Investing in this offer involves risks and this document is important and should be read carefully. If you are in any doubt as to its contents or the action to be taken, please consult your Banker, Stockbroker, Accountant, Solicitor or any other professional adviser for guidance immediately. For information concerning certain risk factors which should be considered by prospective investors, see "risk factors" commencing on page 30 hereof.

RC: 438802

DUFIL PRIMA FOODS PLC

MANUFACTURERS OF

₦40,000,000,000 BOND ISSUANCE PROGRAMME

This Shelf Prospectus and the Bonds which it offers have been registered by the Securities & Exchange Commission (the "SEC" or the "Commission"). It is a civil wrong and a criminal offence under sections 85 and 86 of the Investments and Securities Act (No. 29) 2007 (the "ISA" or the "Act") to issue a prospectus which contains false or misleading information. Investors are advised to note that liability for false or misleading statements or acts made in connection with this Shelf Prospectus is provided in sections 85 and 86 of the ISA.
Clearance and registration of this Shelf Prospectus and the Bonds which can be issued under the Programme do not relieve the Parties of any liability arising under the Act for false and misleading statements contained herein or for any omission of a material fact.

This Shelf Prospectus which has been issued in compliance with Part IX of the Act, the Rules and Regulations of the Commission ("SEC Rules") and the listing requirements of the FMDQ OTC PLC ("FMDQ") and the Nigerian Stock Exchange (the "NSE"), contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Programme.

Under this ₦40,000,000,000 Bond Issuance Programme (the "**Programme**"), Dufil Prima Foods PLC ("**Dufil**" or the "**Issuer**" or the "**Group**") may from time to time issue bonds as more fully described herein (the ""**Bonds**"). Bonds issued under the Programme would be unsecured obligations of the Issuer, will rank *pari passu* and rateably without any preference or priority among themselves and will rank at least equally with all other outstanding unsecured obligation of the Issuer. The Bonds may be issued from time to time in separate series, amounts, prices and on terms to be set out in any accompanying supplementary Shelf Prospectuses ("**Supplementary Shelf Prospectuses**") or Pricing Supplement.

The maximum aggregate nominal amount of all Bonds issued from time to time and outstanding under the Programme shall not exceed ₦40,000,000,000 over the three (3) years specified by the SEC from the date of this Shelf Prospectus or any other time frame set forth by the SEC following the issue of this Shelf Prospectus, including any amendments thereto, remains valid.

This Shelf Prospectus is to be read and construed in conjunction with any supplement hereto and all documents which are incorporated herein by reference and, in relation to any series of the Programme, together with the applicable Supplementary Shelf Prospectus. This Shelf Prospectus will be available for download on the Commission's website (www.sec.gov.ng) and the Issuer's website (www.dufil.com).

The registration of this Shelf Prospectus and any Supplementary Shelf Prospectus shall not be taken to indicate that the Commission endorses or recommends the Bonds or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Shelf Prospectus or any Supplementary Shelf Prospectus. No Bond will be allotted or issued on the basis of this Prospectus read together with a Supplementary Shelf Prospectus later than three (3) years after the date of the issue of this Shelf Prospectus or any other time frame as set forth by the SEC following the Issue of this prospectus.

ISSUING HOUSE / BOOK RUNNER

STANBIC IBTC CAPITAL LIMITED RC: 1031358

THIS SHELF PROSPECTUS IS DATED 16 MAY, 2017 AND IS VALID FOR 3 YEARS FROM THE DATE OF ISSUANCE

IMPORTANT NOTICES

This Shelf Prospectus has been prepared on behalf of Dufil Prima Foods PLC in connection with its ₦40,000,000,000 Bond Issuance Programme for the purpose of giving information to prospective investors in respect of the Notes described herein. The SEC has cleared and registered this Prospectus and the securities that it offers.

The Board of Directors accepts full responsibility for the information contained in this Shelf Prospectus. The Board of Directors confirms (having taken all reasonable care to ensure that is the case) that the information contained in this Shelf Prospectus is in accordance with the relevant Rules and Regulations.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Shelf Prospectus or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorised by either the Issuer, or any of the parties to the Programme.

Neither this Shelf Prospectus nor any other information supplied in connection with the Bonds: (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Issuing House or the Joint Trustees that any recipient of this Shelf Prospectus or any other information supplied in connection with the Issue should purchase the Bonds.

Each prospective investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. Neither this Shelf Prospectus nor any other information supplied in connection with the Issue or the Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Issuing House or the Joint Trustees to any person to subscribe for or to purchase the Bonds.

Neither the delivery of this Shelf Prospectus nor the offering, sale or delivery of the Bonds shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme continues to remain correct as of any time subsequent to the date indicated in the document containing the same.

The Issuing House expressly does not undertake to review the financial condition or affairs of the Issuer throughout the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention. The Issuing House has not separately verified the information contained in this Shelf Prospectus and accordingly no representation, warranty or undertaking, express or implied, is made and to the fullest extent permitted by law no responsibility or liability is accepted whether in contract or otherwise by the Lead Issuing House as to the accuracy or completeness of the information contained in this Shelf Prospectus or any other information supplied in connection with the Bonds or their distribution. Each person receiving this Shelf Prospectus acknowledges that such person has not relied on the Issuing House or any person affiliated with any of them in connection with its investigation of the accuracy of this Shelf Prospectus or such information or its investment decision.

The receipt of this Shelf Prospectus or any information contained in it or supplied with it or subsequently communicated to any person does not constitute investment advice from the Issuing House to any prospective investor. Prospective investors should make their own independent assessment of the merits or otherwise of subscribing for the Securities offered herein and should take their own professional advice in connection with any prospective investment by them.

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FORWARD LOOKING STATEMENTS

Certain statements included herein may constitute forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements can be identified by the use of forward looking terminology such as “estimates”, “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, ‘‘will continue”, “should”, “would”, “seeks”, “approximately”, or “anticipates”, or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Shelf Prospectus and include statements regarding the Issuer’s intentions, beliefs or current expectations concerning, amongst other things, the Issuer’s results of operations, financial condition, liquidity, prospects, growth, strategies and the markets in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Prospective Investors should be aware that forward-looking statements are not guarantees of future performance and that the Issuer’s actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this Shelf Prospectus. Such forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realized.

The Issuer is not obliged to, and does not intend to, update or revise any forward-looking statements made in this Shelf Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributed to the Issuer, the Issuing House or persons acting on the Issuer’s behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Shelf Prospectus. A prospective investor of the Notes should not place undue reliance on these forward-looking statements.

Factors that could cause actual results to differ materially from the Issuer’s expectations are contained in cautionary statements in this Shelf Prospectus and include, among other things, the following:

- Overall political, economic and business conditions in Nigeria;
- Changes in government regulations;
- Changes in tax requirements, including tax rate changes, new tax laws and revised tax law interpretations;
- Economic and political conditions in international markets, including governmental changes;
- The demand for the Issuer’s products and services;
- Competitive factors in the industries in which the Issuer and its customers operate;
- Interest rate fluctuations and other capital market conditions;
- Exchange rate fluctuations; and
- The timing, impact and other uncertainties of future actions.

The sections of this Shelf Prospectus entitled “**Risk Factors**”, “**Description of Dufil Prima Foods PLC**” and “**Statutory and General Information**” contain more detailed discussions of the factors that could affect the Issuer’s future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Shelf Prospectus may not occur.

OTHER INFORMATION

This Shelf Prospectus should be read in conjunction with the Issuer's Audited Annual Financial Report for the year ended 2015 comprising the audited annual financial statements of the Issuer and prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and prescribed by the Financial Reporting Council of Nigeria ("FRCoN") (which include standards and interpretations approved by the FRCoN), together with its pronouncements thereon from time to time, and applied on a consistent basis.

THIRD PARTY INFORMATION

The Issuer has obtained certain statistical and market information that is presented in this Shelf Prospectus on such topics as the Nigerian economic landscape and related subjects from certain government and other third party sources described herein. The Issuer has accurately reproduced such information and, so far as the Issuer is aware and is able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution.

Prospective investors should note that some of the Issuer's estimates are based on such third party information. Neither the Issuer nor the Issuing House has independently verified the figures, market data or other information on which these third parties have based their studies. Certain statistical information reported herein has been derived from official publications of, and information supplied by, a number of Government agencies and ministries, including the CBN, the Nigerian Debt Management Office ("DMO") and the Nigerian National Bureau of Statistics ("NBS")

ROUNDING

Certain figures included in this Shelf Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

ISSUE OF PRICING SUPPLEMENTS / SUPPLEMENTARY SHELF PROSPECTUSES

Following the publication of this Shelf Prospectus, a Supplementary Shelf Prospectus ("SSP") or Pricing Supplement may be prepared by the Issuer for the approval of the SEC in accordance with Rule 279(3)(6)(b) of the SEC Rules and Regulations.

Statements contained in any such SSP or Pricing Supplement shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Shelf Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Shelf Prospectus.

Dufil Prima Foods PLC declares, to the best of its knowledge and honest belief, that no material facts have been omitted from nor is there any material misstatements in this Shelf Prospectus which would make any statement contained herein misleading or untrue. Dufil Prima Foods PLC will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Shelf Prospectus which is capable of affecting the assessment of the Bonds, prepare an SSP or Pricing Supplement to this Shelf Prospectus or publish a new Shelf Prospectus for use in connection with any subsequent issue of Bonds.

KEY TERMS AND ABBREVIATION

Unless the context otherwise requires, the following expressions shall have the meanings respectively assigned to them:

"**Allotment Announcement**"	The publication to be made, within five (5) Business Days of receiving the SEC's No Objection to the allotment report, in a minimum of two national newspapers, which shall disclose the Coupon Rate, the size of the Issue and other salient information
"**Allotment Date**"	Date on which the Bonds are allotted to investors
"**Allottee**"	A successful participant from whom receipt of subscription monies is confirmed by the Receiving Bank and to whom the Bonds shall be allotted by the Issuer;
"**Board**" or "**Directors**"	Board of Directors of the Issuer in the context specified
"**Board Resolution**"	The Resolution of the Board dated 23 May, 2016 authorizing the Programme
"**Bonds**" or "**Securities**"	A registered certificate or notice of allocation (for electronic credits directly to Bondholders' CSCS accounts) of debt issued by the Issuer under the Programme which the Issuer obligates itself to pay to a Bondholder an aggregate principal amount and Coupons on a specified date after the Issue Date
"**Bondholder**"	Any registered owner of Bonds units to be issued under the Programme
"**Business Day**"	Any day except Saturdays, Sundays and public holidays declared by the Federal Government on which banks are open for business in Nigeria
"**CAC**"	Corporate Affairs Commission
"**CAMA**"	Companies and Allied Matters Act Cap C20,LFN, 2004
"**CBN**"	Central Bank of Nigeria
"**Certificates**"	In relation to the Bonds, a certificate in or substantially in the form specified in the Schedule to the Programme Trust Deed or in such other form as may be agreed from time to time by the Trustees
"**CITA**"	Companies Income Tax Act Cap C21, LFN, 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007)
"**Company Secretary**"	Nnenna Ejekam Associates or any other person appointed by the Board of Directors from time to time
"**Completion Board Meeting" or "Signing Ceremony**"	The meeting at which the Offer Documents will be executed by the parties to the Issue.
"**Conditions**" or "**Terms and Conditions**"	Terms and conditions in accordance with which the Bonds will be issued, which are set out in the Second Schedule of the Programme Trust Deed and headed "Terms and Conditions of the Bonds"
"**Coupon Payment Date**"	The date on which Coupons are to be paid to Bondholders as specified in the Supplementary Shelf Prospectus
"**Coupon**" or "**Coupons**"	Interest payment or payments due to Bondholders as specified in the Supplementary Shelf Prospectus
"**Coupon Rate**"	Interest rate payable to Bondholders as specified in the Supplementary Shelf Prospectus

"**CSCS**"	Central Securities Clearing System PLC
"Debt Servicing Account"	An account established by the Issuer for purpose of servicing Bond repayment obligations under the Programme; which shall be administered by the Trustees and from which the Trustees shall make payments to Bondholders of interest and the principal sum at the times and in such amounts as are detailed in the repayment schedule set out in each Pricing Supplement
"**EPS**"	Earnings per Share
"**Exchange**"	FMDQ, The NSE or any other securities exchange where the Issuer chooses to list the Bonds
"**Extraordinary Resolution**"	A resolution shall be deemed to be an Extraordinary Resolution if the same shall be passed by three-fourths (3/4th) of the persons present and voting thereat upon a show of hands, or if a poll is demanded, by Bondholders holding not less than three-fourths (3/4th) in value of the Bonds held by the Bondholders present or represented by proxies at the meeting.
"**Face Value**" or "**Par Value**"	The value the Bondholder will get per Bonds once the Bonds matures
"**Federal Government**" or "**FGN**"	Federal Government of Nigeria
"**FMDQ**" or "**FMDQ OTC PLC**"	Is a SEC licensed over-the-counter ("OTC") market securities exchange. FMDQ is owned by the CBN, all of the Nigerian deposit money banks, discount houses and the NSE
"**FIRS**"	Federal Inland Revenue Service
"**Fixed Rate Bonds**"	Bonds in respect of which interest is to be calculated and paid on a fixed rate basis, and will not change during the life of the Bond
"**Floating Rate Bond**"	A Bond in respect of which interest is payable in accordance with a variable benchmark rate as prescribed in the relevant Supplementary Shelf Prospectus or Pricing Supplement
"**GDP**"	Gross Domestic Product
"**Group**"	The Issuer and its subsidiaries
"**Interest Commencement Date**"	The Issue Date from which interest on the Bonds begins to accrue
"**ISA**"	Investments and Securities Act No 29, 2007
"Issue"	The issuance of Bonds pursuant to the Offer Documents
"**Issue Date**"	The date for any particular Series under which the Bonds are issued as specified in the Supplementary Shelf Prospectus
"**Issue Price**"	The price at which the Bonds are issued, as specified in the Supplementary Shelf Prospectus
"**Issuer"** or **"Dufil**" or the **"Group"**	Dufil Prima Foods PLC
"**Issuing Houses**" or "**Issuing Houses/Book Runners**"	Stanbic IBTC Capital Limited and any other issuing house appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds
"**Issuing House**" or "**Issuing House / Book**	Stanbic IBTC Capital Limited or any other issuing house appointed from time to time by the Issuer either generally in respect of the

