus Areas**

The assessment covered, but was not limited to, the following areas:

- Board Composition, Quality, and Structure
- Board Processes and Procedures
- Board Development
- Strategy and Risk Oversight
- Succession Planning
- Financial Reporting and Internal Control Oversight
- Ethics and Corporate Culture
- Monitoring and Evaluation Activities
- Information Technology Governance
- Sustainability and ESG Initiatives

Planet Governance Advisory Limited
3rd & 4th Floors, St. Peter's House
3 Ajele Street, Lagos, Nigeria
Tel: +234 1 2702296
Email: planetgovernance@planetcapitalltd.com
Website: www.planetcapitalltd.com

Directors: Dr. [illegible] (Chairman)
Mrs. [illegible]
Mrs. [illegible]
Dr. [illegible]
Mr. [illegible]
Mr. [illegible]
Dr. [illegible] (Managing)

PlanetGovernance

**Findings and Observations**

Our evaluation indicates that the Board has made commendable progress in embedding sound corporate governance practices across the Company's operations. The governance framework aligns well with the NCCG 2018, SEC Corporate Governance Guidelines 2020, and international best practices. Notably, the Board has demonstrated a strong commitment to implementing regulatory requirements and optimizing the benefits of a robust governance structure.

We also identified specific areas where improvements are needed and have provided actionable recommendations. The Board has acknowledged these areas and expressed its commitment to implementing the suggested enhancements.

The detailed findings and recommendations are presented in the full report submitted to the Board.

Thank you.

Yours faithfully,
For: Planet Governance Advisory Limited

Emmanuel Otaigbe
Director
FRC/2022/PRO/CIBN/002/394271

Dr. Nosike Agokei
Director
FRC/2014/ICAN/00000008525


SportGesic®
METHYL SALICYLATE
• ARTHRITIS • BACKACHES
• MUSCLE ACHES
SportGesic®
35g
Methyl Salicylate
...Rapid relief from JOINT PAINS & MUSCLE ACHES
▪ ARTHRITIS
▪ BACKACHES
▪ MUSCLE ACHES
▪ JOINT PAINS
Neimeth
Neimeth International Pharmaceuticals Plc
I6, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria

# Neimeth International Pharmaceuticals Plc., formerly known as Pfizer Products Plc. was established in 1957.

It is the resultant Company of the successful Management-Buy-Out of the 60% equity holding of Pfizer Inc. New York, USA in Pfizer Products Plc. This Management-Buy-Out took place in May 1997 when Pfizer Inc. in pursuit of its global re-positioning strategy, divested its equity in Pfizer Products Plc. in favour of the existing Management.

Prior to the name change, Pfizer had operated in Nigeria for 40 years, manufacturing, marketing, and distributing Pfizer brands of pharmaceutical and veterinary products in tablets, capsules, ointment/cream, powder, injectable and oral liquid forms. During the 40-year period (1957-1997), the Company established the first Pharmaceutical Manufacturing plant in Nigeria at Aba, which was destroyed during the Nigerian civil war. It then set up and opened the most modern pharmaceutical plant in the West African sub-region in 1976 at Oregun, Lagos. These represent great milestones for a company that started as a trading venture in 1957 at a location in Ebute-Metta, Lagos.

**VISION STATEMENT**
To be the Leading Innovative Healthcare Provider out of Africa.

**MISSION STATEMENT**
To promote healthy confident living.

**CORE VALUES**
Customer Delight, Innovation, Integrity, God Consciousness, Leadership, Community, Teamwork.

**NEIMETH SALES AND MARKETING DEPARTMENT**

The scope of Neimeth sales operations cover both human pharmaceuticals and veterinary markets and the departmental objective is to sustain business growth through improved sales performance and business expansion via exploration of new opportunities.

To effectively perform and efficiently compete in the very dynamic indigenous and regional markets, Neimeth's sales and marketing operational objectives have been aligned with a focus-driven business structure split into two distinct segments namely: (1)Human Pharmaceuticals (segmented under Ethical and Healthcare products) and (2) Veterinary Business Unit. These are configured into territorial markets for ease of management and control.

A functional description of each unit is as follows:

**HUMAN PHARMACEUTICALS**

i ETHICAL PRODUCTS

The focus here is PRESCRIPTION ONLY MEDICINES (POM) managed by Medical Sales Representatives whose responsibility is to detail Neimeth products across hospitals and other non-prescription channels to drive volume. This category of products requires a Clinicians' prescription for the users/patients to gain access to their medication. The sales of this category of products is driven primarily by demand generation through various marketing activities directed towards health care practitioners. Products in this category cannot be freely advertised in open and lay media but can be advertised in select Medical and Pharmaceutical journals/ magazines. This restriction diverts emphasis to one-on-one contact with the target audience who are usually brand influencers prescribing for final users. The Ethical brands include our flagship home grown product

CIKLAVIT® for the management of sickle cell disorder. Other products in the portfolio include Normoretic, Flexodone, Tiocazol, Amlovar, Nordaet, Co-amoxiclav range and others which are branded generics.

**ii. HEALTHCARE PRODUCTS**

These are Pharmaceutical products that can be sold off the shelf without prescription, categorized as Over-The-Counter (OTC) Medicines and managed by Medical Sales Representatives whose responsibility is to detail all Company products across prescription and non-prescription channels. Products in the category can be advertised in open media such as Television, Radio & Outdoor. For these products, field force marketing activities encompass demand generation through Clinical meetings, Doctor & Pharmacy calls and others. The plethora of advertising mediums facilitate the targeting of prescribers, brand influencers and final consumers. The Healthcare brands include high volume products like Pyrantrin, Obron 6, Ncp, Pancemol, Hemofolin, Nimartem and others.

**iii NCP MERCHANDISING UNIT**

This unit focuses on the expansion of NCP usage and its penetration pan Nigeria through widespread distribution and sales of NCP range of products beyond pharmaceutical channels such as Patent medicine dealers, Super & Hyper markets, Homes, Trade fairs and everywhere consumers exist. NCP, a key Neimeth volume driver, is a unique user-friendly brand of Antiseptic and Disinfectant with diverse usage profile.

In pursuance of our objective to entrench NCP in Nigerian homes, the Merchandising Unit represents a formidable growth arm of the Company and a viable platform for the promotion of NCP's relevance in personal and environmental hygiene in every Nigerian home. Moreover, NCP's relevance is further entrenched as the global need to curtail the spread of diseases through personal and environmental hygiene practices continues to grow.

**iv VETERINARY BUSINESS UNIT**

Neimeth in 1997 re-entered the lucrative Nigerian Animal Health business, which has very robust volume and profit potentials. The Company introduced its own brands of poultry and large animal range of anthelmintics, as well as egg production enhancing formulations. The Company also entered into strategic alliances in key disease areas that show great business potentials. Plans are underway to regain a controlling market share in a few years.

**NEIMETH CURRENT PRODUCT LIST**

**ETHICAL BUSINESS UNIT**

| S/N | PRODUCTS | NAFDAC NO. | ACTIVE INGREDIENT(S) | THERAPEUTIC SEGMENT |
|---|---|---|---|---|
| 1 | Amlovar Tablet 10mg | A4-0333 | Amlodipine 10mg | Cardiovascular |
| 2 | Amlovar Tablet 5mg | A4-0332 | Amlodipine 5mg | Cardiovascular |
| 3 | Ciklavit 200ml | 04-2506L | Cajanus Cajan | Haematology |
| 4 | Co-Amoxiclav 1g Tabs | 04-2496 | Amoxicillin + Clavulanic Acid | Antibacterial |
| 5 | Co-Amoxiclav 228.5mg Susp | 04-2498 | Amoxicillin + Clavulanic Acid | Antibacterial |
| 6 | Co-Amoxiclav 625mg Tabs | 04-2497 | Amoxicillin + Clavulanic Acid | Antibacterial |
| 7 | Flexodene 20mg Capsules | 04-8470 | Piroxicam 20mg | Analgesic/NSAID |
| 8 | Flucoxyd Capsules 50mg x 3 | A4-0333 | Fluconazole 50mg | Anti-infective |
| 9 | Miniplus Tablets x 60 | 04-7955 | Prazosin/Hydrochlorothiazide | Cardiovascular |
| 10 | Necotrim Suspension x 60ml | 04-2377 | Co-trimoxazole 240mg/5ml | Anti-infective |
| 11 | Necotrim tablets | 04-2117 | Co-trimoxazole 480mg | Anti- infective |
| 12 | Norduet 5/12.5mg Tabs | 04- 1744 | Amlodipine Besylate 5mg/ Hydro-chlorothiazide | Cardiovascular |
| 13 | Norduet 7.5/12.5mg | 04- 1745 | Amlodipine Besylate 5mg/ Hydro-chlorothiazide | Cardiovascular |
| 14 | Normoretic Tablets | 04-3817 | Amiloride Hydrochlorothiazide | Cardiovascular |
| 15 | Olinox Syrup x 100ml | 04-0085 | Chloropheneramine, Phenylephrine, Dextrometorphan, Glyceryl- guaiacolether | Cough and Cold |
| 16 | Tronid Suspension x 60ml | 04-7720 | Metronidazole 200mg/5ml | Anti-infective |
| 17 | Tronid tablet | 04-7784 | Metronidazole 200mg | Anti-infective |
| 18 | Gyno-Tiocosid Vaginal Tabs x 3 | A4-0705 | Tioconazole 100mg | Antifungal |
| 19 | Tiocosid 1% Dermal Cream 20g | 04- 7516 | Tioconazole | Antifungal |
| 20 | Obron 6 caps | 04-1748 | Multivitamin/Iron/Minerals | Nutritional Supple- ment |
| 21 | Unaben Suspension x 10ml | 04-9838 | Albendazole 200mg | Anthelmintic |
| 22 | Unaben Tabs 200mg x 2 | A11-100062 | Albendazole 200mg | Anthelmintic |
| 23 | Unaben Tabs 400mg x 1 | A11-1238 | Albendazole 400mg | Anthelmintic |

HEALTHCARE PRODUCTS

| S/N | PRODUCTS | NAFDAC NO. | ACTIVE INGREDIENT(S) | THERAPEUTIC SEGMENT |
|---|---|---|---|---|
| 1 | Pyrantrin Suspension 250mg/ 5ml | 04-7510 | Pyrantel Pamoate | Antihelmintic |
| 2 | Pyrantrin Tablets 125mg x 6 x25 | 04-7511 | Pyrantel Pamoate | Antihelmintic |
| 3 | Antimal Tablets x3 | 04-1851 | Sulphadoxine/ Pyrimethamine | Amoebicide |
| 4 | Nimartem Tablets x 24 | A4-3524 | Artemether Lumefantrine 20/120mg | Anti-malarial |
| 5 | Nimartem DS Tab-lets x 6 | B4-0215 | Artemether Lumefantrine 80/480mg | Anti-malarial |
| 6 | Hemafolin Caps x 30 | A4-2022 | Multivitamin /Iron | Haematinic |
| 7 | Hemafolin Tonic x 200ml | A4-4548 | Multivitamin /Iron | Haematinic |
| 8 | Homtamin G Cap-sules | 04-2555 | Multivitamin Ginseng extract/aloe veraextract | Nutritional Supplement |
| 9 | Neimelyn Cough Syrup x 100ml | A4-0503 | Diphenhydramine | Cough and Cold |
| 10 | Pancemol Syrup x 60ml | 04-2115 | Paracetamol 120mg/5ml | Analgesic/Antipyretic |
| 11 | Pancemol Tablets x 96 | 04-2116 | Paracetamol 500mg | Analgesic/Antipyretic |
| 12 | Sportgesic grease-less ointment | 04-7509 | Methyl Salicylate | Anti-inflammatory/ Embro- cation |
| 13 | Vitamin C chewable Tablets | A7-101087 | Ascorbic Acid 100mg | Vitamin |
| 14 | NCP Liquid 25ml, 50ml, 100ml, 200ml | 04-8475 | Halogenated Phenols | Antiseptic/ Disinfectant |
| 15 | NCP Sanitizer 100ml, 500ml, 4litres, 25litres | 03-8020 | Ethyl Alcohol, Isopropyl alcohol | Disinfectant |
| 16 | NCP Disinfectant Spray (Classic) | 03-7447 | Ethyl Alcohol, Isopropyl alcohol, halogenated Phenols | Disinfectant |
| 17 | NCP Disinfectant spray (Pearl) | 03-7463 | Ethyl Alcohol, Isopropyl alcohol, halogenated phenols | Disinfectant |
| 18 | NCP Disinfectant Spray (Blossom) | 03-7464 | Ethyl alcohol, Isopro- pyl alcohol halogenat- ed phenols | Disinfectant |

VETERINARY BUSINESS UNIT

| S/N | PRODUCT | NAFDAC NO. | ACTIVE INGREDIENT | STRENGTH | INDICATION | ANIMAL SPECIE |
|---|---|---|---|---|---|---|
| 1 | Maluminth tab | 04–1870 | Morantel Citrate | 300mg | Ascaris /nodular worms in sheep, goat and cattle. | Swine, goat and sheep |
| 2 | Neimycin- Soluble Powder | 04-4874 | Oxytetracycline | 55g/kg | Blue Comb Chronic Respiratory Disease (CRD)Infectious synovitis, Infectious sinusitis, scours, colibacilosis, coryza, Fowl cholera. | Birds, Calves and Swine |
| 3 | Neimycin-Neosoluble Powder | 04-4872 | Oxytetracycline + Neomycin sul- phate | 55g/kg + 38.5g/kg | CRD, infectious synovitis, blue comb, early chick mortality, bacterial enteritis | Birds, Calves and Swine |
| 4 | Neimycin-Egg formula | 04-4875 | Oxytetracycline +Essential Vitamins | 55g/kg | Drop in egg production | Laying Birds |
| 5 | Neimycin Chick formula | 04-4873 | Oxytetracycline +Essential Vitamins | 55g/kg | Reduces early chick mortality Brooding of chicks | Bird chicks |
| 6 | Neiva stress | 04-4876 | Essential Vitamins | | Prevents/cures defi- ciency diseases. Maintains weight gain. Stimulates and main- tains egg production | Birds, Rab- bitsand Swine |
| 7 | Neimeth Piperazine | 04-4871 | Piperazine citrate | 17%w/v | Ascaris/Nodular worms in swine and birds | Swine and Birds |

**COMMUNITY SERVICE**

Community consciousness is one of Neimeth's core values. To this end, as a good corporate citizen, Neimeth has from inception engaged in various community-based programmes that validate her dedication to the community. Furthermore, Neimeth's community involvement has extended to the delivery of health talks on non-communicable diseases & stress management, free blood pressure checks and blood sugar screening accompanied by treatment recommendations for isolated cases by our medical team.

**RESEARCH & DEVELOPMENT**

Neimeth has committed a substantial amount of money to Research and Development (R&D) in the recent past. This flows from Neimeth's vision "To be the Leading Innovative Healthcare Provider out of Africa". Our effort in this area is double faceted: Internal and External.

Our Internal R&D activities include formulation of new products and re-formulation of existing products to:

1. Enhance efficacy;
2. Explore new therapeutic uses;
3. Increase sales potentials and profitability; and
4. Expand usage.

Our External R&D activities entail working with Medical Scientists/Researchers to develop new products, conduct drug clinical trials and in-vitro drug studies. These drugs could be natural, and/or chemical (synthetic), oral, or parenteral. To this end, we reviewed research, working with our indigenous Universities based on local raw materials, focusing on specific disease areas that are generally neglected by the global/ multinational companies. We seek to provide new local health remedies in these areas at affordable costs. Our first success in this area is Ciklavit; the first home-grown natural product for the effective management of Sickle Cell disease. We are also excited to announce that the results of the long awaited Clinical Trials on Ciklavit have been concluded and formally approved by NAFDAC. This portends a great milestone for the brand in the Nigerian Pharmaceutical Market.

Our Mission is to expand and grow the export of health solutions to other countries after meeting local needs.

Neimeth

# Vitamin C

Ascorbic Acid 100mg

## Chewable Tablets X 100


- Chewable
- Pleasantly Flavoured
- Immune Booster
- Cold and Catarrh Remedy
- Highly Affordable

Neimeth

**Neimeth International Pharmaceuticals Plc**

I6, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria

## REPORT OF DIRECTORS

The Directors have the pleasure of presenting to the members of the Company their report, together with the Audited Financial Statements for the year ended 31 December 2024.

### LEGAL FORM

The Company, Pfizer Products Nigeria was incorporated on 13th of August 1957 as a limited liability company. It was converted to a public limited liability company in 1991. On 14 May 1997, Pfizer Inc. N.Y. divested from the Company through a management buy-out. The Company's name was subsequently changed by a special resolution to Neimeth International Pharmaceuticals Plc. The Company's shares are currently quoted on the floor of the Nigerian Exchange Limited (NGX).

### PRINCIPAL ACTIVITIES

The principal activities of the Company are the manufacture, marketing and distribution of pharmaceuticals, animal health products and general healthcare products.

### INTERNAL CONTROL

There are effective internal control functions within the Company, which give reasonable assurance against any material misstatement or loss.

| RESULTS FOR THE YEAR | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Loss for the year before taxation | (854,434) | (1,689,670) |
| Taxation | (30,899) | (107,881) |
| Loss after taxation | (885,333) | (1,797,551) |

### BOARD RESPONSIBILITIES

The Board as the highest governing body in the Company is responsible for the provision of leadership, strategic direction and overall performance of the Company. The Board is duly empowered by relevant laws and regulations of the Federal Republic of Nigeria and the Articles of Association of the Company. The Board has oversight over the effectiveness of the Company's internal control system and risk management system of the Company and ensures compliance with relevant standards and regulations. In doing so, they ensure that:

- Proper accounting records are maintained;
- Internal control procedures are instituted which, as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting standards are followed;
- Suitable accounting policies are adopted and consistently applied;
- Judgements and estimates made are reasonable and prudent; and
- The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business.

The Board is also responsible as the highest governing body in the Company for issues such as:

- Approving the strategic direction of the Company and significant corporate strategic initiatives.
- Approving Neimeth's annual targets and financial statements, and monitoring financial performance against forecast and prior periods.
- Considering and approving Neimeth's overall risk reward strategy and frameworks for managing all categories of risk, including credit, market, liquidity, equity, reputation and operational risk.
- Approving Neimeth's Risk Management Strategy and monitoring the effectiveness of risk management by the company, including satisfying itself through appropriate reporting and oversight that appropriate internal control mechanisms are in place and are being implemented in accordance with regulatory requirements.
- Making an annual declaration to the relevant regulatory bodies on risk management and corporate governance, in accordance with regulatory requirements.

**DIRECTORS**

The names of Directors as at the date of this report and who held office during the year 2024 are as follows:

| | |
|---|---|
| Mr. Christopher Oshiafi | Chairman (Non-Executive Director) - Appointed 20 June 2024 as Chairman |
| Dr. Ambrose N. C. Orjiako | Chairman (Non-Executive Director) - Retired 20 June 2024 |
| Pharm. Valentine C. Okelu | Managing Director/Chief Executive Officer |
| Mrs. Roseline. A. Oputa | Executive Director |
| Mrs. Florence I. Ogwonokwe | Ag. Executive Director, Finance - Retired 30 October 2024 |
| Mazi Samuel I. Ohuabunwa | Non-Executive Director |
| Sir. Ikechukwu T. Onyechi | Non-Executive Director |
| Prof. Maurice M. Iwu | Non-Executive Director |
| Dr. Atinuke R. Uwajeh | Non-Executive Director |
| Dr. Olusegun E. Akanji | Non-Executive Director |
| Mr. Thomas T. Okolo | Non-Executive Director - Retired 20 June 2024 |
| Mr. Eric E. Okoruwa | Non-Executive Director - Appointed 20 June 2024 |
| Mrs. Henrietta I. Orjiako | Non-Executive Director - Appointed 20 June 2024 |
| Mrs. Patricia O. Aderibigbe | Independent Non-Executive Director - Appointed 29 October 2024 |
| Mr. Adeyemi O. Odusanya | Independent Non-Executive Director - Appointed 29 October 2024 |

**DIRECTORS' INTERESTS**

The interest of the Directors in the Issued Share Capital of the Company as at 31 December 2024 are as follows:

| S/N | DIRECTORS | DIRECT HOLDINGS AS AT 31 DEC. 2024 | DIRECT HOLDINGS AS AT 31 DEC. 2023 | INDIRECT INTEREST | INDIRECT HOLDINGS AS AT 31 DEC. 2024 | INDIRECT HOLDINGS AS AT 31 DEC. 2023 |
|---|---|---|---|---|---|---|
| 1 | PHARM. VALENTINE C. OKELU | 1,515,283 | - | - | - | - |
| 2 | MAZI SAMUEL I. OHUABUNWA | 142,089,605 | 142,089,605 | MASTA SERVICES COY LTD & ESI OHUABUNWA & SONS | 6,146,511<br>756,346 | 6,146,511<br>756,346 |
| 3 | PROF. MAURICE M. IWU | - | 20,093,687 | INTERCEED HEALTH PRODUCTS LTD | 450,840,893 | 450,842,393 |
| 4 | MR. IKECHUKWU T. ONYECHI | 14,465,102 | 34,461,252 | ALPHA PHARMACY & STORES LIMITED | 119,510,928 | 72,500,197 |
| 5 | MRS. HENRIETTA I. ORJIAKO | - | - | ORDREC INVESTMENTS LIMITED HELKO NIG. | 259,705,920<br>431,805,222 | 217701820<br>191,913,432 |
| 6 | PHARM. (MRS) ROSELINE A. OPUTA | 296,316 | 296,316 | - | - | - |
| 7 | DR. OLUSEGUN E. AKANJI | 251,290 | - | CLINOSCOPE SERVICES LTD | 1,068,276,375 | - |
| 8 | DR. ATINUKE R. UWAJEH | - | - | | | |
| 9 | MR. CHRISTOPHER OSHIAFI | - | - | DAMITOP CONSULTING LTD | 820,040,820 | - |
| 10 | MR. ERIC. E. OKORUWA | 83,490 | - | | | |
| 11 | MRS. PATRICIA O. ADERIBIGBE | - | - | - | - | - |
| 12 | MR. ADEYEMI O. ODUSANYA | - | - | - | - | - |

Neimeth International Pharmaceuticals Plc. with a free float percentage of 22.48% as at 31st December 2024 is compliant with NGX's free float requirements for companies listed on the Main Board.

## ROTATION OF DIRECTORS

In accordance with the provisions of Section 285 of the Companies & Allied Matters, Act, 2020 and Article 89 of the Company's Articles of Association, one third of the Directors of the Company shall retire from office. The Directors to retire every year shall be those who have been longest in office since their last election. Accordingly, the Directors retiring by rotation at this Annual General Meeting are Dr. Olusegun Akanji, Dr. Atinuke Uwajeh and Mazi Samuel Ohuabunwa. These Directors, being eligible, will be offering themselves for re-election.

## DIRECTORS' INTEREST IN CONTRACTS

None of the Directors has notified the Company in line with Section 303 of the Companies and Allied Matters Act 2020 of any declarable interest in contracts with the Company during the year ended 31st December, 2024.

## ANALYSIS OF SHAREHOLDING

| Range of Holdings | No. of Holders | Holders % | Units | Units % |
|---|---|---|---|---|
| 1 - 1,000 | 7,391 | 23.5 | 3,344,554 | 0.078 |
| 1,001 - 5,000 | 12,488 | 39.7 | 30,919,319 | 0.724 |
| 5,001 - 10,000 | 4,460 | 14.18 | 32,013,492 | 0.749 |
| 10,001 - 50,000 | 5,247 | 16.68 | 115,577,124 | 2.705 |
| 50,001 - 100,000 | 939 | 2.986 | 68,970,669 | 1.614 |
| 100,000 - 500,000 | 726 | 2.308 | 153,436,377 | 3.591 |
| 500,001 - 1,000,000 | 94 | 0.299 | 64,689,879 | 1.514 |
| 1,000,001 - 5,000,000 | 79 | 0.251 | 160,418,058 | 3.754 |
| 5,000,001 - 10,000,000 | 11 | 0.035 | 76,981,210 | 1.802 |
| 10,000,001 - ABOVE | 17 | 0.054 | 3,566,753,925 | 83.47 |

## SUBSTANTIAL INTEREST IN SHARES

According to the Register of Members, the following shareholders of the Company held more than 5% of the issued Share Capital of the Company as at 31st December 2024.

| S/N | NAMES OF SHAREHOLDERS | UNITS | PERCENTAGE (%) |
|---|---|---|---|
| 1. | HELKO NIGERIA LIMITED | 431,805,222 | 10.11% |
| 2. | ORDREC INVESTMENTS LIMITED | 259,705,929 | 6.08% |
| 3. | INTERCEDO HEALTH PRODUCTS | 450,842,893 | 10.55% |
| 4. | CLINOSCOPE SERVICES LIMITED | 1,068,276,375 | 25.00% |
| 5. | DAMITOP CONSULTING LIMITED | 820,040,820 | 19.19% |

## VALUE OF ASSETS

Particulars of the changes arising from additions and disposals of Property, Plant and Equipment during the year are contained in Note 16. Details of other assets of the Company as at 31st December 2024 are given in Notes 17 to 21 of the Statement of Financial Position.

## CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to improving the quality of life of the community and environment in which it operates. The Company participates in medical outreaches, religious initiatives, school programmes and community development activities. These are done directly or in partnership with government and non- governmental organizations.

A major key initiative of Neimeth in this regard is the "Fight the Good Fight Against Hypertension" (FITGAH). Under this program, the Company creates and promotes awareness against the dreaded silent killer, hypertension which has become a major cause for concern globally. Through its professional teams, it offers advice to patients and gives free blood pressure (BP) checks at its office at Oregun, Lagos, and our regional and state offices.

To ensure that patients have access to the necessary drugs and do not go on a drug holiday, Neimeth provides one- month free starter anti-hypertensive drugs for new patients. Taking it further, the Company partners with target clinics and health facilities to fight this dreaded silent killer through medical awareness.

## COMPANY DISTRIBUTORS

An exclusive distribution agreement was entered into in April 2015 with World Wide Health Care Limited (WWCVL). WWCVL distributed several of the Company's major brands during the year under review.

The names of other Distributors of the Company during the year under review are as follows:

- Iykmavian Pharmacy Ltd, Lagos
- Addmore Pharmacy, Lagos
- Nemmik Pharmacy, Lagos
- Safeline Pharmacy, Lagos
- Spine Products Ltd, Lagos
- New Height Pharm, Lagos
- Danny Faith Pharmacy, Lagos
- Drugmaster Mega- Pharmacy, Ikorodu, Lagos
- Medbest, Pharmacy, Lagos
- Santus Pharmacy, Lagos
- Grace Johnson Pharmacy, Lagos
- Alpha Pharmacy, Lagos
- Alvero Pharmacy, Lagos
- Simko Pharmacy, Ota
- Ramsgate Pharmacy, Ota
- Goodall Pharmacy Ltd, Ibadan
- Flolu Pharmacy, Ilorin
- Twins Pharmacy, Ado, Ekiti
- Aromokeye Pharmacy, Ilorin
- Eben Pharmacy, Akure
- Royal Michael Pharm, Benin
- Chris G-Bliss Pharmacy, Onitsha
- Onyitex Pharmacy, Onitsha
- Prodave Pharmacy Ltd, Onitsha
- Warmeck Pharmacy, Aba
- Grams Pharmacy, Owerri
- Index Pharmacy, Nnewi
- Ebus Pharmacy, P/Harcourt
- Bez Pharmacy, Calabar
- Bebeto Pharmacy, Calabar
- Samboson Pharmacy, Calabar
- Wino Pharmacy, Markurdi
- New Health Pharmacy Ltd, Abuja
- H-Medix, Pharmacy Abuja
- Kles Pharmacy, Abuja
- Skylark Pharmacy, Abuja
- Green Access Pharmacy, Abuja
- Vilna Pharmacy, Zamfara
- La-med Pharmacy, Jos
- Dikimi Pharmacy, Jos
- A.S. Sabrinah Pharmacy, Sokoto
- Mabro Pharmacy, Kaduna
- Nwafor Pharmacy, Kaduna
- Vicnam Pharmacy, Kaduna
- Latcea Pharmacy, Kano
- Tony Pharmacy, Kano
- Figab Pharmacy Lagos
- Bicon Pharmacy, Lagos
- Joy Moore Pharmacy, Aba

**COMPANY SUPPLIERS**

The Company's significant Suppliers are:

- Sagar Overseas Limited
- Boden Industries Limited
- Sunmark Chemo Limited
- Real Value Trust Limited
- Afkar Printing Publishing Company Limited
- Beta Glass Plc
- Rolandhill Nigeria Limited
- Onnik Limited
- Tarabichi Printing and Packing Nigeria Limited
- Multibase Pharma Industries Nigeria Limited
- Abtevic Pharm. Limited
- Dapson Ronny Ventures
- Mich Bamidele Enterprises
- Ethylene Products and Lubricants Limited
- De-Daltex Nigeria Limited
- Tamita Scientific Limited
- KJ Packaging Industries
- Sprooll Nigeria Limited
- Worldwide Technologies Limited
- BASF West Africa Limited
- Perfect Packaging Limited
- Pedro Peres Integrated Services
- Katchey Company Limited
- Jostraws Pharmachem Point Nig. Ltd
- Gharsu Services Limited

The Company is not associated with the local suppliers and obtains all its packaging materials at arm's length.

**MANUFACTURING AND DISTRIBUTION AGREEMENTS**

The Company is in a manufacturing agreement with late Professor Ekeke for the manufacture of Ciklavit. This attracts a royalty payment of 5%.

Royalty charge during the year amounted to N4,920,811 (2023 - N4,730,086)

**RESEARCH AND DEVELOPMENT**

Neimeth is committed to innovation and has continued to sustain research into new products development and products life extension through improving existing formulation and dosage forms. Some of the new products which were undergoing product development in the prior year have been registered with NAFDAC and introduced into the market. Others are undergoing either the formulation phase, product registration phase, development stage or market introduction stage.

**EMPLOYEE INVOLVEMENT AND TRAINING**

At Neimeth, we place high value on employee involvement and participation. We believe that by actively engaging our employees in creating an environment that influences decisions and actions affecting their roles, we foster greater ownership and commitment.

We continuously strive to improve our workplace environment by involving employees in decision-making and planning processes at all levels. Every employee is recognized as unique, and their contributions are both solicited and valued by management.

Key elements of our employee involvement strategy include promoting team effectiveness, enhancing productivity, fostering clear communication, encouraging problem-solving and developing reward and recognition systems. In return, we are committed to treating all employees equitably, fairly and with dignity, ensuring consistency in our approach. Our recruitment process reflects these values, as we operate a non-discriminatory policy that focuses solely on experience and qualification. We welcome applications from the most qualified candidates, irrespective of gender, ethnicity, religion, or physical condition.

To support our employees' growth, we provide structured training programs designed to enhance skills and improve job performance. Performance Management is a strong tool for employee advancement and succession planning.

We are proud of our culture of inclusivity and diversity and remain committed to supporting our employees every step of the way.

**HEALTH, SAFETY AND WELFARE OF EMPLOYEE**

**Environmental Management Policy**

At Neimeth, we are committed to operating our manufacturing system (Production of healthcare and pharmaceutical products and support activities) in a safe and environmentally friendly manner. This ensures that the environmental impact of our production and related operations are controlled to ensure as little degradation as possible to the environment.

Accordingly, we constantly monitor our emission of green-house gases and ensure we reduce our carbon footprint through proper and periodic maintenance of our generators, proper servicing of our transport vehicles and an annual corporate environmental objective which includes the planting of between 2-5 trees. Environmental audits are also carried out regularly and statutorily as required by law, at the end of which corrective and preventive actions are put in place to forestall any future occurrence. This is achieved through the implementation of ISO - 14001: 2015 and the continuous improvement of the Environmental Management System (EMS)

**Environmental Sustainability**

At Neimeth, we make use of a wide range of resources like fuel, water and paper. The usage of these natural resources is monitored and measured and operational controls put in place to avoid wastages, thereby promoting sustainability of these natural resources. In the case of water usage, this is achieved through the metering of the portable and de-ionized water lines and conducting regular leak audits which are quickly addressed. The percentage water usage in 2023 was 2.18%, while the usage in 2024 was not documented because the water line was under maintenance. Better water usage culture has been adopted by staff as well as better awareness initiatives created in the case of paper usage. Sending more memos via emails than hard copies and the use of both sides of the paper has reduced the paper used annually, thereby ensuring sustainable operations. On energy usage, a lot of improvement was also recorded.

We have done a lot in the area of waste to landfill management through the introduction of various initiatives and as such we have maintained a reasonable waste to landfill percentage but with continuous improvement on the forefront of our priority burner for subsequent years. In 2024, we further ensured the reduction of our waste to landfill by disposing off various recyclables to middlemen who would resell them and maintained a general waste percentage of 0.9% due basically to rubbles generated during the Plant upgrade in 2023.

Some of our initiatives employ the three Rs technique of Re-use, Reduce and Recycle. This we have been able to achieve through the segregation of our waste as comingling of waste was formerly the order of the day. Some of the waste like nylon, paper and waste cartons are sold to middle men which becomes raw material for some other companies, thereby converting waste to wealth. Some of the production waste from the natural products are sold to pig farmers and used as feed for the pigs.

The Extended Producer Responsibility (EPR) is our target, whereby we will be responsible for the waste generated by the last item in our production process.

**Health & Safety**

At Neimeth, we are committed to conducting our manufacturing processes in a safe and accident -free environment for all employees, contractors and visitors.

We have built a safety culture in our personnel through regular trainings, teaching them that their safety is in their hands and that safety is everybody's responsibility and not only a function of the Management. The management has on its own part made tremendous strides towards the provision of various controls both engineering and administrative and has also made adequate provision of PPEs for employees. The target is to have a zero accident environment where the employees come to work safe and go back same. Visual aids in the form of safety signs have been made in the simplest of forms and language so that even the unlettered can decipher them. Employees are encouraged to report near misses, accident investigations are carried out accordingly and CAPA (Corrective and Preventive Actions) are put in place. This giant stride is a huge improvement from previous years.

One Lost Time Accident was recorded in 2023, while none was recorded in 2024. Our target remains zero accidents which we strive to achieve through regular safety awareness programs and internal trainings for the personnel. The Management has so embraced safety, such that a week- long activity had been introduced, known as "Safety Week" where various safety trainings are given to the personnel as well as First Aid and CPR training.

**POST BALANCE SHEET EVENTS**

There were no other significant post balance sheet events, which could have had material effect on the state of affairs of the Company for the period ended 31 December, 2024 which had not been adequately provided for or disclosed.

**AUDITORS**

Messrs. BDO Professional Services has indicated their willingness to continue in office as the Company's auditor in accordance with Section 401(2) of the Companies and Allied Matters Act 2020. A resolution will be proposed at the Annual General Meeting authorizing the Directors to determine their remuneration.

**By Order of the Board.**

Mrs. Chinenye. S. Adekanmbi
Company Secretary
FRC/2024/PRO/NBA/004/657332

**Neimeth International Pharmaceuticals Plc.**

Plot 16, Akanni Doherty Layout (Billings Way), P.M.B. 21111,
Oregun Ind. Estate, Oregun, Ikeja, Lagos State, Nigeria.
Telephone: [illegible]
e-mail: info@neimethplc.com.ng
www.neimethplc.ng

**REPORT OF THE STATUTORY AUDIT COMMITTEE TO THE MEMBERS OF NEIMETH INTERNATIONAL PHARMACEUTICALS PLC FOR THE YEAR ENDED 31ST DECEMBER 2024**

In accordance with Section 404 (7) of the Companies and Allied Matters Act, 2020, we confirm that we have:

a. Reviewed and considered the Financial Statement for the year ended 31st December, 2024;
b. Reviewed the External Auditors report thereon and
c. Confirmed that the accounting and reporting policies of the Company for the year ended 31st December 2024 are in accordance with legal requirements and agreed ethics.