Runner”	Programme or in relation to a particular Series or Tranche of Bonds
“**Joint Issuing House**” or “**Issuing House/Book Runner**”	Any issuing house appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds
“**Kobo**”	A legal tender used in Nigeria as a subdivision of the Naira. One hundred kobo is equivalent to one Naira
“**LFN**”	Laws of the Federation of Nigeria 2004
“**Listing Rule**”	The Listing Rules of the NSE or FMDQ
“**Maturity Date**”	The date as specified in each applicable Pricing Supplement on which the Principal Amount is due
“**Naira**” or “**₦**” or “**NGN**”	The Nigerian Naira, the lawful currency of the Federal Republic of Nigeria
“**NAV**”	Net Asset Value
“**Nigeria**”	The Federal Republic of Nigeria and the word “Nigerian” shall be construed accordingly
“**NSE**” or “**Stock Exchange**”	The Nigerian Stock Exchange
“**Offer Documents**”	The documents created in connection with the Bond Issuance Programme and subsequent bond issues
“Ordinary Resolution”	The resolution of the shareholders of Dufil dated 20 May 2016 authorizing the Programme
“**OTC**”	Over-The-Counter
“**PITA**”	Personal Income Tax Act, Cap P8, LFN 2004 as amended by the Personal Income Tax (Amendment) Act 2011
“**Professional Parties**”	Professionals engaged by the Issuer whose roles are to ensure the success of the Bonds Issue
“**Programme**” or “**Bond Issuance Programme**”	The Bond Issuance Programme described in this Shelf Prospectus pursuant to which the Issuer may issue several separate Series or Tranches from time to time with varying maturities and variable rates of interests provided however that the aggregate value does not exceed ₦40,000,000,000
“**Programme Trust Deed**”	A master trust deed made between the Issuer and the Joint Trustees, in relation to the Programme
“**Prospectus**” or “**Shelf Prospectus**”	This Shelf Prospectus dated 16 May 2017
“**PFAs**”	Pension Fund Administrators
“**Principal Amount**” or “**Principal**”	The nominal amount of each Bonds, as specified in the Supplementary Shelf Prospectus
“**Receiving Agents**”	Capital market operators authorized to receive Application forms/monies from investors
“**Receiving Banks**”	Stanbic IBTC Bank PLC; and/or any other Receiving Bank as appointed from time to time
“**Record Date**”	The date on which the list of Bondholders is extracted from the register for the purpose of making coupon payments
“**Redemption Amount**”	The aggregate Principal Amount outstanding in respect of any Bonds on the Maturity Date
“**Register**”	The register kept at the specified office of the Registrar into which shall

	be entered the names and addresses of each Bondholder and the particulars, transfers and redemption of the Bonds held by each Bondholder
"**Registrar**"	First Registrars and Investor Services Limited and/or, if applicable, any successor Registrar
"**Related Parties**"	Any corporate body, which is the company's subsidiary or holding company or a subsidiary of that company's holding company
"**Rules** & **Regulations**" or "**SEC Rules**"	The Rules and Regulations of the Securities & Exchange Commission (2013) issued pursuant to the Investments and Securities Act No. 29 2007 as may be amended from time to time
"**SEC**" or the **"Commission**"	Securities & Exchange Commission
"**Series**"	A Tranche together with any further Tranche or Tranches which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices
"**Shelf Prospectus**" or "**SP**"	This document issued in accordance with the Rules and Regulations, which details the aggregate size and broad terms and conditions of the Programme
"Ordinary Resolution"	A resolution passed at a meeting duly convened and passed by a simple majority of the persons present or represented by proxies at the meeting and voting thereat upon a show of hands. Where a poll is duly demanded in a meeting, the result of the poll shall be deemed to be an Ordinary Resolution if it has been passed by a majority consisting of not less than a simple majority in value of the total votes given on such poll.
"**Supplementary Shelf Prospectus**", "**SSP**" or "**Pricing Supplement**"	The document(s) to be issued pursuant to this Shelf Prospectus, which shall provide final terms and conditions of a specific Series or Tranche of Bonds under the Programme
"**Supplemental Trust Deed**" or "**Series Trust Deed**"	A trust deed made between the Issuer and the Trustees, in relation to a specific Series under the Programme
"**Terms and Conditions**"	The terms and conditions of the Bonds as set out in this Shelf Prospectus
"**Tranche**"	Bonds which are identical in all respects (including as to listing)
"**Trustee Act**"	Trustee Investments Act Cap T22, LFN 2004
"**Trustees**" or "**Joint Trustees**"	Stanbic IBTC Trustees Limited and ARM Trustees Limited and/or any other Trustee appointed from time to time
"**VAT**"	Value Added Tax as provided for in the VAT Act
"**VAT Act**"	The Value Added Tax Act, Cap V1, LFN 2004 (as amended by the Value Added Tax (Amendment) Act No 12 of 2007)
"**WHT**"	Withholding Tax as provided for in the relevant sections of the CITA and the PITA

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DUFIL PRIMA FOODS PLC. RC: 438802

Corporate Office: 44, Jimoh Odutola Street, Off Eric Moore Road, Surulere, Lagos, Nigeria.
Factory: Uniport Road, Choba, Port Harcourt, Rivers State, Nigeria.

30/11/16

CHIEF (MRS) NNENNA EJEKAM NOTARY PUBLIC

28 November 2016

The Director General
The Securities & Exchange Commission
SEC Tower
Plot 272 Samuel Adesoji Ademulegun Street
Central Business District
Abuja

Dear Sir,

Dufil Prima Foods PLC N40 billion Bond Issuance Programme and subsequent issuance of the Notes Under the Programme

The Shelf Prospectus has been prepared by the Lead Issuing House on behalf of Dufil Prima Foods PLC (the "Issuer") with a view to providing a description of the relevant aspects of the Issuer's business in connection with the Programme.

On behalf of the Board of Directors, we hereby make the following declarations:

(i) We confirm that the information contained in this Shelf Prospectus is, to the best of our knowledge, in accordance with the facts and contain no omission likely to affect its import:

(ii) There has been no significant change in the financial condition, or material adverse change in the prospectus of the Issuer since the date of this document, and

(iii) The issuer is not in breach of any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the 12 (twelve) months preceding the date of this Shelf Prospectus

Signed for and on behalf of:
Dufil Prima Foods PLC

By its duly authorised representatives:

Mr Deepak Singhal	Mr Adhi Narto	Nnenna Ejekam Associates
Managing Director/CEO	**Executive Director / COO**	**Company Secretary**

NNENNA EJEKAM ASSOCIATES
COMPANY SECRETARIES

Directors: **Harkishin Aswani (MFR)** Chairman *Singaporean*, **Deepak Singhal** CEO *Indian*, **Chief (Dr.) Joseph Sanusi** *(CON) Nigerian*, **Sajen Aswani** *Singaporean*, **Axton Salim** *Indonesian*, **Kasim Rusmin** Indonesian, **Adhi S. Narto** *Indonesian*.

Directors

Mr. Harkishin Aswani (Chairman)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Deepak Singhal

Mr. Deepak Singhal (Chief Executive Officer)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Deepak Singhal

Mr. Adhi Narto (Chief Operating Officer)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Adhi Narto

Dr. Joseph Oladele Sanusi (Non-Executive Director)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Adhi Narto

Mr. Sajen Aswani (Non-Executive Director)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Deepak Singhal

Mr. Axton Salim (Non-Executive Director)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Adhi Narto

Mr. Kasim Rusmin (Non-Executive Director)
44 Jimoh Odutola Street,
Off Eric Moore Road
Surulere
Lagos

Adhi Narto

Issuing House

Stanbic IBTC Capital Limited
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island
Lagos

Kobby Bentsi-Enchill

Solicitors to the Issuer

Nnenna Ejekam Associates
Consulting House
70A Itafaji Road
Dolphin Estate
Ikoyi
Lagos

NNENNA EJEKAM ASSOCIATES

Solicitors to the Issue

G. Elias & Co
6 Broad Street
Lagos Island
Lagos

FRED ONUOBIA

Solicitors to the Joint Trustees

Udo Udoma & Belo-Osagie
10th Floor, St. Nicholas House
Catholic Mission Street
Lagos Island
Lagos

Yinka Edu

Reporting Accountants

PKF Professional Services
PKF House
205A Ikorodu Road
Obanikoro
Lagos

Ayodeji Sonukan

Registrars

First Registrars and Investor Services Limited
Plot 2, Abebe Village Road
Iganmu
Lagos

Abayomi Oluwafo

Auditor	Ratings Agency
Akintola Williams Deloitte Akintola Williams Deloitte House 235 Ikorodu Road Ilupeju Lagos Jelili Adebisi	**Global Credit Ratings Co.** 17th Floor New Africa House 31, Marina Lagos Kunbe Ogundijo

Joint Trustees	
Stanbic IBTC Trustees Limited Plot 1678, Olakunle Bakare Close Off Sanusi Fafunwa Street Victoria Island Lagos Bmax-Gbinije BINTA MAX-GBINIJE	**ARM Trustees Limited** 1 Mekunwen Road, Off Oyinkan Abayomi Drive Ikoyi Lagos FOLASHADE ADEBOYE

Receiving Bank
Stanbic IBTC Bank PLC I.B.T.C. Place Walter Carrington Crescent Victoria Island Lagos WOLE ADENIYI

DOCUMENTS TO BE INCORPORATED BY REFERENCE

This Shelf Prospectus should be read and construed in conjunction with the Issuer's Audited Annual Report for the financial years ended 31st December 2013, 31st December 2014 and 31st December 2015, comprising the audited annual financial statements of the Issuer and prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and prescribed by the Financial Reporting Council of Nigeria ("FRCoN") (which include standards and interpretations approved by the FRCoN), together with its pronouncements thereon from time to time, and applied on a consistent basis.

The Issuer will, in the event of any material change in its financial position which is not reflected in this Shelf Prospectus, prepare an amendment or supplement to this Shelf Prospectus; also, the Issuer's information given in this Shelf Prospectus and the terms and conditions of additional Bonds to be issued under the Programme may be updated in a Supplementary Shelf Prospectus/Pricing Supplement pursuant to the Rules and Regulations. Any such amendment or supplement will be incorporated by reference into this Shelf Prospectus and forms an integral part hereof. Any statement contained in a document that is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Shelf Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Shelf Prospectus.

This Shelf Prospectus and any Supplementary Shelf Prospectus/ Pricing Supplement (as applicable) are accessible, and copies of them are available free of charge at the office of the Issuing House from 8:00a.m till 5:00p.m on Business Days, and on the website of the Issuer (www.dufil.com), during the validity of the Programme.

Telephone enquiries should be directed to the Issuing House on:

Stanbic IBTC Capital Limited (+234 1) 422 8000

SUMMARY OF THE PROGRAMME

This Shelf Prospectus and the documents specified herein have been delivered to the SEC for clearance and registration.

This Shelf Prospectus is issued pursuant to the Rules and Regulations and contains particulars in compliance with the requirements of SEC for the purpose of giving information to the public with regard to the ₦40,000,000,000 Bond Issuance Programme established by the Issuer. The specific terms of each Series or Tranche in respect of which this Shelf Prospectus is being delivered will be set forth in the applicable SSP/Pricing Supplement and shall include the specific designation, aggregate principal amount, the currency or currency unit for which the Bonds may be purchased, maturity, interest provisions, authorised denominations, issue price, any terms of redemption and any other specific terms. If a specific issue under the Programme requires a listing, an application will be made to the relevant Exchange for the admission of such Bonds to its daily official list.

Each of the Directors of the Issuer represents that he has taken reasonable care to ensure that the information concerning the Issuer contained in this Shelf Prospectus is true and accurate in all material respects as at the date of this Shelf Prospectus and confirm, having made all reasonable enquiries, that to the best of his knowledge and belief, there are no material facts, the omission of which, would make any material statement herein misleading or untrue.

ISSUING HOUSE / BOOK RUNNER

STANBIC IBTC CAPITAL LIMITED RC: 1031358

ON BEHALF OF

RC: 438802

DUFIL PRIMA FOODS PLC

Are authorized to Issue this Shelf Prospectus in respect of
THE ₦40,000,000,000 BOND ISSUANCE PROGRAMME

This Shelf Prospectus contains:

1. on page 11, a declaration to the effect that the Issuer and its subsidiaries did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies during the twelve (12) calendar months immediately preceding the date of filing an application with the SEC for the registration of this Shelf Prospectus;
2. on pages 51 to 91, the Reporting Accountants' Report on the Issuer's historical financial information, prepared by PKF Professional Services for incorporation in this Shelf Prospectus;
3. on page 50 extracts of the Global Credit Ratings Co. Limited; and
4. on page 93, the details and summary of the claims and litigation against the Issuer prepared by G. Elias & Co.

VALIDITY PERIOD OF THE SHELF PROSPECTUS AND DELIVERY OF DOCUMENTS:

This Shelf Prospectus is valid until 16 May, 2020 ("Validity Period"). No Bonds shall be issued or allotted on the basis of this Shelf Prospectus read together with the applicable Pricing Supplement(s) later than the Validity Period or any other validity period as enforced by the SEC from time to time.

This Shelf Prospectus can be obtained free of charge from the offices of the Commission, the Issuer and the Issuing House throughout its validity period.

The following summary should be read in conjunction with the full text of this Shelf Prospectus, from which it is derived. The information provided below is a brief summary of the key features of the proposed Bonds to be issued under the Programme and a description of the Issuer. This Summary should be read as an introduction to this Shelf Prospectus. It does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Shelf Prospectus as a whole, the Supplementary Shelf Prospectus and other documents, if any, incorporated by reference into this Shelf Prospectus.

TERMS	DESCRIPTION
Issuer:	Dufil Prima Foods PLC ("Dufil").
Programme Description:	A Bond Issuance Programme undertaken by the Issuer of unsecured debt instruments to be issued in Series. The Programme only covers Fixed Rate Bonds,all of which shall be denominated in Naira or in such other currency as may be agreed between the Issuing House and the Issuer and specified in the applicable Pricing Supplement. No Bonds shall be offered on the basis of this Shelf Prospectus or a Pricing Supplement after the expiration of the Validity Period or any other validity period as enforced by the SEC from time to time The Bonds shall be constituted by the Programme Trust Deed and a Series Trust Deed. A Series Trust Deed will be issued in respect of each Series, provided that any terms and conditions relevant to additional Bonds, if any, under the Programme shall be governed by the relevant Series Trust Deed.
Programme Limit:	₦40,000,000,000 (Forty Billion Naira) aggregate principal amount of Bonds outstanding at any one time.
Issuing House / Book Runner	Stanbic IBTC Capital Limited
Joint Issuing Houses / Book Runners	Any other issuing house appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds.
Issuing Houses/Book Runners:	Stanbic IBTC Capital Limited, and any other issuing house appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Bonds.
Trustees:	Stanbic IBTC Trustees Limited and ARM Trustees Limited and/or any other Trustees appointed in the case of Series 1 Bonds, under the Programme Trust Deed and for other Series under the relevant Supplemental Trust Deed.
Method of Issue	Bonds issued under the Programme may be offered and sold by way of an offer for subscription, auction or private placement, through a book building process and/or any other methods as described in the applicable SSP/Pricing Supplement, within Nigeria or otherwise, in each case in accordance with the applicable Rules and Regulations.
Issuance in Series:	Bonds will be issued in Series, and each Series may comprise one or more Tranches issued on different dates. The Bonds in each Series will have the same maturity date and identical terms (except that the Issue Dates, Issue Price, Interest Commencement Dates and related matters may be different). Details applicable to each Series and Tranche will be specified in the applicable SSP/Pricing Supplement.
Currency:	The Bonds shall be denominated in Naira (₦) or in such other currency as may be agreed between the Issuer and the Issuing House and specified in the relevant SSP, subject to compliance with all applicable legal and regulatory requirements. Where any currency other than the Naira is specified in the relevant SSP/Pricing Supplement, the selling restrictions and additional disclosure requirements applicable to such other currency will be specified in the relevant SSP/Pricing Supplement.