In our opinion, the scope and planning of the audit for the year ended 31st December, 2024 were adequate and we reviewed the External Auditors' findings on Management Letters and are satisfied with the Management responses.

We are equally satisfied with the responses to our questions and with the effectiveness of the system of accounting and internal control at Neimeth International Pharmaceuticals Plc.

Dated 25th April, 2025

**Dr. Marcel O. Ojinka**
FRC/2016/PRO/AUDITCOM/002/00000014044
Chairman, Audit Committee

**Other members of the Audit Committee**
Alhaji M. I. Jinadu, FIoD
Alhaji K. Danjuma
Mazi S.I. Ohuabunwa
Dr. O. E. Akanji

Mrs. C. S. Adekanmbi – Secretary to the Committee.

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 Company at the end of the year and of the profit or loss for the year ended 31 December 2024, and in so doing they ensure that:

a) Proper accounting records are maintained;

b) Applicable accounting policies are adopted and consistently applied;

c) Judgments and estimates made are reasonable and prudent;

d) The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business; and

e) Internal control procedures are instituted which as far as reasonably possible, safeguard the assets of the Company and prevent and detect fraud and other irregularities.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the accounts comply with the Companies and Allied Matters Act, 2020 and the provisions of the International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB), in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

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 International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB), in complaince with the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the requirements of the Companies and Allied Matters Act, 2020.

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.

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

**Pharm. Valentine C. Okelu**
**Managing Director/CEO**
**FRC/2023/PRO/DIR/003/655491**

**Mr. Christopher Oshiafi**
**Chairman**
**FRC/2014/PRO/DIR/003/00000007065**

In line with the provisions of Section 405 of the Companies and Allied Matters Act, 2020; we have reviewed the audited financial statements of the Company for the year ended 31 December 2024 and based on our knowledge confirm as follows:

a) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading;

b) the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operations of the Company as at and for the year ended 31 December 2024;

c) the Company's internal controls have been designed to ensure that all material information relating to the Company is received and provided to the Auditor in the course of the audit;

d) the Company's internal controls were evaluated within 90 days of the financial reporting date and were effective as at 31 December 2024;

e) that we have disclosed to the Auditor that there are no significant deficiencies in the design or operations of the Company's internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have discussed with the Auditor any weaknesses in internal controls observed in the course of the Audit;

f) that we have disclosed to the Auditor that there is no fraud involving management or other employees who have significant role in the Company's internal control; and

g) there are no significant changes in internal controls or in other factors which could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

| | |
|---|---|
| **Mrs. Nonye E. Offorjanah** | **Pharm. Valentine C. Okelu** |
| **Head of Finance** | **Managing Director/CEO** |
| **FRC/2024/PRO/ICAN/001/323635** | **FRC/2023/PRO/DIR/003/655491** |

Management of Neimeth International Pharmaceutical Plc ("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.

The Company's internal control system is supported by written policies and procedures, incorporates self monitoring mechanisms, and is subject to internal audit reviews. When deficiencies are identified, Management takes appropriate corrective actions. However, like all internal control systems, inherent limitations exist, including the potential for circumvention or overriding of controls.

As of 31 December 2024, Management conducted an assessment of the effectiveness of internal control over financial reporting using the COSO 2013 Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on this assessment, Management ascertained that, as of 31 December 2024, the Company's internal control over financial reporting was properly designed and operating effectively. Furthermore, no material weaknesses were identified in the Company's internal control over financial reporting.

The effectiveness of the Company's internal control over financial reporting as of 31 December 2024, has been audited by an independent registered accounting firm.

28 April 2025

**Mr. Christopher Oshiafi**
**Chairman**
**FRC/2014/PRO/DIR/003/00000007065**

J.V.C.1.

**Pharm.Valentine C. Okelu**
**Managing Director / CEO**
**FRC/2023/PRO/DIR/003/655491**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

I, the Managing Director/Chief Executive Officer, certify that:

(a) I have reviewed the 2024 Annual Financial Statements of Neimeth International Pharmaceuticals Plc ["the Company"]

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

(c) Based on my knowledge, the financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations, and cash flows of the Company as at 31 December 2024 presented in this report;

(d) I, the undersigned:

(i) are responsible for establishing and maintaining internal controls;

(ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under my supervision, to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(iii) have designed such internal control system, or caused such internal control system to be designed under my 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;

(iv) 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 my conclusions about the effectiveness of the internal controls and procedures, as of 31 December 2024 covered by this report based on such evaluation.

e) I, the undersigned, have disclosed, based on my most recent evaluation of internal control system, to the Company's auditor (BDO Professional Services) and the Audit Committee of the Company's Board of Directors (or persons performing the equivalent functions):

(i) that there were no significant deficiencies and material weaknesses in the design or operation of the internal control system which could reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(ii) that there was 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) I, the undersigned, have ascertained that there were no 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 deficiencies and material weaknesses.

**28 April 2025**

J.V.C.I.

**PHARM. VALENTINE C. OKELU**
**Managing Director/CEO**
**FRC/2023/PRO/DIR/003/65541**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

I, the Head of Finance, certify that:

(a) I have reviewed the 2024 Annual Financial Statements of Neimeth International Pharmaceuticals Plc ["the Company"]

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

(c) Based on my knowledge, the financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations, and cash flows of the Company as at 31 December 2024 presented in this report;

(d) I, the undersigned:

(i) are responsible for establishing and maintaining internal controls;

(ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under my supervision, to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(iii) have designed such internal control system, or caused such internal control system to be designed under my 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;

(iv) 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 my conclusions about the effectiveness of the internal controls and procedures, as of 31 December 2024 covered by this report based on such evaluation.

e) I, the undersigned, have disclosed, based on my most recent evaluation of internal control system, to the Company's auditor (BDO Professional Services) and the Audit Committee of the Company's Board of Directors (or persons performing the equivalent functions):

(i) that there were no significant deficiencies and material weaknesses in the design or operation of the internal control system which could reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(ii) that there was 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) I, the undersigned, have ascertained that there were no 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 deficiencies and material weaknesses.

**28 April 2025**

**MRS. NONYE E. OFFORJAMAH**
Head of Finance
FRC/2024/PRO/ICAN/001/323635

BDO

**Assurance Report of Independent Auditor**
**To the Shareholders of Neimeth International Pharmaceuticals Plc**
**Assurance Report on Management's Assessment of Controls over Financial Reporting**

We have performed a limited assurance engagement on Neimeth International Pharmaceuticals Plc ("the Company") internal control over financial reporting as of 31 December 2024, based on Financial Reporting Council (FRC) Guidance on Management Report on Internal Control Over Financial Reporting and Securities and Exchange Commission (SEC) Guidance on Management Report on Internal Control Over Financial Reporting. Neimeth International Pharmaceuticals Plc's Board of Directors and Management are responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's Internal Control over Financial Reporting based on our Assurance engagement.

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management are not adequate as of the specified date, based on the FRC/SEC Guidance on Management Report on Internal Control Over Financial Reporting.

We have complied with independence and other ethical requirements of the Code of Ethics for professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The Firm applies the International Standard on Quality Management 1, Quality Management for Firms that perform audit or review of financial statements, or other assurance or related services engagement which requires the firm to 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.

We conducted our Assurance engagement in accordance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

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

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

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company;
ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and
iii. 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.

**BDO Professional Services - FRC/2024/COY/398515**
**Olugbemiga A. Akibayo, FCA - FRC/2013/PRO/ICAN/004/00000001076**
**For: BDO Professional Services**
**Lagos, Nigeria**
**30 April 2025**

BDO

**INDEPENDENT AUDITOR'S REPORT**

**TO THE SHAREHOLDERS OF NEIMETH INTERNATIONAL PHARMACEUTICALS PLC**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the financial statements of Neimeth International Pharmaceuticals Plc which comprise, the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Companies and Allied Matters Act, 2020.

**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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Going Concern Consideration**

We draw attention to Note 40 of the financial statements on management assessment of going concern. Our opinion is not modified in respect of this matter.

**Key Audit Matter**

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

**Valuation of Trade receivables- Expected Credit Loss**

**Risk**

The Company is exposed to credit risk arising from the Company's trade receivables.The determination of the impairment charge for trade receivables requires the assessment of Expected Credit Loss Model (ECL) using the simplified approach on recoverable amounts in line with IFRS 9. The ECL model involves the application of considerable level of judgements and estimation in determining inputs which are derived from historical records obtained within and outside the Company in formulating the financial model. The model also requires assumptions in the estimation of foward looking macro-economic variables in computing the probability of default (PD). The appropriateness of impairment calculation for long overdue debts which require significant management's judgements and assumptions, makes it a key audit matter

**Our response**

Our audit procedures in response to the risk included, amongst others:

- Assessed and tested the design and operating effectiveness of the controls over impairment calculations
- Reviewed the age analysis of trade receivables and internal controls over recoverability of receivables

- Reviewed impairment model adapted by management and evaluated whether the model used to calculate the recoverable amount complies with the requirements of IFRS 9 and is in agreement with our understanding of the business and the industry in which the Company operates
- Challenged management's assessment on the recoverability of overdue receivables, collection pattern, considering historical patterns of debt and repayment as well as recent communications with their counterparties
- Evaluated the accounting principles underlying revenue recognition which form the basis for the recognition of trade receivables

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report, the statement of Directors' responsibilities and the statement of corporate responsibility but does not include the financial statements and the auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during 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 Financial Statements**

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

In preparing the financial statements, the directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

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

**Auditor's responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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 International Standards on Auditing 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 financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the 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.

BDO



* 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the 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 the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

**Report on other legal and regulatory requirements**

The Companies and Allied Matters Act, 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
ii) in our opinion, proper books of account have been kept by the Company, and
iii) the Company's statement of financial position, and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

30 April 2025
Lagos, Nigeria

Olugbemiga A. Akibayo, FCA
FRC/2013/PRO/ICAN/004/00000001076
For: BDO Professional Services
Chartered Accountants

**FOR THE YEAR ENDED 31 DECEMBER 2024**

| | Note | 2024<br>N'000 | Restated<br>2023<br>N'000 |
|---|---|---|---|
| Revenue | 8 | 4,485,116 | 2,209,591 |
| Cost of sales | 9 | (2,527,394) | (1,475,521) |
| **Gross profit** | | 1,957,722 | 734,070 |
| Other operating income | 10 | 1,417,748 | 1,355,359 |
| Marketing and distribution expenses | 11 | (680,453) | (792,382) |
| Administrative expenses | 12 | (628,176) | (868,115) |
| Foreign exchange loss | 13 | (2,047,955) | (1,450,654) |
| **Operating profit/(loss)** | | 18,886 | (1,021,722) |
| Finance costs | 14 | (873,320) | (667,948) |
| Loss before taxation | | (854,434) | (1,689,670) |
| Income tax expense | 29 | (30,899) | (107,881) |
| **Loss for the year** | | (885,333) | (1,797,551) |
| **Other Comprehensive Income** | | | |
| Items that will be reclassified to profit or loss | | - | - |
| Items that will not be reclassified to profit or loss | | - | - |
| **Total other comprehensive income** | | - | - |
| **Total comprehensive loss** | | (885,333) | (1,797,551) |
| Basic loss per share (kobo) | 33 | (21) | (42) |
| Diluted loss per share (Kobo) | 33 | (21) | (42) |

The explanatory notes and statement of significant accounting policies form an integral part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

**FOR THE YEAR ENDED 31 DECEMBER 2024**

| | Notes | 2024<br>N'000 | Restated<br>2023<br>N'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 16 | 4,209,211 | 3,664,784 |
| Investment properties | 17 | 2,024,585 | 1,100,926 |
| Intangible assets | 18 | 19,003 | - |
| | | 6,252,799 | 4,765,710 |
| **Current assets** | | | |
| Inventories | 19 | 1,868,341 | 2,065,281 |
| Trade and other receivables | 20 | 1,616,290 | 844,043 |
| Other assets | 21 | 103,395 | 75,013 |
| Cash and cash equivalents | 22.1 | 2,146,658 | 2,429,182 |
| | | 5,734,684 | 5,413,519 |
| **Total assets** | | 11,987,483 | 10,179,229 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 25 | 4,350,944 | 2,569,677 |
| Bank overdraft | 23.4 | 201,988 | 176,348 |
| Current portion of long term borrowings | 23.1 | 4,859,136 | 3,883,012 |
| Finance lease liabilities | 30 | 28,789 | 40,635 |
| Current tax payable | 27 | 87,228 | 68,815 |
| Deferred fair value gain on loan | 24.1 | 316,685 | 406,708 |
| | | 9,844,770 | 7,145,195 |
| **Non-current liabilities** | | | |
| Non-current portion of long term borrowings | 23.1 | 294,672 | 288,178 |
| Deferred fair value gain on loan | 24.2 | 90,023 | 102,505 |
| Deferred tax liability | 28 | 106,226 | 106,226 |
| | | 490,921 | 496,909 |
| **Total liabilities** | | 10,335,691 | 7,642,104 |
| **Net assets** | | 1,651,792 | 2,537,125 |
| **Equity** | | | |
| Share capital | 31.1 | 2,136,552 | 2,136,552 |
| Share premium | 31.3 | 2,377,756 | 2,377,756 |
| Accumulated losses | 32 | (2,862,516) | (1,977,183) |
| **Total equity** | | 1,651,792 | 2,537,125 |

These financial statements were approved and authorised for issue by the Board of Directors on 28 April 2025 and signed on its behalf by:

| | | |
|---|---|---|
| **Mr. Christopher Oshiafi** | **Pharm.Valentine C. Okelu** | **Mrs. Nonye E. Offorjamah** |
| **Chairman** | **Managing Director / CEO** | **Head of Finance** |
| FRC/2014/PRO/DIR/003/00000007065 | FRC/2023/PRO/DIR/003/655491 | FRC/2024/PRO/ICAN/001/323635 |

The explanatory notes and statement of significant accounting policies form an integral part of these financial statements.

| | Share capital ₦'000 | Share premium ₦'000 | Accumulated losses ₦'000 | Total equity ₦'000 |
|---|---|---|---|---|
| **At 1 January 2023** | 949,579 | 8,821 | (179,632) | 778,768 |
| **Changes in equity for the year** | | | | |
| Loss for the year | - | - | (1,797,551) | (1,797,551) |
| **Other comprehensive income** | - | - | - | - |
| **Total comprehensive loss for the year** | - | - | (1,797,551) | (1,797,551) |
| **Total Contributions by and distributions to owners of Company recognised directly in equity** | | | | |
| Rights issue | 1,186,973 | | - | 1,186,973 |
| Share premium on rights issue | - | 2,523,498 | - | 2,523,498 |
| Transaction costs for equity issue | - | (154,563) | - | (154,563) |
| | 1,186,973 | 2,368,935 | - | 3,555,908 |
| **At 31 December 2023** | 2,136,552 | 2,377,756 | (1,977,183) | 2,537,125 |
| **At 1 January 2024** | 2,136,552 | 2,377,756 | (1,977,183) | 2,537,125 |
| **Changes in equity for the year** | | | | |
| Loss for the year | - | - | (885,333) | (885,333) |
| **Other comprehensive income** | - | - | - | - |
| **Total comprehensive loss for the year** | - | - | (885,333) | (885,333) |
| **Total Contributions by and distributions to owners of Company recognised directly in equity** | - | - | - | - |
| | - | - | - | - |
| **At 31 December 2024** | 2,136,552 | 2,377,756 | (2,862,516) | 1,651,792 |

The explanatory notes and statement of significant accounting policies form an integral part of these financial statements.

## FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | 2024<br>₦'000 | Restated<br>2023<br>₦'000 |
|---|---|---|---|
| **Loss for the year** | | (854,424) | (1,689,670) |
| **Adjustments for:** | | | |
| Depreciation of property, plant and equipment | 16 | 129,988 | 125,218 |
| Depreciation of investment properties | 17 | - | 869 |
| Amortisation of intangible asset | 18 | 9,502 | - |
| Profit on disposal of property, plant and equipment | 10 | (3,600) | (969) |
| Reclassification-Overdraft | 23 | - | (176,348) |
| Finance-costs | 14 | 873,320 | 667,948 |
| Fair value gain on investment properties | 10 | (923,659) | (1,067,785) |
| | | (768,885) | (2,140,737) |
| **Changes in:** | | | |
| Inventories | | 196,940 | (346,131) |
| Trade and other receivables | | (772,247) | 547,797 |
| Other assets | | (28,382) | (12,029) |
| Trade and other payables | | 1,781,268 | 1,303,527 |
| Cash generated/(used in) from operating activities | | 408,694 | (647,573) |
| Income tax paid | 27 | (12,486) | (125,835) |
| **Net cash generated from/(used in) operating activities** | | 396,208 | (773,408) |
| Cash flows from investing activities | | | |
| Purchase of property plant and equipment | 16 | (702,919) | (936,136) |
| Proceed from disposal of property, plant and equipment | 10.1 | 3,600 | 2,251 |
| **Net cash used in investing activities** | | (699,319) | (933,885) |
| Cash flows from financing activities | | | |
| Repayment of loans | 23 | (50,000) | (214,583) |
| Finance cost paid | 14 | (866,790) | (661,454) |
| Finance lease liabilities | 30 | (11,846) | 40,635 |
| Proceeds from Rights Issue | 31.1&31.2 | - | 3,710,471 |
| Rights issue expenses | 31.3 | - | (154,563) |
| **Net cash (used in)/generated from financing activities** | | (928,636) | 2,720,506 |
| Effect of exchange rate changes on cash and cash equivalents | | 923,583 | 791,251 |
| Net (decrease)/increase in cash and cash equivalents | 23 | (1,231,747) | 1,013,213 |
| Cash and cash equivalents at 1 January | 22.2 | 2,252,834 | 448,370 |
| **Cash and cash equivalents at 31 December** | 22.2 | 1,944,670 | 2,252,834 |

The accompanying notes and statement of significant accounting policies form an integral part of these financial statements.

**1. The Company**

**1.1 Legal form**

Neimeth International Pharmaceuticals Plc, a Company quoted on the Nigerian Exchange Limited (NGX) was incorporated on 30 August 1957 as a limited liability company and commenced operations in January 1958. On 14 May 1997, Pfizer Inc. NY divested from the Company through a management buyout.

**1.2 Principal activities**

The principal activities of the Company are manufacturing and marketing of pharmaceuticals and animal health products.

**2. Basis of preparation**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the requirements of the Companies and Allied Matters Act, 2020. Additional information required by local regulators has been included where appropriate.

**2.2 Basis of measurement**

The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial instruments and land and buildings measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the financial statements in the year the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the financial statements present the financial position and results fairly.

**2.3 Going concern assessment**

The financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as and when they fall due. There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity. Management is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements.

**2.4 Functional and presentation currency**

These financial statements are presented in Naira, which is the Company's presentation currency. The financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency).

**2.5 Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

**2.6 Changes in accounting policies**

**(a) New standards, interpretations and amendments adopted from 1 January 2024**

The following amendments are effective for the period beginning 1 January 2024:

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024.

**Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7)**

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments:Disclosures.

The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The amendments also provide guidance on characteristics of supplier finance arrangements.

**Lease Liability in a Sale and leaseback (Amendments to IFRS 16);**

On 22 September 2022, the IASB issued amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (the Amendments).

Prior to the Amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising in a sale and leaseback transaction. In applying the subsequent measurement requirements of lease liabilities to a sale and leaseback transaction, the Amendments require a seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the financial statements of the Company.

**Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1)**

The IASB issued amendments to IAS 1 in January 2020 Classification of Liabilities as Current or Non-current and subsequently, in October 2022 Non-current Liabilities with Covenants. The amendments clarify the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

▪ In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. However, the classification of certain borrowings has changed from non- current to current as result of the application of the amendments for the current financial year as well as the comparative period.

**(b) New standards, interpretations and amendments not yet effective**
There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2025:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7)
- Contracts Referencing Nature-dependent Electricity(Amendments to IFRS 9 and IFRS 7)

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

The Company is currently assessing the effect of these new accounting standards and amendments.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items.

These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Company does not expect to be eligible to apply IFRS 19.

**3. Summary of significant accounting policies**
The significant accounting policies set out below have been applied consistently to all periods presented in the financial statements unless otherwise indicated.

**3.1 Intangible assets**
**3.1.1 Intangible assets acquired separately**
Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses.

Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible assets unless such lives are indefinite. These charges are included in other expenses in profit or loss. Intangible assets with an indefinite useful life are tested for impairment annually.

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

**3.1.2 Intangible assets generated internally**

Expenditures on research or on the research phase of an internal project are recognized as an expense when incurred. The intangible assets arising from the development phase of an internal project are recognized if, and only if, the following conditions apply:

- The Company has the intention of completing the asset for either use or resale.
- The Company has the ability to either use or sell the asset.
- It is possible to estimate how the asset will generate income.
- The Company has adequate financial, technical and other resources to develop and use the asset.
- The expenditure incurred to develop the asset is measurable.
- It is technically feasible to complete the asset for use by the Company.

If no intangible asset can be recognised based on the above, then development costs are recognised in the income statement in the period in which they are incurred.

**3.2 Property, plant and equipment**

**3.2.1 Initial recognition**

All property, plant and equipment are stated at cost less accumulated depreciation less accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**3.2.2 Subsequent costs**

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

**3.2.3 Depreciation of property, plant and equipment**

Depreciation on assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives, as follows:

| | % |
|---|---|
| Land | Nil |
| Buildings | 3 |
| Office equipment and furniture | 10 |
| Machinery and equipment | 10 |
| Motor vehicles | 20 |
| Computer equipment | $33^1/_3$ |

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

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting date.

**3.2.4 Derecognition**
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, these are included in the income statement under other operating income. When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

**3.2.5 Reclassification**
When the use of a property changes from owner-occupier to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in the income statement to the extent that it reverses a previous impairment loss on the specific property, with any remaining recognized in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognized immediately in the income statement.

**3.3 Investment properties**
Investment properties are properties that are held for long-term rental yields or for capital appreciation or both, that are not occupied by any of the departments within the Company. Investment properties are carried in the statement of financial position at their market value and revalued at regular interval on a systematic basis yearly. If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment while its carrying value at the date of reclassification becomes its cost for subsequent accounting purposes.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its carrying amount at the date of change in use.

An external, independent valuer, having appropriate recognised professional qualifications, certified by the Financial Reporting Council (FRC) of Nigeria and with recent experience in the location and category of the investment properties being valued, values the Company's investment properties.The fair value are based on market value, being the estimated amount for which a property could be sold between market participants at a measurement date.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the property) is recognised in the profit or loss in the period of the derecognition.
When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting. Investment properties are not subject to periodic charge for depreciation.

**3.4 Inventories**
Inventories are valued using standard costing method of valuation. However, standard cost approximates to actual cost of valuation. The cost of inventories includes expenditures incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventory and work in progress, cost includes an appropriate share of production overheads based on normal activity levels.
Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling.

**3.5 Impairment of non-financial assets**

The Company assesses annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest cash-generating unit to which the asset is allocated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount an impairment loss is recognized immediately in profit or loss, unless the asset is carried at a revalued amount in which case the impairment loss is recognized as revaluation decrease.

**3.6 Financial instruments**

**Recognition and initial measurement**

Financial instruments carried at statement of financial position date include the loans and receivables, cash and cash equivalents and borrowings. Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below:

**3.6.1 Financial assets**

Initial recognition and measurement of financial assets

The Company classifies its financial assets at initial recognition and subsequently measured at amortised cost, at fair value through other comprehensive income (OCI) and fair value through profit or loss.

The Company classifies its financial assets into the following categories: Financial assets at fair value through profit or loss, at fair value through OCI or at amortised cost. The classification is determined by management at initial recognition and depends on the purpose for which the investments were acquired.

**3.6.2 Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (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 (the Company however has no financial instrument in this category).

**(a) Financial assets at fair value through profit or loss**

A financial asset is classified into the 'financial assets at fair value through profit or loss' category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or if so designated by management. Derivatives are also classified as held for trading unless they are designated as hedges.

**(b) Financial assets at fair value through other comprehensive income**

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

**(c) Financial assets carried at amortised cost**

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

is impaired includes observable data that comes to the attention of the Company about the following
- Significant financial difficulty of the issuer or debtor;
- A breach of contract, such as a default or delinquency in payments;
- It becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganisation;

The disappearance of an active market for that financial asset because of financial difficulties; or observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

**3.6.3 Financial liabilities**

**3.6.3.1 Initial recognition and measurements**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

**3.6.3.2 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

**3.6.4 Impairment of financial assets**

**3.6.4.1 Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its trade receivables, equity instruments and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Equity instruments are not subject to impairment under IFRS 9.

The Company 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 Company 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 Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company 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.

**3.6.4.2 Credit-impaired financial assets**

The Company considers a financial asset in default when contractual payments are 360 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 Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt instruments carried at FVOCI are credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following:

- there is significant financial difficulty of a customer (potential bad debt indicator);
- there is a breach of contract, such as a default or delinquency in interest or principal payments;
- the Company, for economic or legal reasons relating to the customer's financial difficulty, granting to the customer a concession that the Company would not otherwise consider;
- it becomes probable that a counterparty/customer may enter bankruptcy or other financial reorganisation;
- there is the disappearance of an active market for a financial asset because of financial difficulties; or
- observable data indicates that there is a measurable decrease in the estimated future cash flows from a Company of financial assets:
- the financial asset is 360 days and above past due.

A trade receivable debt that has been renegotiated due to a deterioration in the customer's financial condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

**3.6.4.3 Presentation of allowance for ECL**

Trade receivable allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: the loss allowance is recognised as a provision, and

- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

**3.7 Other financial assets:**

Other Financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

**3.8 Trade and other receivables**

Trade receivables are stated at fair value and subsequently measured at fair value through profit or loss, less provision for impairment. Impairment thereon are computed using the simplified IFRS 9 ECL Model, where the receivables are aged and probability of default applied on each aged bracket. Trade receivables meet the definition of financial assets and the carrying amount of the trade receivables approximates their fair values.

**3.9 Equity instruments**

Equity instruments issued by the Company are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

The entity subsequently measures all equity investments at fair value. Where the entity's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other operating income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**3.10 Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

**3.10.1 Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the income statement.

**3.10.2 Deferred fair value gain on loans**

Deferred fair value gain on loans are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the gains will be received. Deferred fair value gain on loans are recognised in profit or loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the gains are intended to compensate. Specifically, deferred fair value gain on loans whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. The amount recognised as deferred fair value gain on loan is recognised in profit or loss over the year the related expenditure is incurred.

Deferred fair value gain on loans that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the year in which they become receivable. The benefit of a deferred fair value gain on loans at a below-market rate of interest is treated as a deferred fair value gain on loans, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and it is amortised over the life span of the loan.

**3.11 Cash and cash equivalents**

Cash and cash equivalents comprises of short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term.

For the purpose of presenting the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts.

**3.12 Trade and other payables**

Trade and other payables are stated at their original invoiced value. The Directors consider the carrying amount of other payables to approximate their fair value.

**3.13 Employee benefits**

**3.13.1 Defined contribution plan**

In accordance with the provisions of the amended Pension Reform Act, 2014 the Company has instituted a Contributory Pension Scheme for its employees, where both the employees and the Company contribute 8% and 10% of the employee total emoluments. The Company's contribution under the scheme is charged to the profit or loss while employee contributions are funded through payroll deductions.

Obligations for contributions to the defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Contributions to a defined contribution plan that is due more than twelve months after the end of the period in which the employees render the service are discounted to their present value.

Payments to defined contribution plans are recognised as an expense as they fall due. Any contributions outstanding at the year end are included as an accrual in the statement of financial position.

**3.13.2 Termination benefits**

Termination benefits are recognized as an expense when the Company is demonstrably committed without realistic possible withdrawal , to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefit for voluntary redundancies is recognized as expense if the Company has made an offer of voluntary redundancy and it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

**3.13.3 Short term employee benefits**

These are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company 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.

**3.14 Taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss), it is not accounted for.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of financial assets through OCI and cash flows hedges, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the income statement together with the deferred gain or loss.

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

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

**3.16 Revenue recognition**

**3.16.1 Identification of contracts**

Every revenue from contracts with customers begins with identification of a contract which can either be written,oral or implied by the Company's business practices and should meet all the following criteria:

(a) The contract must have commercial substance.

(b) The contract must be approved by all parties to the contract.

(c) Each party's rights regarding products to be transferred can be identified.

(d) The payment terms for products to be transferred can be identified.

(e) Each party is committed to perform their obligation.

(f) It is probable that the Company will collect the consideration to which it is entitled.

3.16.2 **Performance obligation and timing of revenue recognition**

Revenue represents the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of the Company's activities and is stated net of value-added tax (VAT). The Company derived revenue principally from the manufacturing and marketing of pharmaceutical and animal health products. Revenue is recognised at a point in time when control of goods has been transferred, being when the products are delivered to the customers (end users). Delivery occurs when the products have been shipped to the specific location and the control has been transferred and evidence of delivery received from the customers and the Company has objective evidence that all criteria for acceptance have been satisfied. No sales are reported if control of the goods has not been transferred to the customers.

3.16.3 **Determining the transaction price**

Most of the Company's revenue is derived from fixed price contract and the amount of revenue to be earned from each contract is determined by reference to those fixed prices. The Company has full discretion over the price to sell the products.

3.16.4 **Allocating amounts to performance obligation**

For most contracts, there is a fixed unit price for each of the products sold. There is no judgement involved in allocating the contract price to each unit ordered in such contract (it is the total contract price divided by the number of units ordered). Where a customer orders more than one item, the Company is able to determine the split of the total contract price between each product by referencing to each product's stand alone selling prices.

3.16.5 **Revenue recognition**

Revenue is recognised when the Company satisfies performance obligation.Satisfaction occurs when the Company transfers control of products to the customers.Control is the ability to direct the use and obtain substantially all of the remaining benefits from an asset.

**3.17 Foreign currencies**

**Foreign currency transactions**

Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings which are regarded as adjustments to interest costs, where those interest costs qualify for capitalization to assets under construction.
- Exchange differences on transactions entered into to hedge foreign currency risks.
- Exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

**3.18 Segment reporting**

An operating segment is a component of an entity:

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

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

(c) For which discrete financial information is available.

Quantitative thresholds have been set for determining operating segments for which separate information should be disclosed. Separate information should be disclosed for any operating segment:

- With revenue (including both external sales and intersegment transfers) that is 10% or more of the total revenue of all the operating segments;
- With assets that are 10% or more of the combined assets of all the operating segments; or
- Where its profit or loss which, in absolute terms, is 10 per cent or more of the greater, in absolute amount, of the combined reported profit of all profit making operating segments; and
- The combined reported loss of all loss-making operating segments.

An entity may combine information about operating segments that do not meet the quantitative thresholds with information about other operating segments that do not meet the quantitative thresholds to produce a reportable segment only if the operating segments have similar economic characteristics and share a majority of the aggregation criteria.

If the total external revenue reported by operating segments constitutes less than 75% of the entity's revenue, additional operating segments shall be identified as reportable segments until at least 75% of the entity's revenue is included in reportable segments.

If an operating segment is identified as a reportable segment in the current period in accordance with the quantitative thresholds, segment data for a prior period presented for comparative purposes shall be restated to reflect the newly reportable segment as a separate segment, even if that segment did not satisfy the criteria for reportability in the prior period, unless the information is not available and the cost to develop it is excessive.

The disclosure of segmental cash flows enables users to obtain a better understanding of the relationship between the cash flows of the business as a whole and those of its component parts and the availability and variability of segmental cash flows.

The Company should disclose the factors used to identify its reportable segments. This should include the basis of organisation, for example by difference in products or services, geographical areas, regulatory environments or a combination of factors.

The Company should disclose the types of products and services from which each reportable segment derives its revenues.

Information about other business activities and operating segments that are not reportable shall be combined and disclosed in an 'all other segments'.

The sources of the revenue included in the 'all other segments' category shall be described.

An entity shall provide an explanation of the measurements of segment profit or loss, segment assets and segment liabilities for each reportable segment.

Certain entity wide disclosures are also required for all entities, including those entities that have a single reporting segment, including information about: products and services; geographical areas; and major customers. An entity shall report the revenues from external customers for each product and service, or each group of similar products and services, unless the necessary information is not available and the cost to develop it would be excessive, in which case that fact shall be disclosed. The amounts of revenue reported shall be based on the financial information used to produce the entity's financial statements.

An entity shall report geographical information for revenue from external customers:

(i) Attributed to the entity's country of domicile and

ii) Attributed to all foreign countries in total from which the entity derives revenues. If revenues from external customers attributed to an individual foreign country are material, those revenues shall be disclosed separately. An entity shall disclose the basis for attributing revenues from external customers to individual countries.

An entity shall report geographical information for non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts) located in the entity's country of domicile; and

An entity shall provide information about the extent of its reliance on its major customers. If revenue from transactions with a single external customer amount to 10 per cent or more of an entity's revenues, the entity shall disclose that fact, the total amount of revenues from such customer, and the identity of the segment or segments reporting the revenues. The entity need not disclose the identity of a major customer or the amount of revenues that each segment reports from that customer. For the purposes of this IFRS, a group of entities known to a reporting entity to be under common control shall be considered a single customer, and a government (national, state, provincial, territorial, local or foreign) and entities known to the reporting entity to be under the control of that government shall be considered a single customer.

**4. Critical accounting estimates and judgements**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both the estimates and assumptions that have a significant risks of causing material adjustment to the carrying amount of asset and liabilities in the next financial statements are discussed below:

**(a) Impairment of FVOCI financial assets**

The Company determines that FVOCI financial assets are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the Company evaluates among other factors, the normal volatility in share price, the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows. Impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and financing and operational cash flows.

The fair values of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them.

To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(b) Impairment of property, plant and equipment and intangible assets**
Management is required to make judgement concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate impairment exist.

**(c) Others are:**
- Residual values of items of property, plant and equipment.
- Estimated useful lives of item of property, plant and equipment.
- Allowance for obsolete stock.
- Allowance for doubtful debts.

**5. Risk management framework**
The primary objective of the company's risk management framework is to protect their stakeholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Management recognises the critical importance of having efficient and effective risk management systems in place.

The Company has established a risk management function with clear terms of reference from the Board of Directors, its committees and the executive management committees.

This is supplemented with a clear organizational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Lastly, the Internal Audit unit provides independent and objective assurance on the robustness of the risk management framework, and the appropriateness and effectiveness.

**Strategic risks** - This specifically focused on the economic environment, the products offered and market. The strategic risks arises from a Company's ability to make appropriate decisions or implement appropriate business plans, strategies, decision making , resource allocation and its inability to adapt to changes in its business environment.

**Operational risks** - These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

**Financial risks** - Risk associated with the financial operation of the Company, including underwriting for appropriate pricing of plans, provider payments, operational expenses, capital management, investments, liquidity and credit.

The Board of Directors approves the Company's risk management policies and meets regularly to approve any commercial, regulatory and organizational requirements of such policies. These policies define the Company's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting to the corporate goal, and specify reporting requirements to meet.

**5.1 Strategic risks**

The following capital management objectives, policies and approach to managing the risks which affect its capital position are adopted by the Company.

- To maintain the required level of financial stability thereby providing a degree of security to clients and plan members.
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- To retain financial flexibility by maintaining strong liquidity.
- To align the profile of assets and liabilities taking account of risks inherent in the business and regulatory requirements.
- To maintain financial strength to support new business growth and to satisfy the requirements of the regulators and stakeholders.

**5.2 Operational risks**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors such as provider tariffs, medical costs, premium review for adequacy, prompt premium payments and collections. Others are legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including independent authorisation of transactions.
- requirements for the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements.
- documentation of controls and procedures.
- training and professional development.
- ethical and business standards.