Use of Proceeds:	Unless otherwise stated in the applicable SSP/Pricing Supplement, the net proceeds from each issue of the Bonds will be used to refinance existing bank loans and to partly finance capital expenditure of the Group. The applicable SSP or Pricing Supplement for each Tranche or Series will specify details of the use of proceeds of the particular Tranche or Series.
Maturities:	Bonds shall have such maturities, as may be prescribed by the Issuer and specified in the applicable SSP/Pricing Supplement, subject to such maturities as may be allowed or required from time to time by the relevant laws or regulations applicable in Nigeria.
Maturity Date:	As specified in the applicable SSP/Pricing Supplement.
Tenor:	The tenor of a particular Series or Tranche shall be determined by the Issuer and the Issuing House and specified accordingly in the applicable SSP/Pricing Supplement for the Bonds being issued.
Issue Price:	Bonds may be issued at Par Value or at a discount to Par Value. The Issue Price of a specific Series or Tranche shall be specified in the SSP/Pricing Supplement.
Closing Date:	The Closing Date of a specific Series or Tranche shall be stated in the applicable SSP/Pricing Supplement.
Coupon:	Bonds may be interest-bearing or non-interest bearing. The Coupon, if any, payable on the Bonds shall be determined by the Issuer and Issuing House and stated accordingly in the applicable SSP/Pricing Supplement.
Frequency:	The frequency of payment of interest and any other monies due on the Bonds shall be specified in the applicable SSP/Pricing Supplement.
Repayment:	Repayment terms in respect of the Bonds issued under the Programme shall be specified in the applicable SSP/Pricing Supplement.
Day Count Convention:	In case of Zero Coupon Bonds: Act/360 (actual number of days in a Month and 360 days in a Year). In case of Fixed Bonds: Act/365 (actual number of days in a Month and 365 days in a Year) or Act/Act (actual number of days in a Month and actual number of days in a Year), as the case may be. Different day count conventions may be stipulated in the applicable SSP/Pricing Supplement.
Principal Redemption:	Bonds will be redeemed on the dates specified in the relevant SSP/ Pricing Supplement.
Early Redemption:	Early redemption will be permitted only to the extent specified in the applicable SSP/Pricing Supplement, and subject to any applicable legal and regulatory limitations.
Redemption Amount:	The relevant SSP/ Pricing Supplement will specify the redemption amount or, if applicable, the basis for calculating the redemption amounts payable
Form of Bonds/ Transferability:	The Bonds will be issued in registered form and be freely transferable in accordance with the provisions of the Trust Deed. Where the Bonds are represented by Certificate(s), the Certificate(s) will be authenticated by the Registrar and may be dematerialised and held in electronic book entry form at the CSCS depository.
Interest Rate:	Bonds issued under the Programme will be issued on a fixed rate and Fixed interest will be payable semi-annually in arrears, or as specified in the relevant SSP/Pricing Supplement;
Status of the Bonds:	The Programme allows for issuance of unsecured Bonds in Series which shall constitute direct, unconditional obligations of the Issuer and shall at all times rank pari passu and without any preference among them. The payment obligations of the Issuer in respect of principal and interest thereon shall save for such obligations as may be preferred by applicable legislation relating to creditor's rights, at all times rank equally with all other unsecured indebtedness and monetary obligations of the Issuer, present

	and future. The Bonds shall bear the terms specified in the Trust Deed and other Offer Documents.
Listing:	Each Series or Tranche may be listed on the FMDQ platform, and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as specified in the relevant SSP/ Pricing Supplement.
Bonds Trading & Liquidity:	Bonds may trade OTC or on any other recognised trading platform between banks and qualified market counterparties. Dealers will be obliged to quote two-way prices for the Bonds.
Issuer Rating:	The Issuer was assigned a rating of A- by Global Credit Rating Co. Limited in June 2016. The rating is valid for a period of one year from the date of ratings assignment, following which it will be reviewed. Bonds issued under the Programme will be assigned a rating and such rating shall be indicated in the applicable SSP/Pricing Supplement.
Taxation:	The Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011 ("Order") and the PITA, the interest earned by Bondholders are exempt from the income tax chargeable under the CITA, in the case of corporate Holders, and PITA, in the case of Holders that are individuals, respectively. The exemption granted under the Order is for a period of ten (10) years commencing from January 2, 2012 - the commencement date of the Order. While there is no similar limitation in respect of the exemption under PITA. Furthermore, the proceeds from the disposal of the Bonds are exempt from VAT imposed under the VAT Act by virtue of the Value Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011 ("VAT 2011 Order"), and this exemption is valid for a period of ten (10) years commencing from January 2, 2012 - the commencement date of the VAT 2011 Order. Thus, payment of Coupon is not subject to withholding tax while the proceeds realised from a disposal of the Bonds will not be liable to VAT. In relation to Bonds with a maturity date later than January 2, 2022, the Issuer may be required by law, to withhold tax on Coupon payments to the Holders that are corporate bodies. There is no limitation on the tax exemption in respect of Holders that are individuals. In addition, the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014 exempts (a) commissions earned on traded value of the shares, and (b) commissions payable to SEC, The NSE and the CSCS from VAT for a period of five years from the commencement date of the order i.e. 25th July, 2014. Accordingly, any commission payable to the CSCS, SEC or The Exchange in connection with Bonds will be exempt from VAT for a period of five (5) years from the commencement date of the order.
Negative Pledge	For as long as any of the Bonds remain outstanding, the Issuer shall not create any mortgage, charge, pledge, lien or any Encumbrance upon the whole or any part of its present or future undertaking, business, assets or revenues to secure any indebtedness, loans, listed bonds or other listed securities or any form of debt whatsoever.
Governing Law	The Bond Issuance Programme, the Trust Deed and related documents (the "Transaction Documents") will be governed by, and construed in accordance with the laws of Nigeria.

This Shelf Prospectus has been prepared by the Issuing House in connection with the ₦40,000,000,000 Bond Issuance Programme of the Issuer (pursuant to which the Issuer will issue Bonds with varying Maturities) for the purpose of giving information to the prospective investors in respect of the instruments and other securities described herein. The SEC has cleared this Shelf Prospectus and registered the securities listed herein.

This Shelf Prospectus contains certain statements, estimates and projections with respect to the future performance of the Issuer. These statements, estimates and projections reflect various assumptions by the Issuer concerning its anticipated future performance, which have been included solely for illustrative purposes. These statements, estimates and projections should not however, be relied upon as a representation, warranty or undertaking, expressed or implied, as to the future financial condition of the Issuer and actual occurrences may vary materially from the projected developments contained herein and/or the assumptions on which such statements, estimates and projections were based.

The receipt of this Shelf Prospectus or any information contained in it or supplied with it or subsequently communicated to any person does not constitute investment advice from the Issuing House to any prospective investor. Prospective investors should make their own independent assessment of the merits or otherwise of subscribing to the securities offered herein and should seek their own professional advice in connection with any prospective investment by them.

The members of the Issuer's Board of Directors individually and collectively accept full responsibility for the accuracy of the information contained herein and have taken reasonable care to ensure that the material facts contained herein are true and accurate in all material respects and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no material facts, the omission of which would make any material statement herein misleading or untrue. Additional information may be obtained through the office of the Issuing House as listed on page 12 of this Shelf Prospectus on any Business Day during the period of the respective opening and closing dates of the issuance of instruments under the Bond Issuance Programme, provided the Issuing House possess such information or can acquire it without unreasonable effort or expense.

Nothing in this Shelf Prospectus should be construed to mean that the Issuing House is bound to provide any information coming to their attention to any Bondholder or potential investors in the Bonds. Also, the Issuing House is not bound to advise any investor or potential investors on the financial condition or affairs of the Issuer during the life of the arrangement contemplated therein.

GENERAL NOTES

1) The Bonds are constituted by and under a Programme Trust Deed (the **"Trust Deed"**) dated 16 May 2017 between Dufil Prima Foods Plc (the "**Issuer**") and ARM Trustees Limited and Stanbic IBTC Trustees Limited (the "**Trustees**") as supplemented by the relevant Series Trust Deed between the Issuer and the Trustees. The Bondholders are entitled to the benefit of and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Series Trust Deed applicable to them. Copies of the Trust Deed are available for inspection at the offices of the Trustees at The Wealth House, Plot 1678 Olakunle Bakare Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos, Nigeria for Stanbic IBTC Trustees Limited and at 1, Mekunwen road, Off Oyinkan Abayomi Drive, Ikoyi, Lagos, Nigeria for ARM Trustees and at the offices of the Registrar as specified in the Pricing Supplement.

2) Any Series of Bonds which is to be created and issued pursuant to the Programme Trust Deed shall be constituted by, be subject to and have the benefit of a Series Trust Deed (the "Series Trust Deed") between the Issuer and the Trustees. The Issuer shall execute and deliver such Series Trust Deed to the Trustees containing such provisions (whether or not corresponding to any of the provisions contained in the Programme Trust Deed) as the Trustees may require. Each Series Trust Deed shall set out the form of the Series of Bonds to be so constituted thereby.

3) These Conditions include summaries of, and are subject to the detailed provisions of the Trust Deed and the relevant Series Trust Deed. The Bondholders are entitled to the benefit of and are bound by, and are deemed to have notice of, all the provisions of the Programme Trust Deed and the relevant Series Trust Deed applicable to them.

4) Words and expressions defined in the Trust Deed (as same may be amended, varied or supplemented from time to time with the consent of the Parties thereto) are expressly and specifically incorporated into and shall apply to these Conditions.

5) Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Trust Deed unless the context otherwise required or unless otherwise stated.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

Unless otherwise specified in any Supplementary Shelf Prospectus the Bonds shall be issued in registered form in denominations of ₦1000. Bonds issued under the Programme shall be fixed rate bonds only.

The Bonds may be issued in certificated form whereupon a Bond Certificate (each a Certificate) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the Register which the Issuer will procure to be kept by the Registrar. The Bonds may also be issued in uncertificated (dematerialised or book-entry) form, which shall be registered with a separate securities identification code with the CSCS.

1.2 Title

The holder of any Bond in certificated form, will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder.

Title to the Bonds held in certificated form shall pass only by registration in the Register while transfer of title to Bonds issued in uncertificated form shall be effected in accordance with the rules governing transfer of title in securities held by CSCS. In these Conditions, Bondholders and (in relation to a Bond) holder means the person in whose name a Bond is registered in the Register.

2. REPAYMENT

The principal on the Bonds will be repaid on the relevant Maturity Date or on an amortising basis in accordance with the terms of the relevant Series or such date as the Trustees in accordance with the Trust Deed declares the Bonds to have become immediately repayable, agreed in the relevant Series Trust Deed, on such Bonds.

3. REDEMPTION

3.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled, the Issuer will redeem the Bonds at their principal amount on such dates as specified in the Series Trust Deed.

3.2 Redemption prior to Maturity

3.2.1 Subject to the terms of the relevant Series Trust Deed, the Issuer shall be entitled at anytime to redeem any part of the Bond up to 25% (twenty-five percent) of the total Bond upon giving to the Bondholders whose Bonds are to be redeemed not less than three months' notice of its intention to do so, and at the expiration of such notice, the Issuer shall be entitled and bound to redeem the Bonds in respect of which such notice has been given. Provided that the approval of the Bondholders by an Extraordinary Resolution shall be required where the Bond to be redeemed exceed 25% (twenty-five percent) of the total Bond.

3.2.2 In the event of the Issuer at anytime determining to redeem part only of the Bond for the time being outstanding the particular quantum of Bonds to be redeemed shall be as proposed by the Issuer to the Trustees and the Bondholders.

3.2.3 Early redemption shall take place on such terms as shall be agreed in the relevant Series Trust Deed or on such terms as shall be determined by the Bondholders or the relevant Bondholder whose Bond is to be redeemed at 11a.m on the date set for redemption.

3.2.4 In the case of redemptions made under this Condition, not less than three (3) month's previous notice in writing of the date fixed for redemption shall be given by the Issuer to each Bondholder any of whose Bond is to be redeemed. Such notice shall state the amount of the Bond due for redemption and the condition under which such redemption is to be effected and shall name the date and place for redemption of such Bond and for delivery to the Issuer of the Certificate relating to the Bond.

3.3 Redemption for Taxation Reasons

The Bonds may be redeemed at the option of the Issuer in whole, or in part, if on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Bondholders (which notice shall be irrevocable) at their early redemption amount together with the Coupon accrued to the date fixed for redemption, if:

(i) the Issuer satisfies the Trustees and the Commission immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Nigeria or any political subdivision or any authority thereof or therein having power to tax (other than the expiry of the exemption in respect of the Bonds set out in the Companies Income Tax (Exemption of Bonds and Short Term Government Securities)

Order, 2011 in relation to Bonds with a maturity date later than January 2, 2022), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Series or Tranche of the Bonds; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustees and the Commission a certificate signed by two Directors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(iii) Such proposed redemption has been approved by the Bondholders by an Extraordinary Resolution.

Provided, however, that no such notice of redemption shall be given earlier than:

(a) where the Bonds may be redeemed at any time, 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or would be entitled (as such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities; or

(b) where the Bonds may be redeemed only on a Coupon Payment Date, 60 (sixty) days prior to the Coupon Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts or would not be entitled (or such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities.

4. PURCHASE OF BOND BY THE ISSUER

The Issuer may at any time and from time to time purchase any part of the Bonds through the market or by tender (available to all Bondholders alike) but not otherwise. Any Bond so purchased will be cancelled and will not be available for re-issue.

5. STATUS OF THE BONDS

The Bonds are direct and unconditional obligations of the Issuer as set out in this Condition shall constitute direct, unconditional and (without prejudice to Condition 6 below) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds and in respect of principal and any interest thereon shall at all times rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, present and future but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

6. COVENANTS BY THE ISSUER

6.1 Negative Pledge

For as long as any of the Bonds remain outstanding, the Issuer shall not create any mortgage, charge, pledge, lien or any Encumbrance upon the whole or any part of its present or future undertaking, business, assets or revenues to secure any indebtedness, loans, listed bonds or other listed securities or any form of debt whatsoever.

6.2 **Further Indebtedness**

For as long as the Bonds remain outstanding and save as provided in this Trust Deed, the Issuer may incur any other indebtedness for borrowed moneys provided that such further indebtedness shall not be in breach of Condition 6.1 above.

6.3 **Restriction on payments**

Save as provided in this Trust Deed, the Issuer shall not, without the prior written consent of the Trustees declare or pay any dividend in cash or otherwise or make a distribution (whether by way of redemption, acquisition or otherwise) in respect of its share capital if (i) an Event of Default or (ii) an event, which if not remedied within the relevant cure period specified in condition 18, would constitute an Event of Default has occurred and is continuing.

7. COUPON

If the Pricing Supplement so specifies, the Bonds of any Series will bear Interest from the Coupon Commencement Date at the Coupon Rate(s) specified in, or determined in accordance with, the Pricing Supplement and such Interest will be payable in respect of each Coupon Period on the Coupon Payment Date(s) specified in the Pricing Supplement. The Interest payable on the Bonds of any Series for a period other than a full Coupon Period shall be determined in accordance with the Pricing Supplement.

Interest on Fixed Rate Bonds

(a) The Fixed Rate Bonds (being those Bonds that specify the interest is payable at a fixed rate) shall bear Interest on the Principal Amount Outstanding at the rate of interest specified in the applicable Pricing Supplement from (and including) the Coupon Commencement Date specified in the applicable Pricing Supplement to (but excluding) the Maturity Date. Coupon shall be payable in arrears on the Coupon Payment Date in each year. The first payment of interest will be made on the Coupon Payment Date following the coupon commencement date (specified in the applicable Pricing Supplement) and, if the first anniversary of that Coupon Commencement Date is not an Interest Payment Date, the first payment of interest shall be as specified in the applicable Pricing Supplement.

(b) If the Maturity Date is not a Coupon Payment Date, interest from (and including) the preceding Coupon Payment Date (or the Coupon Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount. If interest is required to be calculated for a period of other than a full year, such interest shall be calculated on the basis of the actual number of days elapsed divided by 365 or such other method as described in the applicable Pricing Supplement.