### 5.3 Financial risks

The Company's operations expose it to a number of financial risks. A risk management programme has been established to protect the Company against the potential adverse effects of these financial risks. There has been no significant change in these financial risks since the prior year and they are:

- Credit risks
- Liquidity risks
- Market risks

**(a) Credit risks**

The Company invests some of its surplus funds in high quality liquid market instruments. Such investments have a maturity no greater than three months. To reduce the risk of counterparty default the Company deposits the rest of its surplus funds in approved high quality banks. Concentrations of credit risk with respect to customers are limited due to the Company's customer base being large and unrelated. Customers are assessed for credit worthiness and where appropriate the Company obtains security for its exposure to the risk of default. Credit limits are also imposed on customers and reviewed regularly.

**Exposure to risk**

The Company's maximum exposure to credit risk, without taking into account any collateral held or other credit enhancements:

| | 2024<br>N'000 | 2023<br>N'000 |
|---|---|---|
| **Financial assets** | | |
| Trade and other receivables (Note 19) | 1,616,290 | 844,043 |
| Cash and cash equivalents ( Note 21.2) | 2,146,658 | 2,429,182 |
| **Ageing of past due receivables:** | | |
| 0 - 90 days | 177,256 | 159,975 |
| 91 - 180 days | 144,697 | 130,590 |
| 181 - 270 days | 32,989 | 29,773 |
| 271 - 365 days | 29,455 | 26,583 |
| Over 365 days | 43,069 | 20,586 |
| Total (Note 19.2) | 427,466 | 367,507 |

The Company allows an average debtors period of 30 days after invoice date. It is the Company's policy to assess trade receivables for recoverability on an individual basis and to test for impairment where it is considered necessary. In assessing recoverability the Company takes into account any indicators of impairment up until the reporting date.

**(b) Liquidity risks**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The Company employs policies and procedures to mitigate its exposure to liquidity risk.

**(c) Market risks**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

**d) Currency risk**

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's principal transactions are carried out in Naira and its financial assets are primarily denominated in the Naira and its exposure to foreign exchange risk is minimal.

**6. Capital management**

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and customers.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital level on a regular basis.

**Approach to capital management**

In the management of its capital, the Company has certain objectives which it intends to achieve. These include:

- The safeguarding of the Company's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders by pricing products commensurately with the level of risk.
- Consistently with others in the industry, the Company monitors capital on the basis of the debt-to-capital ratio. This ratio is calculated as net debt ÷ capital:

Net debt is calculated as total liabilities (as shown in the statement of financial position) less cash and cash equivalents. Capital comprise all components of equity (i.e. ordinary share capital, share premium and retained earnings).

The debt-to-capital ratios at 31 December 2024 and its comparative period were as follows:

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Total liabilities | 10,335,691 | 7,642,104 |
| Total liabilities and equity | 11,987,483 | 10,179,229 |
| Debt-to-capital ratio | 0.86 | 0.75 |

The increase in the debt-to-capital ratio during 2024 resulted primarily from the increase in the entity's borrowings.

The Company's primary source of capital is borrowed funds from various financial institutions repayable with interest at specified dates.

There was no significant change to its capital structure during the year.

**7. Financial instruments and fair values**

As explained in Note 3.6, financial assets and liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognized in the statement of profit or loss or other comprehensive income. These categories are: fair value through profit or loss; loans and receivables; FVOCI; and, for liabilities, amortized cost or fair value through profit or loss.

| | 2024 | 2023 |
|---|---|---|
| | N'000 | N'000 |

**8. Segment information**

**8.1 Operating segments**

The Company has two reportable business segments, summarised as follows:

Pharmaceuticals product group:
This includes the marketing and sales of the Company's branded products, and the consumer products group.

Animal health product group:
This includes the marketing and sales of poultry and large animal range of anthelmintic as well as production enhancing medicaments.

| | 2024 | 2023 |
|---|---|---|
| Pharmaceuticals | 4,300,861 | 2,066,755 |
| Animal health | 184,255 | 142,836 |
| | 4,485,116 | 2,209,591 |

**8.2 Geographical segments**

The Company operates in two geographic regions namely Nigeria and Ghana.

| | 2024 | 2023 |
|---|---|---|
| Nigeria | 4,485,116 | 2,209,591 |
| Ghana | - | - |
| | 4,485,116 | 2,209,591 |

The reported revenue for animal health segment is not significant to the total revenue, hence, it was not separated for direct cost allocation in order to determine the gross profit.

There is no disclosure of depreciation, amortisation and assets per business segment because the assets of the Company are not directly related to a particular business segment.

| | N'000 | N'000 |
|---|---|---|
| **9. Cost of sales** | | |
| Raw material | | |
| Opening stock at 1 January | 1,080,915 | 781,154 |
| Add purchases | 1,447,479 | 1,466,343 |
| | 2,528,394 | 2,247,497 |
| Less: Closing stock at 31 December (Note 19) | (915,338) | (1,080,915) |
| Product Cost | 1,613,056 | 1,166,582 |

| | 2024 | 2023 |
|---|---|---|
| **Factory overhead expenses** | N'000 | N'000 |
| Production salaries and wages (Note 33.4.1) | 242,148 | 257,770 |
| Power and fuel | 144,264 | 130,299 |
| Factory other expenses | 176,191 | 143,238 |
| Depreciation: - Plant and machinery (Note 16.1) | 80,058 | 81,097 |
| Amortisation of intagible assets (Note 18.1) | 2,607 | - |
| Obsolete inventory written down (Note 19.2) | 143,085 | - |
| Decrease/(increase) in finished goods | 144,597 | (380,569) |
| (Increase)/decrease in work in progress | (25,096) | 77,555 |
| Decrease/(increase) in spares parts | 6,524 | (451) |
| | 914,338 | 306,939 |
| | 2,527,394 | 1,475,521 |

| | | Restated |
|---|---|---|
| **10. Other operating income** | N'000 | N'000 |
| Sundry receipts | 26,111 | 1,371 |
| Sales of scrap | 20,932 | 8,276 |
| Fair value gain on investment properties (Note 10.4) | 923,659 | 1,067,785 |
| Interest Income (Note 10.1) | 231,387 | 129,229 |
| Profit on disposal of property plant and equipment (Note 10.2) | 3,600 | 969 |
| Lease rental income (Note 10.3) | 28,800 | 28,800 |
| Provision no longer required | 80,754 | - |
| Fair value adjustment | 102,305 | 119,029 |
| | 1,417,748 | 1,355,359 |

10.1. Interest income represent interest on matured investments with banks.

| | N'000 | N'000 |
|---|---|---|
| 10.2. Gain on disposal of property, plant and equipment | | |
| Cost (Note 16) | 4,000 | 49,744 |
| Accumulated depreciation (Note 16) | (4,000) | (48,462) |
| Carrying amount | - | 1,282 |
| Proceeds on disposal | (3,600) | (2,251) |
| Profit on disposal | 3,600 | 969 |

10.3. This represents leased rental income from Neimeth investment properties (former office complex) at 1 Henry Carr, Ikeja.

| | N'000 | N'000 |
|---|---|---|
| **10.4. Fair value gain on investment properties** | | |
| Cost (Note 17) | 923,659 | 1,051,499 |
| Accumulated depreciation (Note 17) | - | 16,286 |
| | 923,659 | 1,067,785 |

| 11. Marketing and distribution expenses | 2024<br>N'000 | 2023<br>N'000 |
|---|---|---|
| Advert and promotions | 192,931 | 363,673 |
| Amortisation of intagible assets (Note 18.1) | 1,083 | - |
| Communications and subscriptions | 801 | 400 |
| Corporate expenses | 5,882 | 10,173 |
| Depreciation of motor vehicles (Note 16.1) | 35,908 | 34,594 |
| Donations | - | 1,037 |
| Employee costs (Note 34.4.1) | 264,989 | 262,589 |
| Energy cost | 15,138 | 19,847 |
| Medical expenses | 157 | 116 |
| Printing and stationeries | 234 | 144 |
| Product registration expenses | 8,571 | 8,620 |
| Rent and rates | 4,145 | 4,026 |
| Repairs and maintenance | 13,399 | 13,957 |
| Telephone and postages | 3,299 | 3,316 |
| Training and seminar | 43,924 | - |
| Transport and travelling | 87,306 | 68,760 |
| Others | 2,666 | 1,130 |
| | 680,453 | 792,382 |

| 12. Administrative expenses | N'000 | N'000 |
|---|---|---|
| Employee costs (Note 34.4.1) | 222,709 | 268,765 |
| Impairment allowance for trade and other receivables (Note 20.2) | 59,959 | 261,043 |
| Corporate expenses | 16,923 | 78,114 |
| Transport and travelling | 87,576 | 68,302 |
| Legal, consultancy and professional fees | 31,690 | 18,445 |
| Energy cost | 6,615 | 8,990 |
| Bank charges and commission | 9,527 | 17,758 |
| Insurance | 30,456 | 25,641 |
| Repairs and maintenance | 8,771 | 10,959 |
| Printing and stationeries | 5,816 | 3,990 |
| Training and seminar | - | 1,030 |
| Conference and meetings | 28,691 | 3,967 |
| Medical expenses | 21,242 | 15,727 |
| Telephone and postages | 13,204 | 13,328 |
| Communications and subscriptions | 9,542 | 4,851 |
| Depreciation: - Office and computer equipment (Note 16.1) | 14,020 | 9,527 |
| - Investment properties (Note 17) | - | 869 |
| Amortisation of intangible assets (Note 18.1) | 5,812 | - |
| Audit fees | 9,000 | 8,000 |
| Gift and donation expenses | - | 720 |
| Security expenses/laboratory expenses | 5,505 | 3,420 |
| Industrial relations expenses | - | 32,129 |
| Back duty assessment (Note 12.1) | - | 7,565 |
| Others (Note 12.2) | 41,118 | 5,375 |
| | 628,176 | 868,115 |

12.1 Back duty assessment represents payment made for additional tax liabilities of N4.53 million and N3.1 million on VAT and withholding taxes respectively as a result of tax audit conducted by the Federal Inland Revenue Service (FIRS) on 2020 and 2021 financial years.

12.2 Others represent cateen expenses, clinical/ laboratory testing expenses and other office expenses..

| | 2024 | 2023 |
|---|---|---|
| **13. Foreign exchange loss** | N'000 | N'000 |
| Loss on currency translation | (2,047,955) | (1,450,654) |

| | | |
|---|---|---|
| **14. Finance costs** | N'000 | N'000 |
| Interest expenses | 864,281 | 667,948 |
| Interest on lease | 9,039 | - |
| | 873,320 | 667,948 |
| Less accrued interest in the year | | |
| Accrued interest (Note 23.1) | 6,530 | 6,494 |
| | 6,530 | 6,494 |
| Finance costs | 866,790 | 661,454 |

**15.** The fair value of financial assets and liabilities together with the carrying amounts shown in the statement of financial position are as follows:

| | Note | Financial assets | | Financial liabilities | | |
|---|---|---|---|---|---|---|
| | | Fair value through profit or loss | Amortised cost | Amortised cost | Total carrying amount | Fair value |
| | | N'000 | N'000 | N'000 | N'000 | N'000 |
| **At 31 December 2024** | | | | | | |
| **Assets** | | | | | | |
| Trade and other receivables | 20 | - | 1,616,290 | - | 1,616,290 | 1,616,290 |
| Cash and cash equivalents | 22.1 | 2,146,658 | - | - | 2,146,658 | 2,146,658 |
| | | 2,146,658 | 1,616,290 | - | 3,762,948 | 3,762,948 |
| **Liabilities** | | | | | | |
| Trade and other payables | 25 | - | - | 4,350,944 | 4,350,944 | 4,350,944 |
| Borrowings (Current portion) | 23.1 | - | - | 4,859,136 | 4,859,136 | 4,859,136 |
| Finance lease obligation | 30 | | | 28,789 | 28,789 | 28,789 |
| | | - | - | 9,238,869 | 9,238,869 | 9,238,869 |
| **At 31 December 2023** | | | | | | |
| **Assets** | | | | | | |
| Trade and other receivables | 20 | - | 844,043 | - | 844,043 | 844,043 |
| Cash and cash equivalents | 22.1 | 2,429,182 | - | - | 2,429,182 | 2,429,182 |
| | | 2,429,182 | 844,043 | - | 3,273,225 | 3,273,225 |
| **Liabilities** | | | | | | |
| Trade and other payables | 25 | - | - | 2,569,677 | 2,569,677 | 2,569,677 |
| Borrowings (Current portion) | 23.1 | - | - | 3,883,012 | 3,883,012 | 3,883,012 |
| Finance lease obligation | 30 | | | 40,635 | 40,635 | 40,635 |
| | | - | - | 6,493,324 | 6,493,324 | 6,493,324 |

**15.1 Fair valuation methods and assumptions**

Cash and cash equivalents, trade receivables, trade payables and short term borrowings are assumed to approximate their carrying amounts due to the short-term nature of these financial instruments.

The fair value of publicly traded financial instruments is generally based on quoted market prices, with unrealised gains in a separate component of equity at the end of the reporting period.

The fair value of current financial assets and liabilities are stated at amortized cost.

**15.2 Fair value measurements recognised at the reporting date**

Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

**Level 1:** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** for equity securities not listed on an active market and for which observable market data exist that the Company can use in order to estimate the fair value.

**Level 3:** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## 16. Property, plant and equipment

| | Land | Building | Machinery and equipment | Furniture and fittings | Motor vehicles | Computer equipment | Capital work in progress | Right-of-Use Assets | Total |
|---|---|---|---|---|---|---|---|---|---|
| | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| **Cost** | | | | | | | | | |
| At 1 January 2023 | 85,865 | 165,749 | 1,243,134 | 116,795 | 482,179 | 88,319 | 1,882,873 | 88,078 | 4,152,992 |
| Additions | - | 17,878 | 24,275 | 10,806 | - | 5,816 | 877,361 | - | 936,136 |
| Reclassification from/(to) CWIP | - | - | (205,474) | - | - | - | 205,474 | - | - |
| Disposals | - | - | (4,888) | - | (44,223) | (636) | - | - | (49,744) |
| Reclassification | - | - | - | - | 88,078 | - | - | (88,078) | - |
| At 31 December 2023 | 85,865 | 183,627 | 1,057,047 | 127,601 | 526,034 | 93,499 | 2,965,708 | - | 5,039,383 |
| At 1 January 2024 | 85,865 | 183,627 | 1,057,047 | 127,601 | 526,034 | 93,499 | 2,965,708 | - | 5,039,383 |
| Additions | - | - | - | - | - | - | 702,918 | - | 702,918 |
| Reclassification from/(to) CWIP | - | 69,808 | 69,196 | 3,882 | 55,378 | 1,970 | (200,232) | - | - |
| Transfer to intangible assets (Note 18) | - | - | - | - | - | - | (28,505) | - | (28,505) |
| Disposals | - | - | - | - | (4,000) | - | - | - | (4,000) |
| At 31 December 2024 | 85,865 | 253,435 | 1,126,243 | 131,483 | 577,412 | 95,469 | 3,439,889 | - | 5,709,796 |
| **Accumulated depreciation and impairment losses** | | | | | | | | | |
| At 1 January 2023 | - | 22,652 | 675,657 | 81,317 | 354,511 | 75,629 | - | 88,077 | 1,297,843 |
| Charge for the year | - | 5,246 | 70,313 | 4,490 | 37,556 | 7,613 | - | - | 125,218 |
| On disposals | - | - | (4,888) | - | (42,938) | (636) | - | - | (48,462) |
| Reclassification | - | - | - | - | 88,077 | - | - | (88,077) | - |
| At 31 December 2023 | - | 27,898 | 741,082 | 85,807 | 437,206 | 82,606 | - | - | 1,374,599 |
| At 1 January 2024 | - | 27,898 | 741,082 | 85,807 | 437,206 | 82,606 | - | - | 1,374,599 |
| Charge for the year | - | 6,940 | 65,906 | 7,642 | 42,634 | 6,864 | - | | 129,986 |
| On disposals | - | - | - | - | (4,000) | - | - | - | (4,000) |
| At 31 December 2024 | - | 34,838 | 806,988 | 93,449 | 475,840 | 89,470 | - | | 1,500,585 |
| **Carrying amounts** | | | | | | | | | |
| At 31 December 2024 | 85,865 | 218,597 | 319,255 | 38,034 | 101,572 | 5,999 | 3,439,889 | - | 4,209,211 |
| At 31 December 2023 | 85,865 | 155,729 | 315,965 | 41,794 | 88,828 | 10,893 | 2,965,708 | - | 3,664,784 |

### 16.1

| Analysis of depreciation charged is as follows: | 2024 | 2023 |
|---|---|---|
| | N'000 | N'000 |
| Cost of sales (Note 9) | 80,058 | 81,097 |
| Marketing and distribution expenses (Note 11) | 35,908 | 34,594 |
| Administrative expenses (Note 12) | 14,020 | 9,527 |
| | 129,986 | 125,218 |

### 16.2

Depreciation charged is included in the administrative expenses and cost of sales in the statement of profit or loss and other comprehensive income. Property, plant and equipment include amounts of motor vehicles which the Company acquired under finance lease agreements, now treated as Right-of-use assets.

**16.3** Capital work in progress represents plant and equipment items under manufacturing for the upgrade of Oregun plant and the ongoing construction work in Amawbia (Anambra state).

**16.4** The Company's property, plant and equipment have been used as a collateral for borrowings and are secured over the fixed and floating assets of the Company.

**16.5** None of the Company's property, plant and equipment have been charged for impairment (2023: Nil)

**16.6** During the year ended 31 December 2024, the Company total borrowing costs capitalized as part of the cost of qualifying assets under construction was N126,664,352 as at 31 December 2024.

**17. Investment properties**

| | Restated Land | Restated Building | Total |
|---|---|---|---|
| **Cost** | N'000 | N'000 | N'000 |
| **At 1 January 2023** | **20,467** | **28,960** | 49,427 |
| Fair value gain | 906,689 | 144,810 | 1,051,499 |
| **At 31 December 2023** | 927,156 | 173,770 | 1,100,926 |
| **At 1 January 2024** | 927,156 | 173,770 | 1,100,926 |
| Fair value gain | 708,466 | 215,193 | 923,659 |
| **At 31 December 2024** | 1,635,622 | 388,963 | 2,024,585 |
| **Accumulated depreciation and impairment losses** | | | |
| **At 1 January 2023** | - | 15,417 | 15,417 |
| Charge for the year | - | 869 | 869 |
| Fair value impact | - | (16,286) | (16,286) |
| **At 31 December 2023** | - | - | - |
| **At 1 January 2024** | - | - | - |
| Charge for the year | - | - | - |
| **At 31 December 2024** | - | - | - |
| **Carrying amounts** | | | |
| **At 31 December 2024** | **1,635,622** | **388,963** | 2,024,585 |
| **At 31 December 2023** | **927,156** | **173,770** | **1,100,926** |

**17.1** Investment properties represent Neimeth office complex at 1 Henry Carr Street, Ikeja. The office complex is currently held for capital appreciation and lease rental. During the year ended 31 December 2024, the Company recognised N28,800,000 (2023 : N28,800,000) as rental income in the statement of profit or loss and other comprehensive income from the investment properties. It is the management's intention to continue to keep this property as investment property. In the year under review, the Company changed its accounting policy on investment properties from Cost model used in prior years to fair value model. Adequate restatement disclosures have been made for the effects of the change in accounting policy in Note 42 of these financial statements in accordance with the provisions of International Accounting Standard (IAS)8 - Accounting policies, Changes in Accointing Estimates and Errors.

**17.2 Valuation of the investment properties**

Leasehold land and buildings were valued by Tope Ojo & Tunde Olonisakin Estate Surveyors, Valuers and Auctioneers Chartered Surveyors who hold a recognised and relevant professional qualification, and has recent experience in the location and category of the investment property being valued. The valuation was carried out on current open market valuation basis. The valuation produced a fair value gain of N923.66million (2023: N1.07billion). The valuation report was signed by Ojo Temitope Olayinka with FRC number FRC/2024/PRO/NIESV/004/821625

**18. Intangible assets**

| Costs | Computer Software ₦'000 | Total ₦'000 |
|---|---|---|
| At 1 January 2023 | - | - |
| Additions | - | - |
| At 31 December 2023 | - | - |
| At 1 January 2024 | - | - |
| Transfer from Capital Work-in-Progress (Note 16) | 28,505 | 28,505 |
| At 31 December 2024 | 28,505 | 28,505 |
| **Amortisation** | | |
| At 1 January 2023 | - | - |
| Charge for the year | - | - |
| At 31 December 2023 | - | - |
| At 1 January 2024 | - | - |
| Charge for the year | 9,502 | 9,502 |
| At 31 December 2024 | 9,502 | 9,502 |
| **Carrying amount at:** | | |
| 31 December 2024 | ₦19,003 | ₦19,003 |
| 31 December 2023 | - | - |

| **18.1 Analysis of amortisation charged is as follows:** | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| Cost of sales (Note 9) | 2,607 | - |
| Marketing and distribution expenses (Note 11) | 1,083 | - |
| Administrative expenses (Note 12) | 5,812 | - |
| | 9,502 | - |

| **19. Inventories** | ₦'000 | ₦'000 |
|---|---|---|
| Raw materials (Note 9) | 915,338 | 1,080,915 |
| Work in progress | 64,649 | 39,553 |
| Finished goods | 780,536 | 877,058 |
| Spare parts | 25,669 | 32,193 |
| | 1,786,192 | 2,029,719 |
| Goods in transit | 225,234 | 35,562 |
| | 2,011,426 | 2,065,281 |
| Allowance for write down of inventories (Note 19.2) | (143,085) | - |
| | 1,868,341 | 2,065,281 |

**19.1** Inventories to the value of ₦1.892 billion (2023 : ₦2.065 billion) were carried at net realisable value. No inventories are pledged as security for liabilities.

| **19.2** Allowance for write down of inventory | ₦'000 | ₦'000 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Amount written down during the year (Note 9) | 143,085 | - |
| Balance at the end of the year | 143,085 | - |

| **20. Trade and other receivables** | ₦'000 | ₦'000 |
|---|---|---|
| Trade receivables | 1,699,614 | 1,125,228 |
| Allowance for impairment (Note 20.2) | (427,466) | (367,507) |
| | 1,272,148 | 757,721 |
| Other receivables (Note 20.1) | 344,142 | 86,322 |
| | 1,616,290 | 844,043 |

| **20.1 Other receivables** | ₦'000 | ₦'000 |
|---|---|---|
| Staff Advances | 16,884 | 46,975 |
| Debit balance in trade payables (Note 20.1.1) | 328,137 | 40,226 |
| Impairment on other receivables | (879) | (879) |
| | 344,142 | 86,322 |

20.1.1 The debit balance in trade payables relate to advance payment made to local raw materials suppliers for which the raw materials are awaiting delivery as at year end.

| **20.2 Allowance for impairment on trade receivables** | 2024<br>₦'000 | 2023<br>₦'000 |
|---|---|---|
| At the beginning of the year | 367,507 | 817,345 |
| Charged during the year (Note 12) | 59,959 | 261,043 |
| Write off during the year | - | (710,881) |
| **At the end of the year** | 427,466 | 367,507 |

Trade receivables are stated at fair value and subsequently measured at fair value through profit or loss, less provision for impairment. Impairment thereon are computed using the simplified IFRS 9 ECL Model, where the receivables are aged and probability of default applied on each aged bracket. Trade receivables meet the definition of financial assets and the carrying amount of the trade receivables approximates their fair value.

| **21. Other assets** | ₦'000 | ₦'000 |
|---|---|---|
| Prepayments | 50,611 | 40,596 |
| Withholding tax credit | 35,055 | 5,463 |
| Advance payment to suppliers | 4,110 | 15,335 |
| Replaceable stocks (Note 21.1.) | 13,619 | 13,619 |
| | 103,395 | 75,013 |

21.1 Replaceable stocks represent finished products bought for sale by Neimeth, but rejected because the products supplied failed quality test. However, the supplier of the products has been notified and has agreed to replace the products. The products are being replaced in batches. The outstanding represents the value of the products yet to be replaced as at year end.

**22. Cash and cash equivalents**

| **22.1 Cash and cash equivalents as per statement of financial position** | ₦'000 | ₦'000 |
|---|---|---|
| Cash in hand | 53 | 23 |
| Cash in banks | 2,146,605 | 2,429,159 |
| | 2,146,658 | 2,429,182 |

The Company held cash and cash equivalents of ₦2.146 billion as at 31 December 2024 (2023: ₦2.429 billion) which represents its maximum credit exposure on these assets. The Company's cash and cash equivalents are deposited with reputable banks. All cash and cash equivalents are either on demand or have short period of maturity with immaterial risk of changes in value. As at 31 December 2024 the impairment was assessed Nil on the total exposures of ₦2.146 billion (2023: ₦2.429 billion).

**22.2 Cash and cash equivalents as per statement of cash flows**

| **Cash and cash equivalents** | ₦'000 | ₦'000 |
|---|---|---|
| Cash and bank balances (Note 22.1) | 2,146,658 | 2,429,182 |
| Bank overdrafts (Note 23.4) | (201,988) | (176,348) |
| | 1,944,670 | 2,252,834 |

**23. Borrowings**

| **Term loans** | ₦'000 | ₦'000 |
|---|---|---|
| At the beginning of the year | 4,604,176 | 4,203,856 |
| Reclassification of overdraft | - | (176,348) |
| Repayment during the year | (50,000) | (214,583) |
| Exchange loss | 923,583 | 791,251 |
| | 5,477,759 | 4,604,176 |
| Other loans (Note 23.3) | 82,757 | 76,227 |
| **At the end of the year** | 5,560,516 | 4,680,403 |

| **Analysis by maturity:** | **2024** | **2023** |
|---|---|---|
| **23.1 Current** | **N'000** | **N'000** |
| Daewoo Securities (Europe) Limited (Note 23.2.1) | 2,629,842 | 1,706,259 |
| CBN Intervention Fund (Note 23.2.2) | 1,199,847 | 1,147,342 |
| Bank of Industries (Note 23.2.3) | 322,917 | 322,917 |
| Providus Bank Plc (Notes 23.2.2 and 23.5) | 700,000 | 700,000 |
| Accrued interest on other loan (Note 23.3) | 6,530 | 6,494 |
| | 4,859,136 | 3,883,012 |
| **Non-current:** | **N'000** | **N'000** |
| CBN Intervention Fund (Note 23.2.2) | 107,904 | 107,904 |
| Bank of Industries (Note 23.2.3) | 110,541 | 110,541 |
| | 218,445 | 218,445 |
| Other loan (Note 23.3) | 76,227 | 69,733 |
| | 294,672 | 288,178 |
| Deferred fair value gain on loan (Note 24) | 406,708 | 509,213 |
| | 5,560,516 | 4,680,403 |
| **23.2 Analysis of Term loans** | **N'000** | **N'000** |
| Daewoo Securities (Europe) Limited (Note 23.2.1) | 2,629,842 | 1,706,259 |
| CBN Intervention Fund (Note 23.2.2) | 1,307,751 | 1,255,246 |
| Bank of Industries (Note 23.2.3) | 433,458 | 433,458 |
| Providus Bank Plc (Notes 23.2.2 and 23.5) | 700,000 | 700,000 |
| IFRS interest (Amortisation difference) (Note 24) | 406,708 | 509,213 |
| | 5,477,759 | 4,604,176 |
| Other loan (Note 23.3) | 82,757 | 76,227 |
| | 5,560,516 | 4,680,403 |

**23.2.1 Daewoo Securities (Europe) Limited**

400 million Japanese Yen (JPY) zero coupon bond issued by the Company in 2007 financial year. The bond was due by 2014 (but was recalled in January, 2008) with options to subscribe ordinary shares of the Company to KDB Daewoo Securities (Europe) Limited. The principal JPY 260million had been repaid leaving outstanding JPY 140 million.

The outstanding balance of JPY 268,803,839 (comprising principal of JPY 140million, interest JPY 128.8 million) has been translated at Central Bank of Nigeria (CBN) ruling rate as at 31 December 2024.

**23.2.2 CBN Intervention Fund**

This represents N2.4 billion CBN Intervention Funds. Utilisation is made up of N2 billion which is to be used to part finance the establishment of a new WHO cGMP Multi-Product factory at Amawbia, Anambra State, while N400 million is to be used to augment the Company working capital requirement at interest rate of 5% per annum (all inclusive) up to 31 August 2022. Thereafter, interest on the working capital facility is now 9% per annum from 1 September 2022 with one year tenure and roll over of not more than 3 years.

**23.2.3 Bank of Industries (BOI)**

This consists of multiple loan facility of N750 million received from BOI on the 24 December 2019, comprising of a term loan of N500 million maturing 31 December 2025 and a working capital facility of N250 million maturing 31 December 2023. The term loan is dedicated for new equipment purchase to upgrade Oregun Plant while the working capital is meant for raw materials procurement for the manufacturing of pharmaceutical products and marketing expenses at Neimeth factory in Oregun Lagos. Repayment for the term loan is sixty (60) equal and consecutive monthly instalments of N10,416,666.67 commencing immediately after the expiration of moratorium period of 12 months. For the working capital facility component of the loan, thirty-six (36) equal and consecutive monthly instalments of N8,333,333.33. The N500m term loan enjoyed 2% interest rate concession up to August 2022 when the rate returned to 10% per annum in September 2022. The working capital loan also enjoyed 2% interest rate concession up to same period when the rate returned to 12.5% per annum in September 2022.

| | 2024 | 2023 |
|---|---|---|
| **23.3 Other loan** | N'000 | N'000 |
| At the beginning of the year | 76,227 | 69,733 |
| Accrued interest | 6,530 | 6,494 |
| Repayment during the year | - | - |
| **At the end of the year** | 82,757 | 76,227 |

Other loan represents amount received from Directors and their Companies as indicated in Note 23.3.1 below. The loan attracts 14% interest per annum.

**23.3.1 Related Party Transactions**

| Related Party | Relationship | Nature of Transaction | 2024 Amount | 2023 Amount |
|---|---|---|---|---|
| | | | N'000 | N'000 |
| 1. Alpha Pharmacy & Stores Ltd | Sir. L T. Onyechi - Director in Alpha Pharmacy Stores | Loan | 928 | 928 |
| 2. Dr. A. B. C. Orjiako | Director | Loan | 1,425 | 1,425 |
| 3. Mr Emmanuel Ekunno | Former Director | Loan | 1,469 | 1,329 |
| 4. Fall River Production Ltd | Mr. T. T. Osobu - Director in Fall River Prod. Ltd | Loan | 249 | 249 |
| 5. Engr. Godwin E. Omene | Former Director | Loan | 2,927 | 2,647 |
| 6. Bio Resources Institute of Nigeria | Prof. M. M. Iwu - Director in Bio Resources Inst. | Loan | 75,759 | 69,649 |
| | | | 82,757 | 76,227 |

| | 2024 | 2023 |
|---|---|---|
| **23.4 Current borrowings** | N'000 | N'000 |
| Bank overdraft | 201,988 | 176,348 |

**23.5 Providus Bank Loan**

Providus Bank Plc offers a working capital loan facility of N300million to the Company to finance the importation of raw materials for the production of pharmaceutical products. The tenure of the loan is 12 months period with 90 days transactional circle with an inetrest rate 15% per annum.

**24. Deferred fair value gain on loan**

| | 2024 | 2023 |
|---|---|---|
| Deferred fair value gain | 406,708 | 509,213 |

**Analysis of deferred fair value gain on loan into:**

| | | |
|---|---|---|
| 24.1 Non current portion | 316,685 | 406,708 |
| 24.2 Current portion | 90,023 | 102,505 |

24.3 These represent the benefit of CBN intervention and BOI loan at a below the market rate of interest measured at the difference between proceeds received and the fair value of the loan based on prevailing market interest rate. The day 1 gain has been recognised as deferred income which will be recognised in the profit or loss on a systematic basis over the tenure of the loan with re-measurement gain embedded in it.

| | ₦'000 | ₦'000 |
|---|---|---|
| **25. Trade and other payables** | | |
| Trade payables | 168,622 | 117,503 |
| Other accruals (Note 25.1) | 3,887,155 | 2,079,122 |
| **Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost** | 4,055,777 | 2,196,625 |
| Statutory deductions (WHT payable) | 66,399 | 63,007 |
| Royalties | 54,311 | 54,845 |
| Dividend payable | 59,017 | 59,017 |
| Other payables | 67,190 | 133,173 |
| Defined contribution plan (Note 25.2) | 35,805 | 49,650 |
| Staff final entitlement (Note 25.3) | 12,445 | 13,360 |
| | 4,350,944 | 2,569,677 |

Trade payables are stated at their original invoice value. The directors consider the carrying amount of trade and other payables to approximate their fair value.

| **25.1 Other accruals** | ₦'000 | ₦'000 |
|---|---|---|
| Unclaimed wages | 28,605 | 17,708 |
| Directors' payable | 281 | 7,138 |
| Accrued electricity | - | 10,534 |
| Accrued audit fees | 1,178 | 2,169 |
| Accrued Legal Fees | 9,746 | - |
| Import finance obligation | 2,616,329 | 1,536,447 |
| Property clearing | 26,330 | 55,130 |
| Sundry accruals (Note 25.1.1) | 1,204,686 | 449,996 |
| | 3,887,155 | 2,079,122 |

| 25.1.1 Sundry accruals | ₦'000 | ₦'000 |
|---|---|---|
| CBN loan interest | 431,622 | 106,917 |
| BOI loan interest | 221,763 | 73,634 |
| Providus Bank Plc | 373,538 | 170,783 |
| Fidelity Bank Plc | 79,101 | - |
| Accruals for customers incentives | 98,662 | 98,662 |
| | 1,204,686 | 449,996 |

| | 2024 | 2023 |
|---|---|---|
| **25.2. Defined contribution plan** | N'000 | N'000 |
| At the beginning of the year | 49,650 | 18,232 |
| Provision for the year | 119,959 | 109,997 |
| Payment during the year | (133,804) | (78,579) |
| At the end of the year | 35,805 | 49,650 |

25.3.1 The Company discontinued its the gratuity scheme in 2007 and only employees who are entitled to gratuity as at 2007 are qualified to benefit from the scheme and is to be paid whenever they disengage from the service of the Company. Consequently,the balance in the account was reclassified to current liabilities as staff final entitlement.

**26. Maturity profile of financial liabilities**

| | Below one year N'000 | Due within One - five years N'000 | Five years and above N'000 | Total N'000 |
|---|---|---|---|---|
| 2024 | | | | |
| Loans and borrowings | 4,859,136 | 294,672 | - | 5,153,808 |
| Trade and other payables | 4,350,944 | - | - | 4,350,944 |
| | 9,210,080 | 294,672 | - | 9,504,752 |
| 2023 | | | | |
| Loans and borrowings | 3,883,012 | 288,178 | - | 4,171,190 |
| Trade and other payables | 2,569,677 | - | - | 2,569,677 |
| | 6,452,689 | 288,178 | - | 6,740,867 |

| **27. Current tax liability** | 2024<br>₦'000 | 2023<br>₦'000 |
|---|---|---|
| At the beginning of the year | 68,815 | 86,769 |
| Payment during the year | (12,486) | (123,835) |
| Charge for the year (Note 29) | 30,899 | 11,886 |
| Under provision in prior years - Income tax | - | 90,044 |
| Under provision in prior years - Education tax | - | 5,951 |
| At the end of the year | 87,228 | 68,815 |

| **28. Deferred tax liability** | ₦'000 | ₦'000 |
|---|---|---|
| At the beginning of the year | 106,226 | 106,226 |
| Charge in the year | - | - |
| At the end of the year | 106,226 | 106,226 |

**28.1 Deferred tax assets and liabilities**

Reconciliation of deferred tax assets and liabilities.