8. PAYMENT MECHANISM

The structure and mechanism by which the Issuer will fulfill its payment obligation in relation to any Series i.e. principal and Coupon, shall be as set out in the relevant Pricing Supplement and/or Series Trust Deed.

9. CANCELLATION OF BONDS

Any part of the Bonds redeemed or purchased shall be cancelled and the Issuer shall not keep such Bond valid for the purpose of re-issue.

10. DELIVERY OF CERTIFICATE

If required by the Issuer every Bondholder whose Bond is due to be redeemed under these Conditions shall not later than the due date for such redemption deliver up his Bond Certificate to the Issuer or as the Issuer shall direct. If any Certificate so delivered up includes any Bond not then due to be redeemed the Issuer may endorse such Certificate with a memorandum of the date and amount redeemed and return it to the Bondholder or may cancel such Certificate and, without charge, issue to such Bondholder a new Certificate for the balance of the Bond held by him and not due so to be redeemed.

11. TRUSTS

11.1 Except as required by law or as ordered by a court of competent jurisdiction the Issuer will recognise the Bondholder of any Bond as the absolute owner of such Bond and shall not be bound to take notice or see to the execution of any trust whether express, implied or constructive to which any Bond may be subject.

11.2 The receipt by a Bondholder for the time being of any Bond (or in the case of joint Bondholders, the payment to the joint Bondholder whose name appears first in the Register) of the principal of such Bond or of any other money payable in respect of such Bond shall be a good discharge to the Issuer notwithstanding any notice it may have whether express or otherwise of the right, title, interest or claim of any other person to or in such principal, dividend or other money. No notice of any trust whether express, implied or constructive shall (except as provided by statute or as required by a court of competent jurisdiction) be entered on the Register in respect of any Bond.

12. FREEDOM FROM EQUITIES

Every Bondholder will be recognised by the Issuer as entitled to his Bond free from any equities, set-off or cross-claim on the part of the Issuer against the original or any intermediate holder of the Bond.

13. TRANSFERS

13.1 The Bond is transferable in amounts or integral multiples of an amount specified in the Series Trust Deed.

13.2 Transfers of the Bond shall be by an instrument in writing in any form the Issuer and the Trustees may approve.

13.3 If the Bonds are listed, the Bonds shall be transferred on the FMDQ in accordance with the rules and regulation of the FMDQ.

13.4 Every instrument of transfer must be signed by or on behalf of the transferor or where the transferor is a corporation, properly executed in accordance with its constitutional documents, and the transferor shall be deemed to remain the owner of the Bonds until the name of the transferee is entered in the Register.

13.5 Every instrument of transfer must be left for registration at the place where the Register shall for the time being be kept accompanied by the Certificate for the Bond to be transferred, such other evidence as the issuer may require to prove the title of the transferor or his right to transfer the Bond and (if the instrument of transfer is executed by some other person on his behalf) the authority of that person so to do.

13.6 All instruments of transfer which shall be registered will be retained by the Issuer.

13.7 Closed Periods: No Bondholder may require the transfer of a Bond to be registered during the period of 15 (fifteen) days ending on the due date for any payment of principal or Coupon on that Bond.

14. TRANSMISSION

14.1 In the case of the death of a Bondholder the survivor or survivors where the deceased was a joint holder and the executor or administrator of the deceased where he was a sole or only surviving holder shall be the only person recognised by the Issuer as having any title to such Bond.

14.2 Any person becoming entitled to any Bond in consequence of the death or bankruptcy of any Bondholder or of any other event giving rise to the transmission of such Bond by operation of law may upon producing such evidence of his title as the Registrars shall think sufficient, be registered himself as the holder of such Bond or subject to Condition 14 may transfer such Bond without himself being registered as the holder of such Bond.

15. METHOD OF PAYMENT OF PRINCIPAL MONEY, COUPON 15.1 Payment of the Principal, Coupon for the time being owing or due on all or any part of the Bond will be credited to the bank account nominated for this purpose by the Bondholder (or in the case of joint Bondholders) by the joint Bondholders or may be made by cheque /warrant drawn on a bank duly licensed by the Central Bank of Nigeria and sent by post to:

15.1.1 the relevant Bondholder at his registered address;

15.1.2 in the case of joint Bondholders, the joint Bondholder whose name stands first in the Register; or

15.1.3 such person or persons or to such address as the relevant Bondholder or all the joint Bondholders may in writing direct.

Provided that any payment for an amount above ₦10,000,000.00 (ten million Naira) shall be made through electronic payment transfer by credit into the bank account specified by the Bondholder. Where a Bondholder has not nominated any bank account or is discovered to have provided wrong account details and the amount is above ₦10,000,000.00 (ten million Naira), the Trustees shall notify the Bondholder, and pending the time the Bondholder provides the account details, shall withhold payment on such amount. For the avoidance of doubt, no interest shall accrue from the period commencing on date of notification to the Bondholder to the date on which the Bondholder provides the account details.

15.2 Every such cheque sent through the post will be sent at the risk of the relevant Bondholder or joint Bondholders and payment of any such cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the principal, interest and premium (if any) represented by such cheque.

16. RECEIPTS FOR MONEY PAID

If several persons are entered in the register as joint holders of any Bond, then the receipt of any of such persons for any Interest or principal or other money payable on or in respect of such Bond shall be as effective a discharge to the Issuer as if the person signing such receipt were the sole registered holder of such Bond.

17. WORN OUT/LOST CERTIFICATE

17.1 If any Bond Certificate is worn out or defaced then upon production of that Certificate to the Directors they may cancel that Certificate and may issue a new Certificate free of charge but the Issuer shall be entitled to retain such worn out or defaced Certificate.

17.2 If any Bond Certificate is lost or destroyed then (upon proof of this to the satisfaction of the Directors and on such terms as to evidence and indemnity as the Directors may deem adequate being given and the payment of any out-of-pocket expense of the Issuer in investigating such evidence and preparing the requisite indemnity) a new Certificate may be issued free of charge to the persons entitled to such lost or destroyed Certificate.

17.3 An entry as to the issue of the new Certificate and indemnity (if any) shall be made in the Register.

18. EVENTS OF DEFAULT

If any of the following events stated in this Condition 18 ("Events of Default") have occurred and are continuing at the expiration of the relevant time frame applicable to that Event of Default as set out below, the Trustees may at their discretion and upon request in writing by the Majority Bondholders present and voting at a special meeting duly convened for that purpose, give written notice to the Issuer at its specified office that the Bonds are immediately repayable whereupon the Principal Amount Outstanding on the Bonds together with accrued Coupon shall become immediately due and repayable.

18.1 Non-Payment

If the Issuer fails to pay any sums representing principal, interest and premium (if any) on the Bond or any fees or other sums as they fall due in accordance with this Trust Deed unless its failure to pay is caused by an administrative or technical error, and such payment is not made within 5 (five) Business Days of its due date ("Grace Period"). Provided however that where such non-payment is due to a Force Majeure event the Trustees may in their discretion (after consultation with the Issuer) determine that such Force Majeure event cannot be remedied within a reasonable period after the Grace Period and extend the Grace Period to a future date not exceeding 15 (fifteen) Business Days from expiration of the Grace Period.

18.2 Cross Default

If any Financial Indebtedness of the Issuer of a value exceeding ₦5,000,000,000 (five billion Naira) in aggregate (for the avoidance of doubt, any amounts being contested in good faith shall not be counted towards such value) is not paid when due or within any applicable grace period, or the Financial Indebtedness of the Issuer of a value exceeding ₦5,000,000,000 (five billion Naira) in aggregate is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described) and such event shall be certified in writing by the Trustee to be in its opinion materially prejudicial to the interest of the Bondholders.

18.3 Insolvency

If:

18.3.1 the Issuer is unable, for the purposes of CAMA, to pay its debts, or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness;

18.3.2 a Moratorium is declared in respect of any Financial Indebtedness of the Issuer, and such Moratorium is not discharged within 45 (forty five) Business Days after it was declared. Provided that the Issuer is able to show to the satisfaction of the Trustees within 10 (ten) Business days after such Moratorium is declared that it is in good faith negotiating for the lifting of the Moratorium; or

18.3.3 any corporate action or legal proceedings is concluded and judgment given against the Issuer in relation to:

18.3.3.1 a Moratorium of any Financial Indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer other than a solvent liquidation or any reorganisation of the Issuer;

18.3.3.2 the appointment of a liquidator (other than in respect of a solvent liquidation of the Issuer) receiver, administrator, administrative receiver or other similar officer in respect of the Issuer or any of its assets; or

18.3.3.3 any analogous procedure or step is taken in any jurisdiction, and such proceeding is not dismissed or terminated on or before the 90 (ninetieth) Business Day (which would exclude days on which Nigerian courts are on vacation) after the order is made or if any such dismissal or stay ceases to be in effect (or such longer period as the Trustee may permit) PROVIDED THAT the Issuer has within 20 (twenty) Business Days filed good faith legal proceedings in the relevant court for the order to be set aside, dismissed or stayed;

18.4 Cessation of Business

If the Issuer ceases to conduct all or substantially all of its business as is now conducted or changes all or substantially all of the nature of such business or merges or consolidates with any other entity without the prior written consent of the Trustees pursuant to Clause 7.7 of the Trust Deed.

18.5 Material Adverse Effect

If a Material Adverse Effect has occurred.

18.6 Enforcement Proceedings

If any distress, execution or other process shall be levied or enforced or sued upon or against any material assets of the Issuer and shall not be discharged, or stayed within 180 (one hundred and eighty) days of service by the relevant officer of the court of such attachment, execution or other legal process or if an encumbrancer shall take possession or a Receiver shall be appointed over any material assets of the Issuer and such event shall be certified in writing by the Trustees to be in their opinion materially prejudicial to the interests of the Bondholders PROVIDED THAT the Issuer has filed good faith legal proceedings in the relevant court for application for dismissal or stay within 10 (ten) Business Days of becoming aware of the order or action.

18.7 Breach of Other Obligations

If default shall be made by the Issuer in the performance or observance of any covenant, condition, provision or agreement including the representations and warranties, (other than any covenant for the payment of any sum owing on any part of the Bond) binding on it under this Trust Deed, or required by the Issue Documents to which it is a party or any other document delivered in connection with the Bonds, and the Issuer shall fail to perform fully or make good the breach of such covenant, condition, provision or agreement within 30 (thirty) days from receipt of notice in writing by the Trustees or in their opinion (or such longer period as the Trustees may reasonably permit).

18.8 Inaction or revocation of authorisation

If any action or condition (including the obtaining of any consent, approval or authorisation) now or hereafter necessary to enable the Issuer comply with its obligations under the Trust Deed for the issuance of the Bonds is not taken, fulfilled or done, or any such consent, approval or authorisation shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, resulting in the Issuer being unable to perform any of its obligations in terms of the Bonds or the Programme.

18.9 Nationalisation

Any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer.

19. NOTICES

19.1 Any notice or other document (including a Bond Certificate) may be given to or served on any Bondholder either personally or by sending it by electronic mail, by post in a prepaid envelope or delivering it addressed to him at his registered address or (if he desires that notices shall be sent to some other persons or address) to the person at the address supplied by him to the Issuer for the giving of notice to him.

19.2 In the case of joint holders of any Bond a notice given to the Bondholder whose name stands first in the Register shall be sufficient notice to all the joint holders.

19.3 Any notice or other document duly served on or delivered to any Bondholder under these conditions shall (notwithstanding that such Bondholder is then dead or bankrupt or that any other event has occurred and whether or not the Issuer has notice of the death or the bankruptcy or other event) be deemed to have been duly served or delivered in respect of any Bond registered in the name of such Bondholder as sole or joint holder unless before the day of posting (or if it is not sent by post before the day of service or delivery) of the notice or document his name has been removed from the Register as the holder of the Bond and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or claiming through or under him) in the Bond.

19.4 Any notice shall be deemed to have been served on the fifth (5th) day following that on which the letter containing the notice is posted and in proving such service it shall be sufficient to prove that the envelope containing the notice or the notice itself was properly addressed, stamped and posted. Any notice given by delivery otherwise than by post shall be deemed given at the time it is delivered to the address specified.

20. MEETINGS OF BOND HOLDERS

The rights and duties of the Bondholders in respect of attendance at meetings of Bondholders are set out in the Third Schedule of the Trust Deed (Provisions for Meetings of Bondholders). Decisions taken at Bondholders meetings may only be exercised by the Trustee in accordance with the Trust Deed or under these Conditions. For the avoidance of doubt, the Conditions of the Bond can only be amended with the consent of the Parties as that term is defined in the Trust Deed.

21. GOVERNING LAW

The Bonds are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

22. MODIFICATION OF TERMS OF THE DEED

22.1 Subject to the approval of the Commission, in addition and without prejudice to the powers of the Bondholders exercisable by Extraordinary Resolution, the Trustees may at any time without the sanction of an Extraordinary Resolution of the Bondholders concur with the Issuer in making any modification to this Deed as may be agreed between the Issuer and the Trustees where the Trustees are of the opinion that such modification will not be materially prejudicial to the interests of the Bondholders, or that the modification is intended to correct a manifest error or omission, that in their opinion, the modification is of a formal, minor or technical nature or that such modification is required to align the Trust Deed with the requirement of any Applicable Law(s). Any such modification shall be binding on the Bondholders and any such modification shall be notified by the Trustees to the Bondholders as soon as practicable.

22.2 The Issuer will not, without the prior written consent of the Trustees or an Extraordinary Resolution of the Bondholders, agree to any amendments to or any modification of, or waiver of the terms of any outstanding Bonds and will act at all times in accordance with any instructions of the Trustees from time to time with respect to any outstanding Bonds. Any such amendment, modification, waiver or authorisation made with the consent of the Trustees shall be binding on the Bondholders and, unless the Trustees agree otherwise, any such amendment or modification shall be notified by the Issuer to the Bondholders in accordance with Condition 19 (*Notices*).

22.3 No such consolidation, modification, alteration or addition shall impose any further payment on the Bondholders in respect of the Bonds held by them or any liability in respect thereof.

23. WAIVER OF DEFENCES

The obligations of the Issuer under this Trust Deed shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to release or otherwise exonerate the Issuer from its obligations under this Trust Deed in whole or in part, including, whether or not known to the Issuer or the Trustees:

a) any time, indulgence or waiver granted to or composition with the Issuer or any other person;
b) the taking, variation, compromise, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights, remedies or securities against the Issuer or any other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments; or
c) any legal limitation, disability, incapacity or other circumstances relating to the Issuer or any other person.

This section does not describe all the risks (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Bonds. The risks in this section are provided as general information only. Prospective investors should refer to, and carefully consider the risks described below and the information contained elsewhere in this Shelf Prospectus, which may describe additional risks associated with the Bonds.

An investment in certain Bonds may entail a risk of loss of all or a portion of the principal amount of the Bonds which is directly caused by fluctuation of interest rates; devaluation of the currency of issue; value of Bonds at a securities market; or other indices or by a change in the condition of business or assets of the party selling the Bonds to other parties. Also an exercise of an option or other right associated with certain Bonds or cancellation of a contract for sale of certain Bonds may be subject to certain time limitations.

The Issuer disclaims any responsibility for advising prospective investors of such risks as they exist at the date of this Shelf Prospectus or as such risks may change from time to time. Prospective investors should consult their own financial and legal advisers about the risks associated with an investment in the Bonds.

An investment in the Bonds involves certain risks, most of which may or may not occur and neither the Issuer nor the Issuing House is in a position to express a view on the likelihood of any such contingency occurring. Accordingly, prospective investors should carefully consider, amongst other things, the following risk factors together with all of the other information included in this Shelf Prospectus and any applicable Pricing Supplement before purchasing the Bonds.

1. RISK FACTORS RELATING TO NIGERIA

I. Political risks

These are risks related to political instability, security, religious differences and ethnicity in Nigeria. Over the past five years, there has been an increase in the number and frequency of attacks and cases of kidnapping across various parts of Nigeria.

Sectarian conflicts in the Middle Belt and Northern Nigeria continue to pose a threat to Nigeria's political stability. The intermittent crisis and insurgence of Boko Haram have been identified as major contributors to the regions' security challenges.

II. Security risk

President Buhari's administration has intensified efforts aimed at reducing the level of terrorist attacks by increasing military presence in North Eastern Nigeria. Rehabilitation programmes and funds are also being made available to displaced residents to hasten resettlement, as general business activities slowly resume in areas such as Adamawa. However, despite these improvements, the Nigerian military has not fully neutralised the threat posed by Boko Haram as sporadic attacks still occur in targeted areas of Northern Nigeria.

III. Economic risk

The Nigerian economy is largely dependent on oil sector and revenue derived from the oil sector, any change in oil production or global oil prices may have a wide reaching impact on all other sectors in the economy, the impact of the steady decline in oil prices from mid-2015 is evident within Nigeria as external reserves and foreign reserves have declined.

As a result of lack of foreign exchange liquidity in Nigeria, a number of manufacturing companies have had their ability to purchase raw materials impacted negatively leading to a decline in output. This has hindered the ability of such companies to service their loan facilities, thereby impacting the profitability of some banks and increasing their impairments.

The decline in oil prices has also negatively impacted the economy as a whole with the GDP growth rate slowing to 2.8% in 2015 against a GDP growth rate of 6.22% in 2014. In 2016, Nigeria officially slid into recession as GDP contracted to (2.06%) in real terms in Q2 2016 which represents a decline of 170 bps compared with to a contraction recorded in Q1 2016. Additionally, inflation continues to increase with inflation at 17.9% as at September 2016, compared to an average inflation rate of 9.6%

in 2015. Illiquidity of foreign exchange and the increase in prices could pose a difficult operating environment for manufacturing companies in the short to medium term.

2. RISK FACTORS RELATED TO BUSINESS OPERATIONS

I. Raw material risk

Prices for raw materials inputs may increase due to economic conditions or government policies. In the event of any such increase, the Group may not be able to pass on the entire cost increase to its customers or to fully offset the effects of the aforementioned cost increase through productivity improvements.

Continued price increases and/or adverse foreign exchange fluctuations could exert considerable pressure on the Issuer's profitability. The inability to pass the raw material cost increases to customers and/or adverse foreign exchange fluctuations could adversely affect its business, financial condition and results of operations.

II. Power supply risk

The infrastructure in Nigeria for imports of raw materials and distribution of finished product to end consumers is weak. In addition, power supply is erratic as power generation and transmission is insufficient to meet the demand of the country. In the event the Issuer faces delays in importing raw materials or extended disruptions to power supply, this may have a negative effect on operations and may adversely affect profitability

III. Competition risk

There is increased competition within the noodle manufacturing sub-segment of the consumer goods industry and this is likely to affect Dufil's market share and growth prospects.

IV. Regulatory risk

Dufil operates in a highly regulated environment which can be directly impacted by any material changes in policies or quality standards by the National Agency for Food and Drug Administration and Control (NAFDAC) or the Standards Organisation of Nigeria (SON). Dufil is also subject to other changes in laws and regulation. For example, those affecting tariffs or changes to government policy.

3. RISKS RELATED TO BONDS

I. Limited active trading market for the Bonds

Any Series or Tranche issued under the Programme will be new securities for which there may be no active two-way quote trading market, thus, the liquidity of the bonds may be limited. Although an application will be made for Bonds issued under the Programme to be admitted to the Official List of the FMDQ OTC PLC or any other SEC registered stock exchange (subject to the provisions of the applicable Pricing Supplement), there is no assurance that an active trading market will develop or any listing or admission to trading of the Bonds will be maintained. Accordingly, there is no assurance of the development or liquidity of any trading market for any particular Tranche/ Series of the Bonds.

II. Credit ratings may not reflect the full impact of the Bonds' risks

The Bonds will be assigned a rating by Global Credit Rating Co. The ratings are not a recommendation to prospective investors to buy, sell or hold securities and does not reflect all the risks related to structure, market, additional factors discussed above and any other factors that may affect the value of the Bonds.

III. Change in Issuer's Creditworthiness

Bonds issued under the Programme will be general obligation bonds backed by the creditworthiness of the Issuer. If a prospective investor purchases the Bonds, it is relying solely on the creditworthiness of the Issuer. In addition, an investment in the Bonds involves the risk that subsequent changes in the actual or perceived creditworthiness of the Issuer may adversely affect the market value of the Bonds.

IV. Early Redemption

The Bonds may be subject to early redemption. Therefore, Bondholders may face the risk that the Bonds will be redeemed before maturity in a falling interest rate environment, forcing the Bondholders to reinvest the proceeds at a lower rate of return.

TAX CONSIDERATIONS

By virtue of the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011 (“Order”) and the PITA, the interest earned by Bondholders are exempt from the income tax chargeable under the CITA, in the case of corporate Holders, and PITA, in the case of Holders that are individuals, respectively. The exemption granted under the Order is for a period of ten (10) years commencing from January 2, 2012 - the commencement date of the Order. While there is no similar limitation in respect of the exemption under PITA. Furthermore, the proceeds from the disposal of the Bonds are exempt from VAT imposed under the VAT Act by virtue of the Value Added Tax (Exemption of the Proceeds of the Disposal of Government and Corporate Securities) Order 2011 (“VAT 2011 Order”), and this exemption is valid for a period of ten (10) years commencing from January 2, 2012 - the commencement date of the VAT 2011 Order. Thus, payment of Coupon is not subject to withholding tax while the proceeds realised from a disposal of the Bonds will not be liable to VAT. In relation to Bonds with a maturity date later than January 2, 2022, the Issuer may be required by law, to withhold tax on Coupon payments to the Holders that are corporate bodies. There is no limitation on the tax exemption in respect of Holders that are individuals.

In addition, the Value Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order, 2014 exempts (a) commissions earned on traded value of the shares, and (b) commissions payable to SEC, The Exchange and the CSCS from VAT for a period of five years from the commencement date of the order i.e. 25th July, 2014. Accordingly, any commission payable to the CSCS, SEC or The Exchange in connection with Bonds will be exempt from VAT for a period of five (5) years from the commencement date of the order.

The summary is not intended, and should not be construed, to be tax advice to any particular Holder. Any prospective investor who is in any doubt as to his/her tax position or who is subject to taxation in any jurisdiction other than Nigeria should consult his/her own professional advisers without delay as to the consequences of an investment in the Bonds in view of his/her own circumstances. Neither the Issuer nor its advisers shall be liable to any Holder in any manner for placing reliance upon the contents of this section.

1. GENERAL OVERVIEW

Nigeria was the largest economy in Africa with GDP of US$476 billion in 2015

The Federal Republic of Nigeria is located in West Africa and has a total area of 923,768 km². With an estimated population of about 187 million in 2016, Nigeria is the largest country in Africa and accounts for 2.48% of the total world population and 51% of West Africa's population. Nigeria is the largest economy in Africa, and of the sub-Sahara African oil exporters, enjoys the most diversified economy. Agriculture employs the majority of Nigeria's workforce and represents about one fifth of the economy. The next largest sector is retail, wholesale and trade. The third largest sector is the crude petroleum and natural gas. The country also has a wide array of underexploited mineral resources which include natural gas, coal, bauxite, tantalite, gold, tin, iron ore, limestone, niobium, lead and zinc.

In 2014, Nigeria's GDP was rebased from US$264.5 billion to US$500.4 billion, making it the largest economy in Africa.

	Nigeria	South Africa	Angola	Ethiopia	Kenya
Nominal GDP (in USD bn, 2015)	476.6	312.8	121.8	61.3	61.3
Real GDP Growth (%) (2015)	2.7%	1.3%	3.0%	10.8%	5.4%
Population in millions (2016)	187.0	55.0	25.8	101.8	47.3
GDP per Capita (in USD, 2015)	2,727	5,702	4,848	683	1,386
Unemployment Rate (%)	12.1% (Q1 2016)	26.7% (Mar 2016)	6.8% (2014)	16.8% (2015)	9.2% (2014)
Inflation (2015)	9.6%	5.2%	14.3%	10.0%	8.0%
Sovereign Rating (Moodys/S&P)	B1/B+	Baa2/BBB-	B1/B	B1/B	B1/B+
Ratings Outlook (Moodys/S&P)	Stable/ Negative	Negative/ Negative	Negative/ Stable	Stable/ Stable	Stable/ Negative

Source: Moody's Sovereign Data dated 27 May 2016, World Bank Data Apr 2016, IMF World Economic Outlook, Apr 2016, Worldometers, National Bureau of Statistics Unemployment Report, Q1 2016

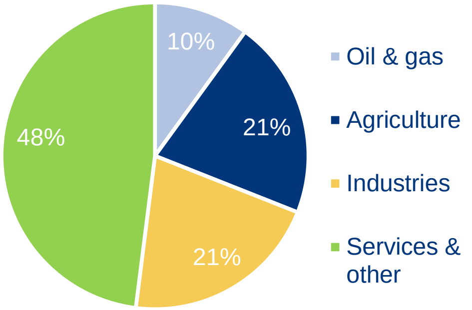
The country has experienced considerable economic growth (9% average) since its return to democratic rule in 1999 and subsequent adoption of market friendly economic policies. According to the Economist Intelligence Unit, Nigeria's GDP grew by 2.8% in real terms year-on-year in 2015 which is lower than growth of 6.3% in comparison to 2014. Growth in Nigeria is expected to be moderate in the foreseeable future with a projected real GDP growth of c.3.8% over the next five years.

The Nigerian economy, though seemingly diversified, has been highly dependent on the oil sector. Historically, oil revenues have accounted for 70% of government revenues and 92% of FX income for the government. In recent times however, Nigeria's economic growth has been impacted by the slump in the prices of crude oil globally. Prior to the decline in oil revenues, the country's GDP had increased from NGN73 trillion (USD461 billion) in 2012 to NGN90 trillion (USD569 billion) in 2014 at an average real GDP growth rate of 5.3%. In 2015, following the decline in oil prices by 54%, real GDP growth slowed to 2.9% with GDP at NGN94 trillion (USD477 billion).Government spending is principally reliant on the oil sector representing c.70% of government revenues and 95% of foreign exchange income.

2016 has seen a further decline in GDP. Nigeria's year-on-year GDP contracted to (2.06%) in real terms in Q2 2016 which represents a decline of 170 bps compared to a contraction recorded in Q1 2016 and also a decline of 441 bps when compared to growth recorded in the corresponding quarter in 2015. This is the slowest growth recorded since 2004 as lower oil prices continue to batter the Nigerian economy dragging government revenues down and weakening the Naira.

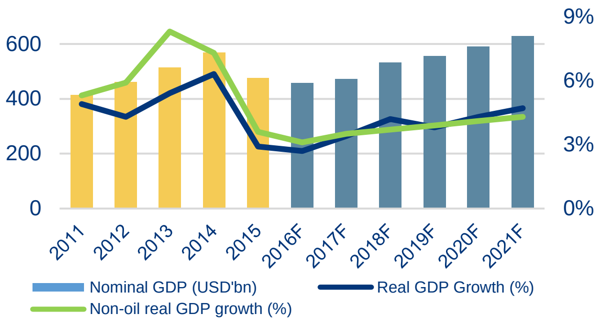
The economy has faced challenges since the decline in crude oil prices, prompting the government to focus on diversifying and generating non-oil revenues in 2016. The government has expressed commitment to investing in infrastructure and sectors that will support economic diversification in the long term, while minimising the growing fiscal deficit through a combination of revenue generation and savings policies (e.g. withdrawal of the domestic fuel subsidy, tax increases, and operational efficiency).

2015 GDP Structure



Source: National Bureau of Statistics

Nominal GDP (USD'bn) and growth rate (%)



Source: Business Monitor International, Economic Intelligence Unit

2. ECONOMIC OVERVIEW

Government policy has focused on improving decaying infrastructure and reforming key sectors which remain impediments to faster economic growth i.e. power, infrastructure and agriculture

Despite significant expected growth in the economy, Nigeria lacks stable power supply and adequate infrastructure leading to challenges in development of many sectors of the economy. Nigeria's National Integrated Infrastructure Master Plan (2014 – 2043) sets out a 30 year, US$3.1 trillion, action plan to address the nation's infrastructure challenges including power, and transport, amongst others. The aim of the plan is to raise the country's stock on infrastructure from its current level of 20-25% of GDP to 70% by 2043.

Understandably, power infrastructure is a high priority of Nigeria's competing developmental needs. It is estimated that the sector requires US$10 billion to restore the generation and distribution infrastructure in the next few years.

Reforms are critical for Nigeria to overcome the major structural challenges it faces, namely an overreliance on oil exports and a dearth of productive capacity. The reform drive is also expected to attract private sector capital into key sectors over the short-term.

President Muhammadu Buhari who became the first Nigerian presidential candidate to defeat an incumbent president after a peaceful election, has clearly communicated three key priorities – anti-corruption, security and the economy. More specifically – (i) Transparency in the oil and gas sector and particularly the public sectors involvement in the Nigerian National Petroleum Corporation (NNPC) (ii) To restore security to areas plagued by heightened insecurity; and (iii) To deliver employment and heavy economic growth.

Restoring strength to Nigeria's agriculture sector is a core component of the government's strategy for the economy. There is critical focus on restoring competitiveness in palm oil, cocoa, rice, cassava, sesame, kola nuts etc. which would drive rural incomes, GDP growth and employment. The expectation is an improvement in the balance of payments and reduced reliance on imported food products.

Interest rates, inflation and exchange rates

The Naira to US Dollar exchange rate has historically been sensitive to fluctuations in the price of crude oil. The NGN/USD rate remained relatively stable around N155/$1 - N160/$1 through 2009 and 2013. However, the exchange rate has come under pressure since June 2014 following the decline in oil price, leading the CBN to alter its management of the FX market in February 2015 by closing the Retail Dutch Auction System (RDAS) and instead intervening directly in the inter-bank market. As a result, the NGN/USD remained fairly stable at just below N200/$1 for the most part of 2015. As a result of further pressure on the Naira through, the CBN adopted a flexible exchange rate regime in June 2016, easing pressure on reserves and raising confidence in the FX market.

The Naira is currently trading at N305/$1 and N445/$1 at the inter-bank and parallel markers respectively. The significant margin between the official foreign exchange market and the parallel market stresses the current situation of tight dollar liquidity as well as the need to diversify Nigeria's oil and import dependent economy.