Deferred tax assets and liabilities are attributable to the following:

| | Opening balance | Recognized in net income | Recognized in OCI | Recognized directly in equity | Reclassify from equity to net income | Closing Balance |
|---|---|---|---|---|---|---|
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Deferred Tax Liabilities | | | | | | |
| Difference between Carrying Value and TWDV | 106,254 | (74,084) | | | | 32,170 |
| Impairment loss/Fair value adjustment | - | 53,817 | | | | 53,817 |
| Provision no longer required | | 26,649 | | | | 26,649 |
| Fair value gain on investment property | - | 304,807 | | | | 304,807 |
| Total | 106,254 | 291,199 | - | - | - | 397,453 |
| | | | | | | |
| Deferred Tax Assets | | | | | | - |
| Unrealised Exchange loss | 28 | 675,797 | | | | 675,825 |
| Impairment of receivables | - | 19,786 | | | | 19,786 |
| Total | 28 | 695,583 | | | | 695,611 |
| Net deferred tax liability/ (asset) | 106,226 | (404,384) | | | | (298,158) |

The movement in deferred tax of N404.4million(2023: N732.9million) resulted in net deferred assets of N298.2million 2023:N626.7 million) as at the reporting date. The movement of N404.4million(2023:N732.9million) was not recognised in these financial statements because there is no probability that the Company would be able to utilise the net tax assets in the forseeable future.

| **29. Current tax** | ₦'000 | ₦'000 |
|---|---|---|
| Income | - | - |
| Minimum tax | 22,426 | 11,886 |
| Income tax | - | 90,044 |
| Education tax | 8,473 | 5,951 |
| | 30,899 | 107,881 |
| Deferred taxation charged (Note 28) | - | - |
| As per statement of profit or loss and other comprehensive income | 30,899 | 107,881 |

29.1 The Company is not liable to income tax because it has no taxable profit for the year, in accordance with the provisions of the Companies Income Tax Act, CAP C21 LFN 2004 (as amended).

29.2 The charge for taxation in these financial statements is based on minimum tax in accordance with the provisions of the Company Income Tax Act CAP C21, LFN 2004 (as amended).

29.3 The charge for education tax is based on the provisions of the Education Tax Act, CAP E4, LFN, 2004 (as amended) which is computed at the rate of 3% on the assessable profit.

29.4 The amount provided as Nigeria Police Trust Fund Levy was computed at the rate of 0.005% of the net profit in line with Section 4(1)(b) of the Nigeria Police Trust Fund (Establishment) Act, 2019 signed into law on 24 June 2019.

### 29.5 Reconciliation of effective tax rate

The tax expense for the year is reconciled to the loss for the year as follows:

| | 2024 N'000 | 2023 N'000 |
|---|---|---|
| **Loss before tax** | (854,434) | (1,689,670) |
| Tax thereon @ 30% | (256,330) | (827,237) |
| Deductible items | (109,528) | (194,075) |
| Unrelieved loss brought forward | - | - |
| Non- deductible items | 175,734 | 531,006 |
| Balancing charge | - | 675 |
| Loss carried forward | 190,124 | 489,671 |
| Education tax | 8,473 | - |
| Minimum tax | 22,426 | 11,886 |
| Underprovision in prior years | - | 95,955 |
| Tax expense for the year | 30,899 | 107,881 |
| **Loss after tax** | (885,333) | (1,797,551) |
| Effective tax rate (%) | (28) | (6) |

### 30. Finance lease obligation

| | N'000 | N000 |
|---|---|---|
| At 1 January | 40,635 | - |
| Addition | - | 40,635 |
| Repayment in the year | (11,846) | - |
| At 31 December | 28,789 | 40,635 |
| **Analysed into:** | | |
| Current portion | 28,789 | 40,635 |
| Non-current portion | - | - |
| | 28,789 | 40,635 |

This relates to lease obtained on motor vehicle classified as assets under Finance lease included in Right-of-use assets.

| | 2024 N'000 | 2023 N'000 |
|---|---|---|
| **31.Share capital** | | |
| **31.1 Issued and fully paid:** | | |
| At the beginning of the year | 2,136,552 | 949,579 |
| **Rights issue** | - | 1,186,973 |
| **At the end of the year** | 2,136,552 | 2,136,552 |

4,273,104,607 ordinary shares (2023: 4,273,104,607 ordinary shares @ 50k each).

**31.2 Minimum issued share capital for existing company - Section 124 of CAMA 2020**
In line with the Company's regulations of 2020 released by the Corporate Affairs Commission in December 2020, a Company that has an unissued shares in its capital shall not later than 31 December 2022 fully issue such shares.

| | N'000 | N'000 |
|---|---|---|
| **31.3 Share premium** | | |
| At 1 January | 2,377,756 | 8,821 |
| Premium on rights issue raised (Note 31.4) | - | 2,523,498 |
| Rights issue expenses (Note 31.5) | - | (154,563) |
| **At 31 December** | 2,377,756 | 2,377,756 |

31.4 This represents the rights issue of 2,373,947,500 ordinary shares on a basis of 5 new ordinary shares for every 4 ordinary shares held as at close of business on 22 April 2022 at a premium of N1.05k. The rights issue was fully alloted.

31.5 This represents expenses incurred on rights issue. The rights issue proceeds were realised in January 2023. Consequently, ordinary share capital increased by the total proceeds on the rights issue in 2023 financial year.

| | N'000 | Restated N'000 |
|---|---|---|
| **32. Accumulated losses** | | |
| At the beginning of the year | (1,977,183) | (179,632) |
| Result for the year | (885,333) | (1,797,551) |
| **At the end of the year** | (2,862,516) | (1,977,183) |

The Directors did not recommend payment of dividend for the year ended 31 December 2024 (2023: Nil)

**33 Basic loss per share**
Loss per share (basic) has been computed for each year on the loss after tax attributable to ordinary shareholders and divided by the number of issued and fully paid up 50 kobo ordinary shares during the year.

| | N'000 | N'000 |
|---|---|---|
| Loss after taxation | (885,333) | (1,797,551) |

| | 2024<br>N'000 | 2023<br>N'000 |
|---|---|---|
| Number of shares | 4,273,104 | 4,273,104 |
| Loss per share (kobo) | (21) | (42) |
| Diluted loss per share (kobo) | (21) | (42) |

**34. Information regarding Directors and Employees**

**34.1 Directors' emoluments**

**Renumeration paid to the Company's Directors (excluding pension contribution) were:**

| Fees: | N'000 | N'000 |
|---|---|---|
| - Chairman | 500 | 500 |
| - Other Directors | 2,800 | 2,800 |
| - Sitting allowance | 1,600 | 1,600 |
| Emolument of executive directors | 62,740 | 62,740 |
| | 67,640 | 67,640 |

34.2 Fees and other emoluments (excluding reimbursable expenses disclosed above include amount paid to:

| | N'000 | N'000 |
|---|---|---|
| Chairman | 500 | 500 |
| Highest paid director | 28,820 | 28,820 |

**34.3 Scale of Directors' remuneration**

The number of Directors who received fees and other emoluments (excluding pension contributions, certain benefits and reimbursable expenses in the following range were:

| N | | N | 2024<br>Number | 2023<br>Number |
|---|---|---|---|---|
| Below | - | 10,000,000 | - | - |
| Above | | 10,000,000 | 3 | 4 |
| | | | 3 | 4 |
| The number of Directors who received emoluments | | | 3 | 4 |
| The number of Directors who did not receive emoluments | | | 10 | 8 |

| | 2024 | 2023 |
|---|---|---|
| | N'000 | N'000 |
| **34.4 Personnel compensation** | | |
| Personnel compensation comprised: | | |
| Short-term employee benefits | 609,886 | 773,129 |
| Contribution to compulsory pension fund scheme | 119,959 | 109,997 |
| | 729,845 | 883,126 |
| **34.4.1 Analysis by function:** | N'000 | N'000 |
| Production (Note 9) | 242,148 | 257,770 |
| Marketing and distribution (Note 11) | 264,989 | 262,589 |
| Administrative (Note 12) | 222,709 | 268,766 |
| | 729,846 | 789,125 |

| 34.5 The average number of persons employed during the year by category: | Number | Number |
|---|---|---|
| Management | 8 | 12 |
| Senior staff | 88 | 150 |
| Junior staff | 100 | 40 |
| | 196 | 202 |

| **34.6 Scale of employees' remuneration** | | | Number | Number |
|---|---|---|---|---|
| N | | N | | |
| Below | - | 250,000 | - | - |
| 250,001 | - | 500,000 | - | - |
| 500,001 | - | 750,000 | - | - |
| 750,001 | - | 1,000,000 | 40 | 50 |
| 1,000,001 | - | 1,250,000 | 35 | 45 |
| 1,250,001 | - | 1,500,000 | 21 | 27 |
| Above | | 1,500,001 | 100 | 80 |
| | | | 196 | 202 |

**35. Financial commitments**

The Directors are of the opinion that all known liabilities and commitments have been taken into consideration in the preparation of these financial statements. These liabilities are relevant in assessing the Company's state of affairs.

**36. Capital commitments**

The Directors are of the opinion that there were no capital commitments at 31 December 2024 (2023 - Nil).

**37. Contingent liabilities**

The Company is subject to various pending litigations arising in the normal course of business. The contingent liabilities in respect of pending litigations based on the response received from the Company solicitors' was N43,890,688 as at 31 December 2024 (2023: N53,638,102). In the opinion of the Directors and based on the response obtained from the legal adviser, the Company is of the opinion that no payment will be made in respect of pending litigations.

**38. Events after the reporting date**

(i) The Directors are of the opinion that no event or transaction has occurred since the reporting date, which would have had a material effect on the financial statements as at that date or which needs to be disclosed in the financial statements in the interest of fair presentation of the Company's financial position as at the reporting date or its results for the year then ended.

**39. Comparative figures**

Where necessary, comparative figures have been reclassified to ensure proper disclosure and uniformity in the current year's presentation. This reclassification has no net impact on these financial statements.

**40. Going concern considerations**

The Company recorded a net loss of N885.3 million for the year ended 31 December 2024 and as at that date, its current liabilities exceeded its current assets by N4.1 billion.

In 2024, the Company demonstrated resilience as revenue grew impressively by 103% to N4.5 billion, effectively doubling 2023 sales figures. Gross profit also showed a robust increase of 167%, rising from N734 million to N2 billion. The operating cashflows of the Company moved from negative of N773.4 million in 2023 to positive of N396.2 million.

The Company has invested over N1.9 billion on the ongoing building of a new World Health Organization cGMP-compliant factory in Amawbia to enhance its production capabilities alongside the upgrade of its Oregun factory.

Management is optimistic about future performance because the foreign currency obligations that caused the losses have now been restructured into Naira obligations. This restructuring aligns with the company's cash flow capacity and supports the strategic goal of enhancing shareholders' value while ensuring consistent returns for investors.

To further enhance its operational liquidity, the Company will conclude its private placement of N1.3 billion by the third quarter of 2025 based on the approval initially received from shareholders.

**Q1 2025 Financial Performance:**

In the first quarter of 2025, sales reached N1.2 billion, an 86% increase when compared with the same period in 2024, partly due to the recruitment of a new Mega Distributor. Additional partnerships are in progress to significantly improve the Company's sales operations and increase market share.

The financial statements of Neimeth International Pharmaceuticals Plc are prepared on a going concern basis, affirming the Company's capacity to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, supported by its dedicated Board and shareholders.

**41. Security Trading Policy and Dealing in Shares**

In compliance with the Nigerian Exchange Limited's (NGX)Listing Rules, Neimeth International Pharmaceuticals Plc has in place regulations to guide its Board and other employees when effecting transactions in the Company's shares and other securities. The Company's Regulations for Dealing in Shares and other Securities ("the Regulations") provide amongst others, the period when transactions are not allowed to be effected on the Company's shares and other securities ("Closed Period") as well as disclosure requirements when effecting such transactions.

All concerned are obliged to observe the provisions of the Regulations when dealing in the Company's shares and securities. The Company regularly notifies (NGX) of its Closed Periods. The Company made inquiries from all affected persons and was not aware of any non-conformity with the Rule or the Regulations during the year under review.

**42. Prior year restatement**

During the year , the Company voluntarily changed its accounting policy on investment properties from cost model to fair value model. This resulted in the restatement of all affected financial statement areas in the Statement of financial position as at 31 December 2023 and Statement of profit or loss and other comprehensive for the year ended 31 December 2023 in accordance with the requirements of International Accounting Standard (IAS)8 issued by the International Accounting Standards Board.

The affected line items and related notes have been restated and the details of the restatement are as follows:

42.1 The Company investment properties were valued as at 31 December 2023 at N896,442,265 by Tope Ojo & tunde Olonisakin Estate Surveyors, Valuers and Auctioneers.

This resulted in the restatement of Investment properties, Accumulated depreciation and Accumulated losses in 2023 financial year.

| | 2023 |
|---|---|
| **Statement of Financial Position** | N'000 |
| **Investment properties** | |
| As previously reported | 49,427 |
| Adjustment to recognise Fair value gain (Note 17) | 1,051,499 |
| As restated | 1,100,926 |
| | |
| **Accumulated depreciation** | |
| As previously reported | 15,417 |
| Adjustment to derecognise accumulated depreciation | (15,417) |
| As restated | - |
| | |
| **Accumulated losses** | |
| As previously reported | (3,044,968) |
| Adjustment to derecognise accumulated depreciation (Note 17) | 15,417 |
| Adjustment to derecognise depreciation charged in 2023 (Note 17) | 869 |
| Adjustment to recognise Fair value gain | 1,051,499 |
| As restated | (1,977,183) |

# Other National Disclosures

## FOR THE YEAR ENDED 31 DECEMBER 2024

| | 2024 N'000 | % | Restated 2023 N'000 | % |
|---|---|---|---|---|
| Revenue | 4,485,116 | | 2,209,591 | |
| Other operating income | 1,417,748 | | 1,355,359 | |
| | 5,902,864 | | 3,564,950 | |
| Cost of goods and services - local | (5,014,644) | | (3,672,330) | |
| Cost of goods and services - foreign | - | | | |
| **Value added/(eroded)** | 888,220 | 100 | (107,380) | (100) |
| | | | | |
| **Applied as follows:** | | | | |
| **To pay employees:** | | | | |
| Salaries wages and other staff costs | 729,846 | 82 | 789,124 | 735 |
| **To providers of capital:** | | | | |
| Finance costs | 873,320 | 98 | 667,948 | 622 |
| **To pay Government:** | | | | |
| Company income tax | 30,899 | 3 | 107,881 | 100 |
| **To provide for assets replacement:** | | | | |
| Depreciation of property, plant and equipment | 129,986 | 15 | 125,218 | 117 |
| Amortisation of intangible asset | 9,502 | 1 | - | - |
| **Retained for future expansion:** | | | | |
| - Deferred taxation | - | - | - | - |
| - Loss on ordinary activities | (885,333) | (100) | (1,797,551) | (1,674) |
| **Value added/(eroded)** | 888,220 | 100 | (107,380) | (100) |

Value added represents the additional wealth, the company has been able to create by its own and it's employees' efforts. This statement shows the allocation of wealth among employees, providers of capital government and that retained for future creation of more wealth.

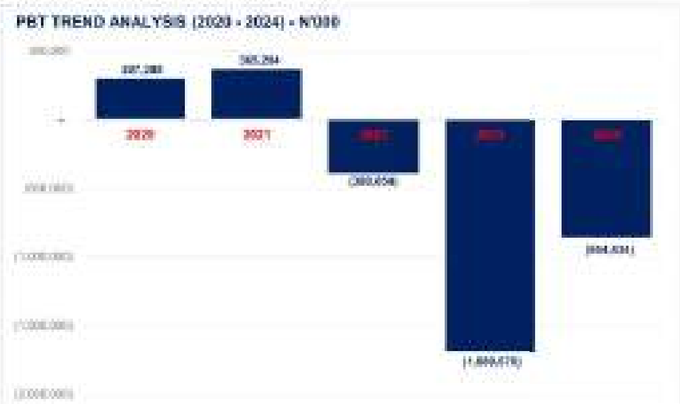
## FINANCIAL SUMMARY

| | 31 December 2024 N'000 | 31 December 2023 N'000 | 31 December 2022 N'000 | 30 September 2021 N'000 | 30 September 2020 N'000 |
|---|---|---|---|---|---|
| **Statement of financial position** | | | | | |
| Property, plant and equipment | 4,209,211 | 3,664,784 | 2,855,148 | 1,411,998 | 1,175,242 |
| Investment property | 2,024,585 | 1,100,926 | 34,010 | 35,096 | 35,963 |
| Intangible asset | 19,003 | - | - | - | - |
| Net current assets | (4,110,086) | (1,731,676) | (7,525) | 2,708,100 | 2,976,809 |
| Non current liabilities | (490,921) | (496,909) | (2,102,865) | (2,741,127) | (2,913,355) |
| **Net assets** | 1,651,792 | 2,537,125 | 778,768 | 1,414,067 | 1,274,661 |
| **Equity and reserves** | | | | | |
| Share capital | 2,136,552 | 2,136,552 | 949,579 | 949,579 | 949,579 |
| Share premium | 2,377,756 | 2,377,756 | 8,821 | 104,880 | 112,606 |
| (Accumulated losses)/retained earnings | (2,862,516) | (1,977,183) | (179,632) | 359,608 | 212,476 |
| **Total equity and reserves** | 1,651,792 | 2,537,125 | 778,768 | 1,414,067 | 1,274,661 |
| **Statement of comprehensive income** | | | | | |
| **Revenue** | 4,485,116 | 2,209,591 | 3,649,153 | 3,046,661 | 2,839,119 |
| (Loss)/profit before tax | (854,434) | (1,689,670) | (388,054) | 365,284 | 297,388 |
| Taxation | (30,899) | (107,881) | (18,245) | (94,708) | (84,912) |
| **(Loss)/profit for the year** | **(885,333)** | **(1,797,551)** | **(406,299)** | **270,576** | **212,476** |
| Other comprehensive (loss)/income for the year | - | - | - | - | - |
| Total comprehensive (loss)/income for the year | (885,333) | (1,797,551) | (406,299) | 270,576 | 212,476 |
| **Per share data:** | | | | | |
| (Loss)/earnings per share (kobo) - Basic | (21) | (42) | (21) | 14 | 11 |
| Net assets per ordinary share (kobo) | 0.39 | 0.59 | 0.41 | 74 | 67 |

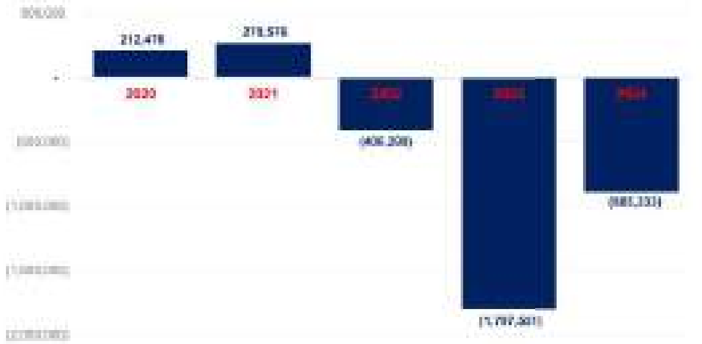
(Loss)/profit per share are based on the (loss)/profit after tax and the weighted average number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share are based on net assets and the weighted average number of issued and fully paid ordinary shares at the end of each financial year.