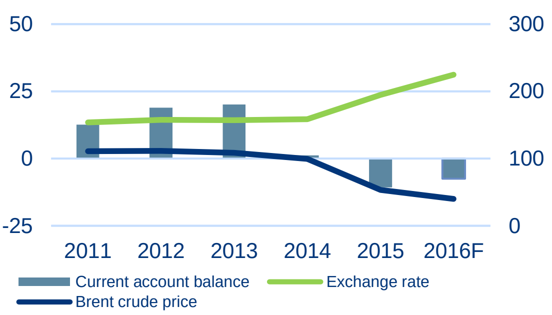
In order to mitigate foreign exchange shortages in the economy as well as stimulate macroeconomic activity, the new exchange rate policies adopted by the CBN is expected to facilitate a more liquid and efficient foreign exchange market. The CBN is anticipating the market driven exchange rate will bridge

the gap between the official and parallel market trading rate, therefore, improving efficiency in planning and resource allocation. While the introduction of the flexible exchange rate has further caused the Naira to devalue, it could also lead to a revival in local manufacturing as cheaper, locally produced substitutes will be heavily sought after. Additionally, a cheaper Naira it is expected to have a positive impact on foreign direct investment.

Over the years, a combination of tight monetary policies and modest wage growth have contributed to reduced inflationary pressure on the economy. Inflation has averaged 10.4% from 2007 till December 2015, reaching an all-time high of 15.6% in February 2010 and a low of 4.1% in September 2007. In line with the CBN's target, headline inflation rate remained within single-digits for over 2 years since January 2013.

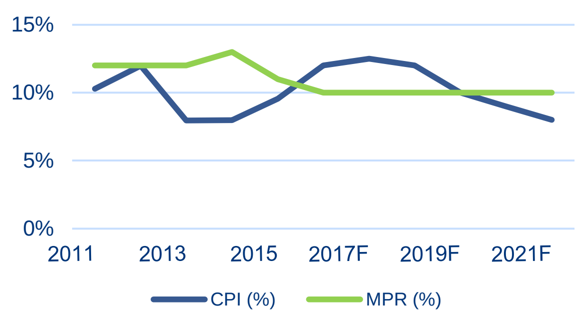
The inflation rate however accelerated in December 2015 with year-on-year inflation levels for headline inflation, core inflation and food inflation reaching 9.6%, 8.7%, and 10.6% respectively. The acceleration could be attributed to the significant increase in consumer prices on the back of tighter fuel supplies and exchange rate pass-through of the NGN devaluation and the removal of the fuel subsidy in Nigeria. These factors continue to impact the Consumer Price Index as year-on-year headline inflation as at September 2016 was 17.9%, up 1000bps from May 2016. The increase in headline inflation in September reflected increases in both food and core components of inflation.

Current account balance (USD'bn), exchange rate (NGN:USD) & oil price (USD)



Source: Bloomberg, Business Monitor International

CPI and policy interest rate



Source: Central Bank of Nigeria, Business Monitor International

Controlling inflation is a key monetary policy objective. The CBN maintained its benchmark monetary policy rate at 12% from October 2011 till November 2014 when it was increased to an all-time high of 13%. This prolonged tightening phase came to an end in November 2015, when the MPC adopted an aggressive easing stance and cut the benchmark interest rate by 200 bps to 11%, with an asymmetric corridor of -700bps/+200bps. This was in a bid to align monetary policy with the policies of the fiscal authority, which were geared towards stimulating output growth whilst ensuring price stability. In July, in a bid to curb increasing inflation due to high electricity tariffs and price hikes, the CBN increased the MPR rate by 200bps from 12% to 14%.

3. KEY DRIVERS OF ECONOMIC GROWTH IN NIGERIA

Drivers of growth	
Political reforms	▪ Muhammadu Buhari's impressive victory at the polls provides him a strong platform from which to implement his reform agenda ▪ Using its commanding majority in both the upper and lower houses of Nigeria's National Assembly and riding on post-election goodwill, the incoming government could make some progress on stated priorities such as petroleum industry reform, boosting fiscal accountability and reforming the power sector – Such reforms are critical for the country to overcome the major structural challenges it faces, namely an overreliance on oil exports and a dearth of productive capacity – President Buhari’s reform drive is still expected to attract private sector capital into key sectors
Rising consumer class	▪ The outlook for consumer-facing industries is enhanced by Nigeria's attractive profile where the population – the continent's largest – is young, growing and increasingly wealthy ▪ The telecoms and food and drink sectors, have performed strongly over recent years and is expected to continue as GDP per capita rises
Power and Manufacturing	▪ Nigeria’s consumer potential will presents vast opportunities for manufacturers of finished goods ▪ Development of the manufacturing sector will help Nigeria deal with chronic unemployment issues, which will mitigate political risk and give a further boost to the country's private consumption outlook
The oil sector	▪ The oil sector will contribute very little to economic growth over the forthcoming years, due to low crude oil prices and increased restiveness in the Niger Delta Region ▪ Nevertheless, the sector still accounts for the vast majority of fiscal and export revenues and will therefore be important to currency, price and general macro stability that are crucial for sustainable economic growth over the coming years
Agriculture reforms	▪ Agriculture contributed 21% to Nigeria’s GDP in 2015 ▪ Continued improvement in access to agricultural inputs over the coming years ahead will see yields rise and will boost the contribution of agriculture to GDP growth ▪ It will also increase the disposable income of the many Nigerians who rely on farming for their livelihood, which in turn will increase demand for consumer goods and services

4. POLITICAL OVERVIEW

The long term goal of the current political administration is to achieve lower oil dependency and develop a diversified, competitive and investment-driven economy. In achieving this, the administration is currently focused on three key themes:

- **Economic impact:**
    - Aim is to deliver sustainable economic growth and development
    - A key focus of the current administration is to drive growth in key sectors of the economy and to facilitate infrastructural development
    - An increase in capital expenditure of over 250% was provided for in the 2016 budget (NGN1.6trn from NGN557bn in 2015)
    - Policy goal of import substitution in agriculture and manufacturing to improve domestic productivity along the value chain and a renewed focus on social safeguards

- **Anti-corruption drive:**
    - Aim is to curb revenue leakages and create an effectual civil service
    - Focused drive to resolve the interlinked challenges of corruption, insecurity and economic underperformance through:
        - Reforming the opaque and mismanaged oil sector by revamping the Nigerian National Petroleum Corporation (NNPC)
        - Tightening leakages in key government ministries (Defense, Customs, Finance and Budget)
- **Security:**
    - Aim is to restore security to the areas plagued with unrest
    - The government has a defined objective of eliminating insurgency in the country's North East region
    - President Buhari's military experience, his strong support in northern Nigeria and his dedication to this challenge has seen the government deliver clear advances in the fight against armed militancy in the north
    - Emerging threats in the Niger Delta region receiving focused attention through negotiations with militant groups in the region who had recently resumed attacks on oil and gas facilities

1. GENERAL OVERVIEW

Nigeria is the most populous nation in Africa and the seventh most populous nation in the world, with an estimated 187 million people in 2015. Population growth is forecast to average 2.6% over the long term, with total population forecast to reach 207 million people by 2020. The World Bank estimates Nigeria having the world's fourth largest population by 2050.

The average age in Nigeria is 19.2 years and 62% of the population is below 25 years old. This youthful demographic profile compares favourably with an average age in excess of 25 in emerging markets as a whole. Nigeria is also experiencing rapid urbanisation as the economy moves away from an agrarian base towards a more service-oriented model.

The consumer goods sector, is one of the largest industries worldwide. Consumer goods are generally products that are purchased by consumers on a regular basis. Profit margins on these products are usually low for retailers, who try to offset this by selling large volumes.

According to the Economist Intelligence Unit (February 2016), Retail sales in Nigeria dropped to approximately US$126bn in 2015. Although still the largest retail market in Sub-Saharan Africa, it continues to suffer from various problems, including infrastructure issues, power outages and market fragmentation. However, retail volume sales picked up in 2015, mainly owing to population growth, rising average incomes and supportive government policies such as a street trade ban, which led to more customers visiting official retail outlets.

The consumer goods sector in Africa has significant scope to expand. Poverty levels in especially Sub-Saharan Africa (SSA) are still quite high, with food and other necessities dominating consumer budgets. For this reason, the food sub-sector of FMCG has a very large market to cater for, while penetration rates in the other categories still have significant room to expand.

Nigeria's growing young population and its continued economic growth has positioned it as not only one of the largest high-potential consumer markets in Africa, but also makes it a significant market in the West African sub-region and in the continent as whole. Foreign companies are beginning to recognize the potential of this country and have been taking strategic steps to establish their presence in the country.

Though the existence of a large market is crucial to the success of manufacturers of consumer goods, Nigerian consumption per capita for food and non-alcoholic beverages, consumer durables and non-durables, is on the whole well below its BRICS & MINT peers according to Euromonitor data. With increasing GDP and household disposable incomes, and an increasing section of the population of 187m currently under 25 years old (65%), Nigeria's average consumption levels should be one of the highest in Sub-Saharan Africa.

2. SEGMENTS

Food: The Nigerian retail segment remains dominated by informal trade, although this is quickly starting to change with the entry of supermarkets and the increase in the number of shopping centres. The US Department of Agriculture (USDA) notes that the major traditional foodstuffs consumed by the majority of Nigerians are predominantly unprocessed and/or semi-processed food. However, changes that are occurring with regard to purchasing power, demographics, lifestyles, and consumer preferences are resulting in increased demand for a wider range of products.

Wide-ranging reforms in Nigeria's agricultural sector are ongoing. These are centred on import restrictions to boost local production, better distribution of fertilisers, a scrapping of import duties on agricultural equipment, and easier access to credit for farmers. Though the policy of restricting imports is meant to support local production, farmers have been unable to satisfy demand, resulting in shortages and causing headaches for grocers.

Beer: Nigeria is Africa's largest alcohol consumer according to Deutsche Bank Market Research. Based on sales of the world's largest distiller – Diageo – on the continent, the country accounts for around 36% of Africa's formal alcohol market.

Despite the strong long-term outlook, the Nigerian beer industry is going through a tough period at present due to an increase in the cost of living, as well as distribution pressures stemming from security concerns. In particular, the demand for premium and mainstream brands declined to the benefit of lower priced brands.

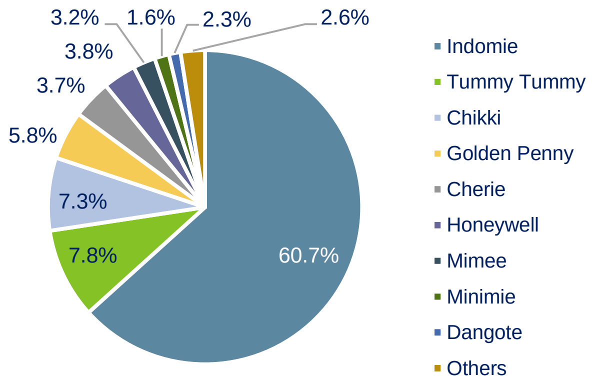
Personal Care: The Nigerian personal care sector is dominated by international brand names. According to Euromonitor International, mature personal care categories such as general purpose body care and lip gloss continued to grow rapidly in 2012. Even stronger growth was seen in developing categories such as shower gels, men's deodorants, and women's razors.

While demand for the basic products is mainly expected to be driven by population growth, the other categories will rely on increases in disposable income. Hair care products are generally considered to be more essential than many other categories of personal care, and as such, it has performed well in Nigeria over the past decade, driven by the growing young working female population. Other factors that have supported the sector's performance are the rise of the internet, and the growing number of Western style shopping centres in the country.

Home Care: Growth in Nigeria's home care sector is expected to be robust over the medium term, as consumers continue to switch from (cheaper) general substitutes to products that are task-specific (e.g. switching from using a bar of soap to clean various household items to using different products to fulfil different needs), in line with rising incomes. Other factors driving this market include urbanisation and increased home ownership.

3. KEY PLAYERS WITHIN THE NOODLES SEGMENT

The noodles segments of the Nigerian consumer goods sector had an estimated market size of c. 310K MT in 2015, this is expected to increase to c. 347K MT by the end of 2016, representing a 12% year-on-year increase. The noodles segment is highly concentrated with c. 85% dominated by four major players as indicated below;



Source: Dufil Prima Foods PLC Research

<u>Key Players in the Industry</u>

Dufil Prima Foods PLC:
Began operation in 1996 and was the first noodle manufacturer in Nigeria

Tummy-Tummy Foods Ind. Ltd:
Commenced operation in 2009 and produces two variants of its instant-noodle product

Chikki Foods Industries Limited:
Commenced operation in 2005 and produces two variants of its instant-noodle product

Golden Penny Noodles:
Commenced operations in 2010 and offers three flavours of its instant noodle

4. FACTORS INHIBITING THE GROWTH ON NIGERIA'S CONSUMER GOODS INDUSTRY

1. Income inequality: Income inequality has grown over the past 20 years, up 23% since 1990, according to World Bank data
2. Infrastructural development: Poor infrastructural development has made the delivery of certain goods a challenge, thereby elevating the cost of living and constraining discretionary spending
3. Unemployment: The high rate of unemployment in the country and the slow pace of job creation in the has had a direct impact on disposable income which directly affects FMCG companies
4. Relative value of the Naira: A devaluation of the Naira has led to the drastic increase in cost of imported goods
5. Small manufacturing sector: There is currently a difficulty to source products locally due to size of the Nigerian manufacturing sector
6. Security risks: Security risks in Northern Nigeria has led to many consumer good companies losing significant revenue from those regions
7. Decline in government revenues due to the drastic reduction in crude oil prices

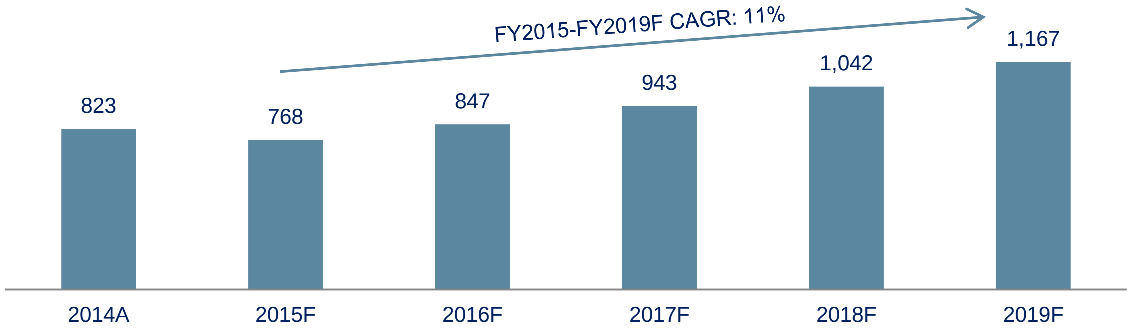
5. KEY DRIVERS OF GROWTH IN THE NIGERIAN CONSUMER GOODS INDUSTRY

Drivers of growth	
Large market size	▪ Typically, the existence of a large market is crucial to the success of the consumer goods industry ▪ With Nigeria's population size by far the largest in Africa, the country has the market to sustain a continuous demand for consumer goods
Rising urbanisation levels	▪ With Nigeria's increasing urbanisation rate, it is important that the quality of infrastructure in urban areas improves in order to cater for the influx of people ▪ Job creation also becomes a necessity in instances of rapid urbanisation, to ensure that per capita spending power remains at a sustainable level
Improved infrastructural development	▪ A growth in the consumer goods industry is also affected by the level of development of basic infrastructure. ▪ Infrastructural development is affected by several factors including: – The capacity and willingness of the government to invest in infrastructure; – The willingness of the government to allow private sector participation in the provision of infrastructure; and – The availability of incentives to multinational companies to aid foreign investment and in turn, corporate social responsibilities that will help develop the country's infrastructure
Development of related industries	▪ Several industries are key for the development of the consumer goods sector in Nigeria ▪ The level of development of the agricultural and manufacturing sectors of the economy directly affect the output of companies in the consumer goods sector ▪ With weak distribution channels in Nigeria, retailers typically opt for developing vertical integration channels
Spending power	▪ The trend in income levels in key in determining what type of consumer goods are to be offered to any specific market ▪ Retailers would overtime want to benefit from shifts in consumer spending patterns, as they move up the income chain, so a high growth market like Nigeria, is always preferable
Buying habits	▪ As consumer goods are generally similar within categories, companies most times are competing on the basis of price. In a market like Nigeria in which fierce competition exists, margins are squeezed to the minimum levels ▪ Companies will have to leverage on their brand names and publicity strategies to ensure that their products are continuously patronized by the market

6. OUTLOOK

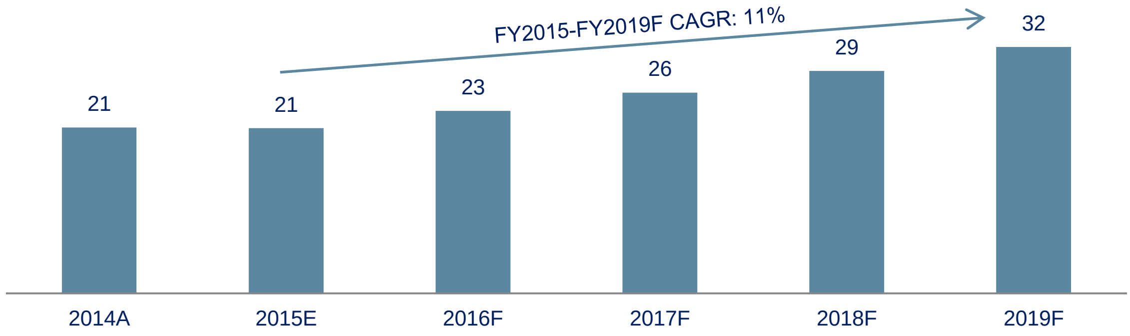
Growth within the consumer goods sector is expected to decline in 2016 but will gradually recover from 2017 onwards, this is largely due to currency weakness and an expected slowdown of the economy as oil prices continue to fall and exchange rates remain volatile. Beyond 2017, sales growth in Nigeria is expected to remain robust over the long term, supported by Nigeria's large and youthful population as well as expected further growth in population. This along with a growing middle class with increased disposable income boasts an attractive profile for consumer-facing industries.

Net income per household (N'bn)



Source: Business Monitor International

Food sales (N'bn)



Source: Business Monitor International

It is expected that price-conscious consumers will shift food expenditure towards more economical goods while reducing non-essential higher-value purchases. Staple foods such as noodles, rice, pasta and bread will be the outperformers in the near term as they are more resilient in the face of accelerating food prices. Favourable demographics will continue to prop up the food industry throughout the forecast period analysed.

1. HISTORY AND PROFILE

Dufil Prima Foods PLC is Nigeria's pioneer, foremost and largest producer within the noodles segment of the consumer goods industry. Dufil also engages in the manufacturing of other complimentary products for its noodle product, such as flour, seasoning, oil and flexible wrappers. The Group as it is known today was incorporated in 2001 and owned the first noodles manufacturing plant in Nigeria and the largest in West Africa at the time.

Dufil is engaged in the production and marketing of Instant noodles, and other consumer goods such as Power Oil, Pure Flour, Minimie Chinchin and Power Pasta. Through its instant noodles brand, which has a market share of over 63%, Dufil has become one of the most recognised consumer goods companies in Nigeria.

Dufil, via its flagship noodle product Indomie, has grown to be a household name in Nigeria and in West Africa due to its consumer centric culture and extensive distribution network. The Group's expansion has been marked by significant milestones such as the production of one million cartons of noodles per month in 2004, just eight years after production commenced as well as the production of the one billionth pack of noodles in 2009. The Group has an established track record of consistent and sustainable growth and has contributed significantly to the growth and development of the Nigerian economy through its contribution towards job creation and gross domestic product. Dufil currently has over 3,000 employees in various locations pan Nigeria.

Dufil operates three noodles factories, the first in Ota commenced operations in 1996 and has a total production capacity of c. 74K MT per annum. This was followed by the second factory in Port Harcourt which was set up in 2004 and has a total production capacity of c. 104K MT per annum and the third and its most recent; a state-of-the-art automation noodle manufacturing factory commissioned in Kaduna in 2011 which has a total production capacity of c. 80K MT per annum. The Group also operates six other factories producing goods to complement the Group's key product (Indomie) as well as other products such as Power Pasta and Minimie Chinchin. The Group has a growing export business which commenced with the exportation of the Issuer's Instant Noodle product to Ghana in 2006.

2. GROUP STRUCTURE

Dufil is a joint venture between Tolaram Africa Foods Pte Limited (Tolaram Group) and Platinum Streams Profits Limited & Benetta Enterprises Inc. ("**Platinum Group**"), two international business groups with corporate headquarters in Asia. Tolaram Group is based in Singapore with diversified activities ranging from its core business of manufacturing of consumer products and textiles to trading and real estate. In 2008, the Group was reorganised into a holding company structure and currently has six wholly owned subsidiaries. The figure below depicts the current group structure.

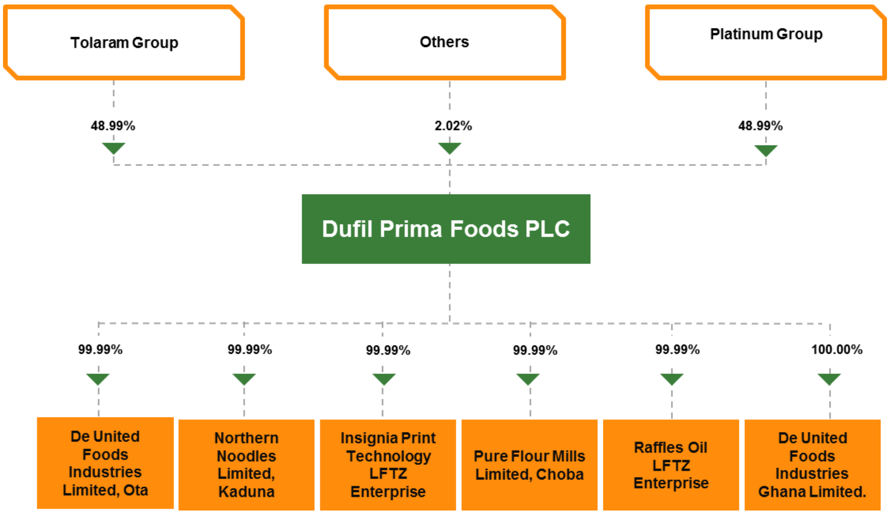


Figure 1: Dufil Prima Foods PLC Group Structure

3. SUBSIDIARIES

De United Foods Industries Limited, Ota ("De United Foods")

De United Foods was incorporated in 1993 as a joint venture between Tolaram Group and PlatinumGroup as the first instant noodles manufacturing plant in Nigeria and the largest in West Africa at the time. The seasoning division commenced operations in 2009 and features a fully automated packaging plant with the objective of catering to Dufil's seasoning requirements.

Northern Noodles Limited, Kaduna ("Northern Noodles")

Northern Noodles Limited commenced operations in 2011 as the first ever fully automated noodles manufacturing plant in Nigeria. The company was set up to serve the North and Central regions of Nigeria.

Insignia Print Technology LFTZ Enterprise ("Insignia")

Insignia commenced operations in 2009 at Lagos Free Trade Zone, Lekki, Lagos and represents Dufil's first initiative towards backward integration. Insignia produces and provides flexible packaging solutions to products manufactured by Dufil. Insignia Print also provides flexible packaging solutions for external clients who produce well known household items such as Dano Milk, Nestle and Soklin. Insignia's goal is to provide customers with flexible solutions that will protect and extend shelf life in an attractive consumer design manufactured with international quality standards.

Pure Flour Mills Limited ("Pure Flour Mills")

Pure Flour Mills commenced operations in 2012 in order to cater the flour needs of the Group. In that same year the pasta division was launched as a first step towards product diversification. Power Pasta was launched in order to stand tall within the spaghetti market as only quality American wheat is used in the production process.

Raffles Oil LFTZ Enterprise ("Raffles Oil")

Raffles Oil, another backward integration initiative, commenced operations in 2013 at the Lagos Free Trade Zone. The company caters to the vegetable oil needs of the Group as well as the Nigerian retail market. Power Oil, was launched to provide Nigerians with a healthy, hygienic value-for-money product which ultimately helps lower cholesterol.

De United Foods Industries Ghana Limited ("De United Foods")

De United Foods Industries Ghana started in 2013. The company was set up to market and distribute the Issuer's noodle products in Ghana. The establishment of the subsidiary in Ghana provides the opportunity for Dufil to expand its geographical footprint, diversify the Group's customer base and further mitigate against FX challenges in Nigeria due to enhances foreign exchange revenue.

4. BOARD OF DIRECTORS

The Board of Directors of Dufil consists of five non-executive directors and two executive directors. A brief profile of the directors is presented below:

Harkishin Aswani - Chairman

Mr. Harkishin G. Aswani serves as Chairman of the Board of Directors and was appointed to the Board in 2002. Mr. Aswani has been with Tolaram Group since 1984 and has in the past successfully established trading, industrial and manufacturing companies including key joint ventures with Asian companies. Mr. Aswani has been an Honorary Consul-General for Singapore in Nigeria since 2006 and he was also conferred the prestigious National Honour of MFR (Member of the Order of Federal Republic of Nigeria) in 2006. Mr. Aswani obtained a Bachelor's degree in Business Administration from University of Houston, Texas in 1984.

Deepak Singhal, Managing Director / Chief Executive Officer

Mr. Deepak Singhal is the Chief Executive Officer of Dufil. He was appointed to the Board of Directors in 2008. He has worked for Tolaram Group of Companies for 16 years and grew through the ranks within the organization. In his career, he has held various senior positions including, Chief Operating Officer (COO) of Tolaram Group and Multipro Enterprises Limited. He is also the Africa CEO of Tolaram Group of Companies. Prior to his appointment at Tolaram Group, he worked for Unilever, India. He graduated from St. Xavier's College, Calcutta University, India in 1997 and holds a Chartered Accountant Degree. He is also an Associate Member of the Institute of Company Secretaries of India.

Adhi Narto, Executive Director / Chief Operating Officer

Mr. Adhi Narto is the Chief Operating Officer of Dufil, and is in charge of the operations of the Group. He has worked for Salim Group of companies for 5 years. Mr. Adhi Narto joined the Group in 2001 as a Project Manager and later became Factory Manager of the Port Harcourt Plant. He was appointed Head of Manufacturing in 2005 and later became the Chief Operating Officer in 2007. He was elevated to the Board of Directors in 2008. Mr. Narto has over 20 years professional experience in various segments of the food business value chain including supply chain management, quality assurance, project management and operations. Mr Narto obtained a Bachelor's Degree in Civil Engineering in 1993 and a Master's Degree in Industrial Management from Bandung Institute of Technology, Indonesia in 1995.

Dr. Joseph Oladele Sanusi. CON, Non-Executive Director

Dr. Joseph Oladele Sanusi, CON serves as Non-Executive Director and was appointed to the Board in 2008. He previously served as Managing Director and Chief Executive of United Bank for Africa Plc, from 1990 to 1992. Dr. Sanusi also served as Deputy Manager of CBN from 1966 where he rose to the post of a Departmental Director in 1977, after which he served as first Chief Executive of SEC in 1978. Dr. Sanusi has held top-level management and directorship positions in the financial services sector including First Bank of Nigeria Limited (formerly First Bank of Nigeria Plc), United Bank for Africa Plc, FBN (Merchant Bankers) Limited and Kakawa Discount House. He has been a Director of Lafarge Africa Plc since October 7, 2004 and also served as the Chairman of CBN and as the apex bank’s Governor between 1999 and 2004. Sanusi is an alumnus of South-West London College and Kingston College of Technology, England and is also a qualified Chartered Accountant. In 1969, he became a member of the Institute of Chartered Accountants of Nigeria (ICAN) and became a fellow of the Nigerian Institute of Bankers in 1987.

Sajen Aswani, Non-Executive Director

Mr. Sajen G. Aswani is a Non-Executive Director at Dufil and was appointed to the Board in 2002. He has been the Group Chief Executive Officer at Tolaram Group since 2000. Mr. Aswani joined Tolaram Group in 1984, and was responsible for developing and managing industrial and trading operations in Asia, Europe and the African continent. He also successfully led a major restructuring effort for the Group. He currently serves as a member of the Resource Panel, SINDA, Director of the Family Business Network Asia, adviser to the Business Families Foundation and a member of Nanyang

Business School Industry Advisory Council. Mr. Aswani has a Bachelor’s degree in Economics from University of London and a Master's degree in Management Science from Imperial College, London, obtained in 1983 and 1984 respectively.

Axton Salim, Non-Executive Director

Mr. Axton Salim was appointed to the Board in 2006. He began his career with Credit Suisse Singapore in the Investment Banking Division and he has worked for Salim Group of companies for 12 years. Mr. Salim received a Bachelor of Science in Business Administration from the University of Colorado, USA in 2002.

Kasim Rusmin, Non-Executive Director

Mr. Kasim Rusmin was appointed to the Board of Directors in 2013. He has worked for Salim Group of Companies since 2012, Mr. Kasim was Director and Head of Corporate Finance of PT DBS Vickers Securities Indonesia from 2005 to 2009 and was Director and Head of Corporate Finance of PT ING Securities Indonesia until 2004. Mr. Kasim holds a Master's degree in Business Administration from the University of Portland in Oregon, United State of America and a Bachelor's degree in Finance from the Oregon State University in Oregon, United State of America.

5. BRAND PORTFOLIO

Indomie Noodles

The chicken flavour was initially introduced into the Nigerian market in 1988 by Tolaram Group. The chicken flavour has been widely accepted by the Nigerian public due to Its mildly spicy flavour and its success encouraged the introduction of numerous product variations. The chicken flavour is available in 70, 100, 120, 200 and 305 gram packets.

The onion chicken flavour was the second flavour to be introduced into the Nigerian market in 2000. The onion chicken flavour is popular for its exotic taste and when cooked together with the seasoning sachet, gives a nutritious and irresistible serving, rich in taste and aroma. The onion chicken flavour is available in 70, 120 and 200 gram packets.

The pepper chicken flavour was launched in 2010 and 2012 in Nigeria and Ghana respectively. This flavour brings together a mouth-watering combination of chicken flavour, spices and red chilli peppers. The pepper chicken flavour is available in 70, 100 and 120 gram packets.

The oriental fried noodles flavour was launched into the Nigerian market in 2012 and offers a variety of spices and an assortment of vegetables. The oriental fried noodles flavour is available in 70, 100 and 120 gram packets.

Other products

Pure Flour was introduced in 2012 in order to supply flour to Dufil noodle factories as well as external customers. Pure Flour is available in 5kg and 50kg packets.

Power Pasta was introduced into the Nigerian market in 2012 and is a high quality spaghetti brand which is known for boosting energy after consumption as only the finest American wheat is used in its production. Power Pasta is available in 500 gram packets.

Power Oil was introduced into the Nigerian market in 2013 as a healthy cooking oil product which contains no cholesterol and no trans-fat. Power Oil is a money-for-value product that provides a healthy, hygienic and quality cooking ingredient option. Power Oil is available in 120ml sachets, 750ml bottles and 3 litre bottles.