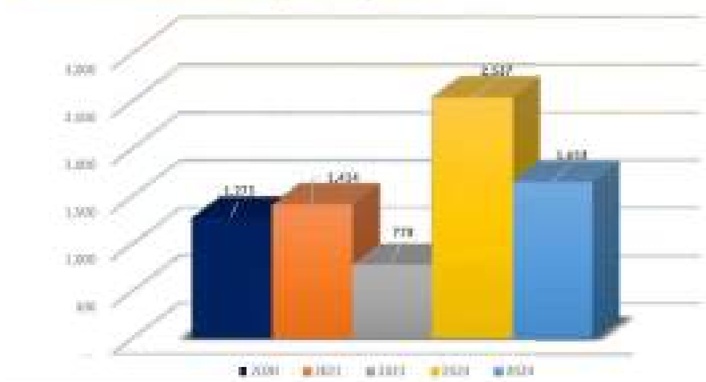

EARNINGS PER SHARE TREND (2020 - 2024 - KOBO)
2020
2021
2022
2024


PBT TREND ANALYSIS (2020 - 2024) - N'000
2020
2021

**PAT TREND ANALYSIS (2020 - 2024) - N'000**




**NET ASSETS TREND ANALYSIS (2020 - 2024) - N'M**



**UNCLAIMED DIVIDEND WARRANTS AND SHARE CERTIFICATES**

Members are hereby informed that since Pfizer Product Plc became a Public Quoted Company, and subsequent Management Buy Out by Neimeth International Pharmaceuticals Plc, 32 Dividends have been declared and Seven (7) bonus certificates have been issued.

The most recent dividends declared and share certificates issued are as stated below:

A. **DIVIDEND ISSUED**

| Dividend No. | Date Declared |
|---|---|
| 18 | 30-11-1994 |
| 19 | 31-05-1995 |
| 20 | 30-11-1996 |
| 21 | 30-11-1997 |
| 22 | 30-11-1998 |
| 23 | 30-09-2002 |
| 24 | 31-03-2003 |
| 25 | 31-03-2004 |
| 26 | 31-03.2005 |
| 27 | 31-10-2006 |
| 29 | 30-09-2008 |
| 30 | 27-09-2011 |
| 31 | 05-03-2021 |
| 32 | 22-03-2022 |

B. **CERTIFICATES ISSUED**

| No. | Certificate Type | Date Issued |
|---|---|---|
| 01 | Bonus Issue | 1998 |
| 02 | Public Issue | 1999 |
| 03 | Right Issue | 1999 |
| 04 | Bonus Issue | 2002 |
| 05 | Bonus Issue | 2005 |
| 06 | Public Issue | 2006 |
| 07 | Bonus Issue | 2008 |
| 08 | Right Issue | 2011 |
| 09 | Bonus Issue | 2014 |
| 10 | Bonus Issue | 2017 |
| 11 | Bonus Issue | 2019 |
| 12 | Rights Issue | 2022 |

At the moment, the unclaimed dividend accounts show that some dividend payments remain outstanding. Shareholders should therefore contact the Registrars for enquiries to resolve any related issues.

Kindly contact the Registrar or Company Secretary, using the details below for any unclaimed or unpaid dividends and/or any unclaimed share certificates.

The Registrar
Meristem Registrars and Probate Services Limited
213 Herbert Macaulay Way
Adekunle–Yaba,
Lagos.
Tel: +234(1)2809250
E-mail: info@meristemregistrars.com

The Company Secretary
Neimeth Int'l Pharma. Plc.
No.16, Dolerty Akanni Layout (Billings Way)
Oregun,
Lagos.
Tel: +2349030576266
E-mail: info@neimethplc.com.ng

## NEIMETH INTERNATIONAL PHARM PLC SHARE CAPITAL HISTORY

| YEAR | MINIMUM |  | ISSUED AND PAID UP |  | CONSIDERATION |
|---|---|---|---|---|---|
|  | N CHANGE | N CUMMULATIVE | N CHANGE | N CUMMULATIVE |  |
| Aug 57 | 50,000 | 50,000 | 4 | 4 | Cash |
| Sep 57 | - | 50,000 | 6,996 | 7,000 | Cash |
| 1965 | 950,000 | 1,000,000 | 0 | 0 | - |
| 1966 | - | 1,000,000 | 303,192 | 310,192 | Cash |
| 1971 | - | 1,000,000 | 52,638 | 362,830 | Bonus |
| 1973 | - | 1,000,000 | 615,000 | 977,830 | Cash |
| Mar 77 | - | 1,000,000 | 0 | 0 | - |
| Jul 77 | - | 1,000,000 | 488,914 | 1,466,744 | Bonus |
| Sep 77 | Nomin value Changed to 50k p/share | 4,000,000 | 0 | 0 | - |
| Apr 78 | - | 4,000,000 | 783,256 | 2,250,000 | Bonus |
| Nov 78 | - | 4,000,000 | 1,500,000 | 3,750,000 | New Issue |
| 1980 | 1,000,000 | 5,000,000 | 937,500 | 4,687,500 | Bonus |
| 1981 | 3,000,000 | 8,000,000 | 937,500 | 5,625,000 | Bonus |
| 1983 | - | 8,000,000 | 1,406,250 | 7,031,250 | Bonus |
| 1985 | 4,000,000 | 12,000,000 | 1,406,250 | 8,437,500 | Bonus |
| 1987 | - | 12,000,000 | 2,109,375 | 10,546,875 | Bonus |
| Jan 92 | 38,000,000 | 50,000,000 | 0 | 10,546,875 | - |
| Jul 92 | - | 50,000,000 | 21,094,000 | 31,640,875 | Rights Issue |
| Apr 94 | - | 50,000,000 | 7,910,218 | 39,551,093 | Bonus |
| Apr 99 | 75,000,000 | 125,000,000 | 16,737,163 | 56,288,256 | Right/Public Offer |
| 2001 | - | 125,000,000 | 228,540 | 56,516,796 | Cash |
| 2002 | - | 125,000,000 | 350,000 | 56,866,796 | Cash |
| Sep 03 | - | 125,000,000 | 11,373,359 | 68,240,155 | Bonus |
| Sep 03 | - | 125,000,000 | 1,298,261 | 69,538,416 | Cash |
| 2004 | - | 125,000,000 | 12,565,429 | 82,103,845 | Cash |
| Jul 05 | - | 125,000,000 | 10,421,000 | 92,524,845 | Cash |
| Jul 05 | - | 125,000,000 | 18,504,800 | 111,029,645 | Bonus |
| Sep 05 | 625,000,000 | 750,000,000 | - | - | - |
| Mar 06 | - | 750,000,000 | 217,600,713 | 328,630,358 | Cash |
| Sept 08 | - | 750,000,000 | 82,158,000 | 410,788,358 | Bonus |
| Mar 2011 | 250,000,000 | 1,000,000,000 | - | - |  |
| Sept 2012 | - | 1,000,000,000 | 243,192,000 | 653,980,358 | Rights Issue |
| Mar 2014 | - | 1,000,000,000 | 130,795,944 | 784,775,664 | Bonus |
| Feb 2017 | - | 1,000,000,000 | 78,477,566 | 863,253,230 | Bonus |
| Mar 2019 | - | 1,000,000,000 | 86,325,323 | 949,578,553 | Bonus |
| Apr 2022 | 1,450,929,268 | 2,450,929,268 | 1,186,973,750 | 2,136,552,303 | Rights Issue |


Neimeth


ncp


Neimeth


Neimeth


Neimeth


Neimeth

## PROXY FORM

The 68th Annual General Meeting of the Members of **Neimeth International Pharmaceuticals Plc** will be held at NECA House, Plot A2, Hakeem Balogun Street, Alausa, Lagos on Monday, 23rd June 2025 at 11:00am.

I/We* ____________________

____________________

Of ____________________

Being member/members of Neimeth International Pharmaceuticals Plc
hereby appoint**

____________________

or failing him/her, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held on 23rd June 2025 and any adjournment thereof.

**Dated this ............ day of ............ 2025**

**Shareholder's Signature ............**

| RESOLUTIONS<br>ORDINARY BUSINESS | FOR | AGAINST | ABSTAIN |
|---|---|---|---|
| Receive the Audited Financial Statements for the year ended 31 December 2024 and the Report of the Directors, External Auditors and Statutory Audit Committee thereon. | | | |
| Ratify the appointment of Directors:<br>• Mrs. [illegible]<br>• Mr. [illegible]<br>• Mrs. Patricia O. [illegible]<br>• Mr. [illegible] | | | |
| Re-elect Dr. [illegible] as a Director | | | |
| Re-elect [illegible] as a Director | | | |
| Re-elect Dr. (Mrs.) [illegible] as a Director | | | |
| Authorise the Directors to fix the remuneration of the Auditors. | | | |
| Elect Shareholder Representatives of the Statutory Audit Committee. | | | |
| **SPECIAL BUSINESS** | | | |
| To fix the remuneration of Directors | | | |
| To amend Article [illegible] of the Articles of Association of the Company to fix share qualification of a minimum of [illegible] of the Company's share capital for Non-Executive Directors. | | | |
| To raise additional capital of up to [illegible] ([illegible] Billion Naira) or such amount as the Directors may deem fit, through an allotment of shares to be issued, whether by way of public offering, placement or through a combination of methods, subject to terms and conditions to be determined by the Directors. | | | |
| "To reduce the Share Premium Account of the Company by N2,000,000,000 (Two Billion Naira) from N2,377,756,000 (Two Billion, Three Hundred and Seventy Seven Million, Seven Hundred and Fifty Six Thousand Naira) to N377,756,000 (Three Hundred and Seventy Seven Million, Seven Hundred and Fifty Six Thousand Naira) and the amount by which the Share Premium Account is so reduced be credited to a Capital Restructuring Reserve Account". And that the amount of N2,000,000,000 (Two Billion Naira) standing to the credit of the Capital Restructuring Reserve Account be applied in writing off the accumulated losses of the Company." | | | |

Please indicate with an "X" in the appropriate box for how you wish your vote(s) to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

Before posting the above card, please tear this off and retain.

SERIAL NUMBER ____________

NUMBER OF SHARES ____________

## ADMISSION CARD

To the Annual General meeting to be held at 11:00a.m. on Monday, 23rd June 2025 at NECA House, Plot A2, Hakeem Balogun Street, Alausa, Lagos.

**IF YOU ARE UNABLE TO ATTEND THE MEETING**

A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote on a poll by proxy. The card has been prepared to enable you exercise your right to vote, in case you cannot personally attend the meeting.

Provision has been made on the form for any of the Directors of the Company to act as your proxy, but if you wish, you may insert in the blank space on the card (marked **) the name of any person, whether a member of the Company or not who will attend and vote on your behalf [illegible].

Please sign the above proxy and post it so as to reach the address on the other side not later than 48 hours before the time of holding the meeting. The company will pay the Stamp Duty endorsed by the Commissioner for Stamp Duties in the space provided above.

If executed by a Corporation, the Proxy Card should be sealed with the Common Seal.

**PLEASE NOTE**

The name of the Shareholder must be written in BLOCK CAPITALS on the proxy card where marked*.

The Admission Card must be produced by the shareholder or his proxy to gain entrance to the meeting. Shareholders or their proxies are requested to sign the admission card before attending the meeting.

**Application Form**
*for e-bonus & e-dividend*

**Neimeth International Pharmaceuticals Plc**
**(RC: 1557)**

Dear Shareholder(s)

**SHAREHOLDER'S DATA UPDATE**

In our quest to update shareholders' data with the current market requirement (i.e.) e-bonus & e-dividend, we require you to complete this form with the following information.

Tel.Nos:………………CSCS A/CNO……………STOCK BROKING FIRM:……………………………

E-mail Add:…………………………………………… Name of Bank ……………………………………………

Branch of Bank: ………………Bank A/C No…………………………Branch Code……………………

No. of Units held ……………………………………

NAME OF SHAREHOLDER/CORPORATE SHAREHOLDER ……………………………………………

PRESENT/NEW ADDRESS……………………………
……………………………………………
……………………………………………
……………………………………………

NAME OF COMPANY IN WHICH YOU HAVE SHARES

REGISTRAR'S USE
NAME……………
SIGNATURE………
USE ………………

Please notify our Registrars, Meristem Registrars Limited of any change in telephone, address and bank whenever it occurs.

Yours faithfully,

**NEIMETH INTERNATIONAL PHARMACEUTICALS PLC**

Note: Please be informed that by filling and sending this form to our Registrar, Meristem Registrars Limited for processing, you have applied for the e-Dividend and e-Bonus; thereby, authorizing NEIMETH INTERNATIONAL PHARMACEUTICALS PLC to credit your account (in respect of dividends and bonuses) electronically.

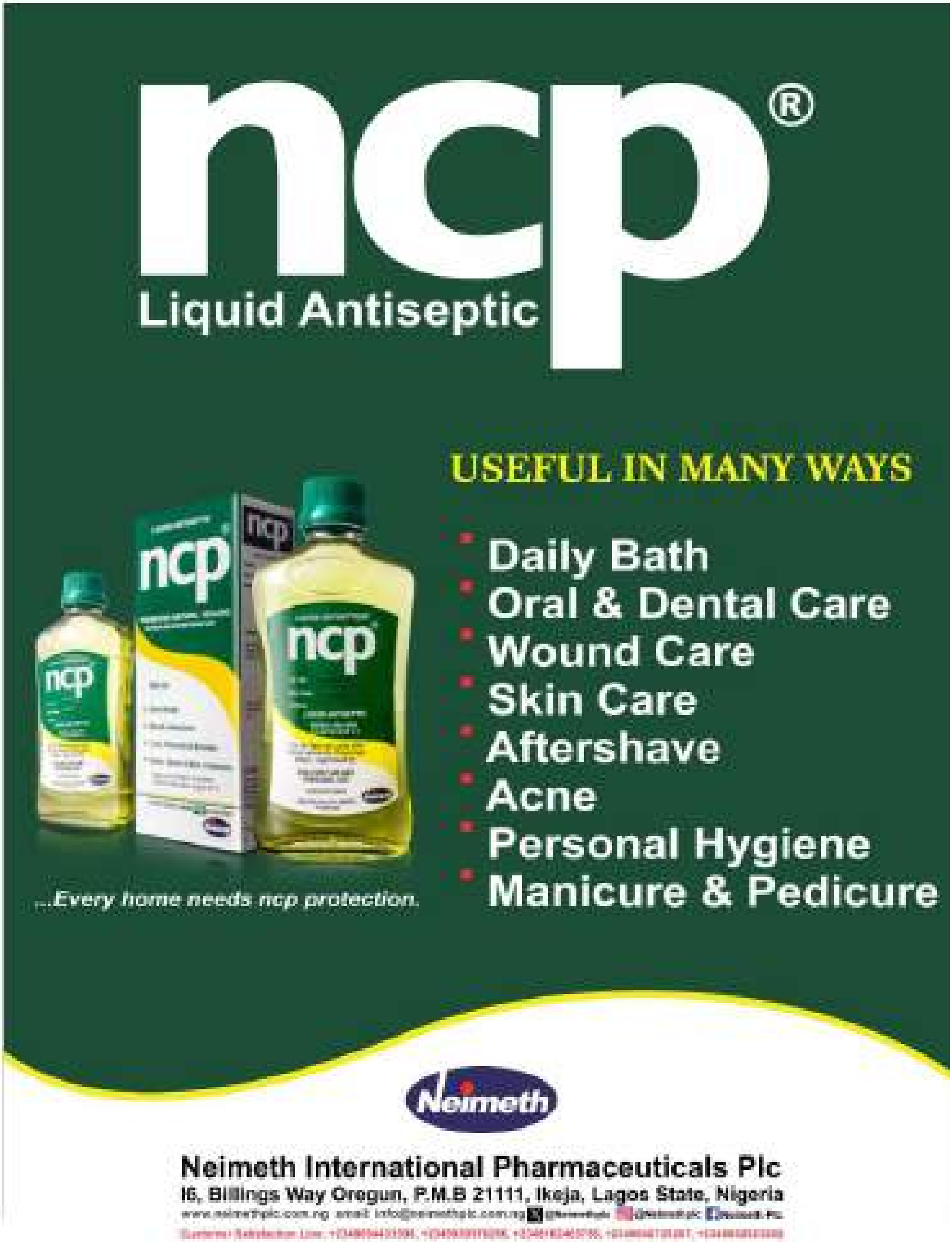
PLEASE COMPLETE AND RETURN TO
**Meristem Registrars and Probate Services Limited**
**213, Herbert Macaulay Way Yaba, Lagos.**
**Email: info@meristemregistrars.com**

**2025**

SIGNATURE/RIGHT THUMBPRINT OF SHAREHOLDER

In case of Corporate Shareholder, use company seal.

The Registrar
Meristem Reigstrars and Probate
Services Limited
213, Herbert Macaulay Way,
Adekunle, Yaba, Lagos.



ncp®
Liquid Antiseptic
USEFUL IN MANY WAYS
Daily Bath
Oral & Dental Care
Wound Care
Skin Care
Aftershave
Acne
Personal Hygiene
Manicure & Pedicure
...Every home needs ncp protection.
Neimeth
Neimeth International Pharmaceuticals Plc
I6, Billings Way Oregun, P.M.B 21111, Ikeja, Lagos State, Nigeria