Minimie Chinchin was introduced into the Nigerian market in 2014 and is sold in a distinctive and consumer friendly pack. Minimie Chinchin provides a quality, nutritious and hygienically prepared Ready-to-Eat snack for the mobile consumers. Minimie Chinchin is currently available for purchase in 30, 60 and 120 gram packets.

6. PRODUCTION PROCESS

The production process of noodles involves seven core stages: mixing, sheeting, steaming, cutting, frying, cooling and packaging. The final stage includes packaging and sealing with the packets of noodles boxed in cartos for distribution and sales.

7. QUALITY CONTROL PROCEDURES

Dufil has a reputation for producing high quality food products in Nigeria. This is brought on by a robust production process which includes quality control procedures at each major step, including mixing, dough preparation and packing and sealing. The Group's production plants operate to the highest level of hygiene and efficiency with strict adherence to good manufacturing practices and good laboratory practices to ensure consistency of product quality.

All the Group's products are registered with NAFDAC, attesting to their suitability and safety for human consumption. In 2008, NAFDAC awarded Dufil with an award of excellence for being one of the most regulatory compliant organisations in Nigeria. All of the Group's products are certified by the Mandatory Conformity Assessment Programme put in place by the Standards Organisation of Nigeria, this demonstrates Dufil's regulatory compliance and conformity with Nigerian industrial standards respectively.

NAFDAC Registration Number for Dufil's Products

Product Name	Size	NAFDAC No.
Indomie Instant Noodles Chicken Flavor	70G, 120G & 210G	01 - 0877
Indomie Instant Noodles Onion Chicken Flavor	70G & 120G	01 - 3614
Indomie Instant Noodles Pepper Chicken Flavor	70G & 120G	A1 - 4168
Indomie Oriental Fried Noodles	70G AND 120G	B1 -1306
Power Pasta Spaghetti	500G	B1 - 4390
Pure Prima Flour	50KG	B1 - 3796
Pure Fresh Atta	5KG	B1 - 6506
Pure Prima Semolina	10KG & 5KG	08 - 1634
Power Oil Sachet	140ML& 120ML	B1 - 7913
Power Oil Plastic Can	75CL & 1LITRE	B1 - 8258
Minimie Chinchin Sachets	30G, 60G, 120G, 240G	08 - 0886

Dufil obtained the internationally recognised Quality Management System ISO 9001:2000 certification in 2007. The organisation that believes in continual improvement, has already obtained the ISO

22000:2005 certification. The ISO 22000:2005 certification is for companies that operate within any part of the food chain. It is based on the Hazard Analysis & Critical Control Point System (HACCP) principles of food safety risk management and includes the use of pre-requisite programmes to make a safe food supply.

This unwavering commitment to strict quality control systems and procedures has resulted in an enduring favorable customer perception of the "Indomie" brand of instant noodles in Nigeria.

USE OF PROCEEDS

Unless otherwise stated in the applicable SSP/Pricing Supplement, the net proceeds from each issue of the Bonds will be used to refinance existing bank loans of the Group and partly finance capital expenditure.

The applicable SSP or Pricing Supplement for each Tranche or Series will specify details of the use of proceeds of the particular Tranche or Series.

EXTRACT FROM THE ISSUER'S RATING REPORT

The following information is an extract from the rating report prepared by **Global Credit Rating Co**

GCR GLOBAL CREDIT RATING CO.
Local Expertise • Global Presence

Dufil Prima Foods Plc.

Nigeria Corporate Analysis **June 2016**

Rating class	Rating scale	Rating	Rating Outlook	Expiry date
Long term	National	A-(NG)	Stable	May 2017
Short term	National	A2(NG)		

Financial data:

(USD'm comparative)

	31/12/14	31/12/15
N/USD (avg.)	165.1	197.9
N/USD (close)	182.6	198.9
Total assets	323.0	302.2
Total debt	231.2	204.8
Total capital	49.6	51.4
Cash and equiv.	4.8	6.3
Turnover	543.4	524.9
EBITDA	98.6	40.5
NPAT	65.1	6.8
Op. cash flow	33.3	26.0

Market share; noodles (63%), oil (14%)
Market cap n.a

Dufil Prima Foods Plc ("Dufil", "the group" or "the Company")

Rating history:

Initial/New rating (June 2016)
Long term: A-(NG)
Short term: A2(NG)
Rating Outlook: Stable

Related methodologies/research:

Criteria for rating corporate entities (updated February, 2016)
Glossary of terms/ratios, February 2015

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Committee Chairperson:
Dave King
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Summary rating rationale

- Dufil is a longstanding player in the rapidly growing consumer food sector, with its estimated 63% market share in the noodles segment and rising presence in the cooking oil segment. This has been aided by its well-structured marketing base and an effective distribution network, making it one of the most prominent consumer product brands in the country. Dufil's position is further enhanced by the support of major shareholders.
- Notwithstanding the challenging operating environment, Dufil has reported a robust five-year compound annual growth rate ("CAGR") of 26% in revenue. Growth has largely been driven by rising production and higher traded volumes, with several new factories becoming operational over this period. Nevertheless, revenue advanced by a slower 16% to N103.9bn in F15 (F14: 32%), before dipping by an annualised 10% at end-May 2016 ("YTD16"), reflecting the weaker trading environment.
- Scale economies from higher volumes has seen a consistent rise in profitability over the years, with gross and operating margins peaking at 27.6% and 15.6% respectively in F14. However, F15 profitability was severely affected by the devaluation of the Naira, which made imports more expensive, whilst marketing and administrative spend was increased to combat the weaker consumer environment. Combined with high industry competition, which forced Dufil to absorb the additional costs in order to maintain market share, the operating margin fell to a period low 5.4%, with operating income registering at N5.6bn (F14: N14bn).
- As Dufil's cash conversion cycle extends for four-five months, the rapid expansionary activity has necessitated large working capital absorptions in most years. Nevertheless, since F13, cash flow from operations has been sufficient to cover capex costs, although, large cash outflows related to dividends have been reported. As a result, capex and high working capital requirements have necessitated debt funding, albeit that Dufil withheld its dividend in F15 in light of projected funding requirements.
- The reliance on borrowings to fund both expansion and working capital has seen gross debt rise from N14.2bn at FYE11 to N40.7bn at FYE15 and N47.5bn at YTD16. Consequently, gearing metrics are high (prevalent in the industry), with net gearing peaking at 457% at FYE14, before reducing to 386% at FYE15, whilst net debt to EBITDA deteriorated to 493% (FYE14: 254%), although the material improvement in F16 is noted.
- Liquidity concerns have been exacerbated by the devaluation of the Naira, and the resulting increase in short term debt, which comprises a high portion of USD import facilities. This saw a spike in interest in F15, and a decline in interest coverage to just 1.3x, compared to firm coverage previously.
- Prospects for the Nigerian economy are mixed, given the challenging macroeconomic environment and weaker currency. However, government efforts to stimulate broader growth and long term demographic trends are favourable for food companies, with Dufil well positioned to benefit.

Factors that could trigger a rating action may include

Positive change: An upgrade is unlikely in the medium term; any further rating action would be dependent on significant growth in earnings, accompanied by a material improvement in current gearing metrics

Negative change: Earnings underperformance combined with further deterioration in gearing and other credit protection metrics could likely lead to a rating downgrade.

GLOBAL CREDIT RATING CO.

Indomie® Instant Noodles
Tasty Nutrition, Good for you

DUFIL PRIMA FOODS PLC. RC: 438802

Corporate Office: 44, Jimoh Odutola Street, Off Eric Moore Road, Surulere, Lagos, Nigeria.
Factory: Uniport Road, Choba, Port Harcourt, Rivers State, Nigeria.

31/1/17

CHIEF (MRS) NNENNA EJEKAM NOTARY PUBLIC

20th January 2017

The Directors
Stanbic IBTC Capital Limited
I.B.T.C Place
Walter Carrington Crescent
Victoria Island
Lagos

Dear Sirs

CONFIRMATION OF THE GOING CONCERN STATUS OF DUFIL PRIMA FOODS PLC

The Directors of Dufil Prima Foods Plc ("Dufil" or the "Issuer") are required to prepare financial statements at the end of each financial period, which give a true and fair view of the state of affairs, and of the profit or loss of the Issuer. They are also responsible for maintaining proper accounting records and for taking reasonable steps to prevent and detect fraud as well as other irregularities. The Directors are also responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and reasonable.

The applicable International Financial Reporting Standards (IFRS) have been followed and the Issuer's financial statements are prepared using accounting policies, which comply with the requirements of the Financial Reporting Council of Nigeria and the Companies and Allied Matters Act, 2004.

The Directors of Dufil, having made appropriate enquiries, reviewed budgets, projected cashflows and other relevant information, consider that adequate resources will exist for the business to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the financial statements.

Yours faithfully
Dufil Prima Foods Plc

Mr Deepak Singhal	Mr Adhi Narto	Nnenna Ejekam Associates
Managing Director/CEO	**Executive Director/ COO**	**Company Secretary**

NNENNA EJEKAM ASSOCIATES
COMPANY SECRETARIES

Directors: **Harkishin Aswani (MFR)** Chairman *Singaporean,* **Deepak Singhal** CEO *Indian,* **Chief (Dr.) Joseph Sanusi** *(CON) Nigerian,* **Sajen Aswani** *Singaporean,* **Axton Salim** *Indonesian,* **Kasim Rusmin** Indonesian, **Adhi S. Narto** *Indonesian.*

PKF Professional Services

Accountants &
business advisers

17 October 2016

The Directors
Dufil Prima Foods Plc
44, Jimoh Odutola Street
Off Eric Moore Road
Surulere
Lagos.

and

The Directors
Stanbic IBTC Capital Limited
I.B.T.C. Place
Walter Carrington Crescent
Victoria Island
Lagos.

Gentlemen,

₦40 Billion Bond Issuance Programme and Subsequent Issuance of Notes under the Programme Accountants' Report on the Audited Consolidated Financial Statements of Dufil Prima Foods Plc for the five years ended 31 December 2015

We have reviewed the audited consolidated financial statements of **Dufil Prima Foods Plc and its subsidiaries (together "the Group")** for the five (5) years ended 31 December 2015, 2014, 2013, 2012 and 2011. The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs). Messrs. Akintola Williams Deloitte, Chartered Accountants were the auditors of the Group for the years ended 31 December 2015, 2014, 2013, 2012 and 2011.

Each of their reports on the consolidated financial statements for those periods were unqualified.

The financial information is based on the audited consolidated financial statements for the five years ended 31 December 2015, 2014, 2013, 2012 and 2011, after making such adjustments, as we considered necessary. The Directors of the Group are responsible for the contents of the Bond Document in which this report is included.

Our review of the consolidated financial statements has been limited primarily to the working papers of the Group's auditors Akintola Williams Deloitte, Chartered Accountants, including the working papers of the group subsidiaries' auditors - Messrs. Akintola Williams Deloitte, Chartered Accountants and Ernst & Young and enquires of the Group's personnel and analytical procedures applied to the financial data. We have not performed an audit and thus our assignment provides less assurance than an audit, as such we are not expressing an audit opinion.

Our review was conducted in accordance with International Auditing Standards applicable for review engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial statements are free of material misstatement. As stated earlier, we have not performed an audit and, accordingly we do not express an audit opinion.

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Partners: I. Yusufu, G. C. Orah, O. P. S. Adaji, T. A. Akande, S. I. Ochimana, N. A. Abdus-salaam, O. O. Ogundeyin, B. O. Adejayan.

Offices in: Abuja, Bauchi, Jos, Kaduna, Kano.

PKF

Accountants &
business advisers

In our opinion, the financial information presents fairly, for the purpose of inclusion in the bond document, the consolidated financial position of **Dufil Prima Foods Plc and its subsidiaries** at 31 December 2015, 2014, 2013, 2012 and 2011 and its consolidated financial performance and consolidated cash flows for each of the years then ended and have been prepared on the same accounting basis normally adopted by the Group.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Yours faithfully,

Tajudeen Akande, FCA
FRC/2013/ICAN/01780
For: **PKF Professional Services**
Reporting Accountants
Lagos, Nigeria

Date: 17 October 2016

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER

	Notes	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
Assets:						
Non current assets						
Property, plant and equipment	12	28,619,240	28,049,333	25,220,849	24,090,483	14,272,408
Goodwill	13	608,910	608,910	608,910	608,910	608,910
Intangible assets	14	17,312	27,334	13,200	15,255	254
Other assets	15	190,753	219,231	1,011,932	400,625	228,956
Deferred tax assets	11.3	79,759	146,684	101,129	93,300	62,737
Total non current assets		29,515,974	29,051,492	26,956,020	25,208,573	15,173,265
Current assets						
Inventories	16	20,067,864	17,382,360	9,725,073	9,673,580	4,258,730
Trade and other receivables	17	8,054,469	10,528,735	8,440,810	6,805,668	6,203,866
Other assets	15	1,921,046	1,422,470	848,786	1,272,745	96,843
Cash and bank balance	18	1,261,386	870,209	116,647	215,661	237,132
Total current assets		31,304,765	30,203,774	19,131,316	17,967,654	10,796,571
Total assets		**60,820,739**	**59,255,266**	**46,087,336**	**43,176,227**	**25,969,836**
Equity:						
Share capital	19	3,376,667	3,376,667	3,376,667	3,376,667	3,376,667
Foreign currency translation reserve	20	(75,756)	(79,872)	-	-	-
Retained earnings	21	7,542,189	6,392,418	7,406,702	6,385,159	1,551,750
Equity attributable to owners of the company		10,843,100	9,689,213	10,783,369	9,761,826	4,928,417
Non controlling interest		10	7	5	3	1
Total equity		**10,843,110**	**9,689,220**	**10,783,374**	**9,761,829**	**4,928,418**
Liabilities:						
Non current liabilities						
Borrowings	23	5,449,367	8,778,445	9,971,252	12,120,899	5,909,977
Deferred income	24	906,545	996,029	430,986	372,210	-
Retirement benefit obligation	26	787,911	536,035	423,267	318,976	249,967
Deferred tax liabilities	11.3	800,316	896,505	988,592	720,247	812,362
Total current liabilities		7,944,139	11,207,014	11,814,097	13,532,332	6,972,306
Current liabilities						
Trade and other payables	25	6,526,722	4,765,623	4,469,182	6,117,649	5,702,150
Borrowings	23	35,286,550	33,443,811	18,903,095	13,687,722	8,272,824
Deferred income	24	89,483	89,482	33,680	19,078	-
Current income tax liabilities	12.2	130,735	60,116	83,908	57,617	94,138
Total current liabilities		42,033,490	38,359,032	23,489,865	19,882,066	14,069,112
Total liabilities		49,977,629	49,566,046	35,303,962	33,414,398	21,041,418
Total equities and liabilities		**60,820,739**	**59,255,266**	**46,087,336**	**43,176,227**	**25,969,836**

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER

	Notes	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
Revenue	5	103,893,936	89,717,735	67,965,384	59,165,039	45,861,532
Cost of sales	6	(85,936,969)	(64,951,566)	(51,354,315)	(45,532,157)	(34,844,888)
Gross profit		**17,956,967**	**24,766,169**	**16,611,069**	**13,632,882**	**11,016,644**
Marketing expenses	7	(7,532,648)	(6,294,515)	(5,676,706)	(4,501,302)	(3,598,874)
Administration expenses	8	(4,842,224)	(4,463,056)	(3,928,501)	(3,231,142)	(2,677,708)
Operating profit		**5,582,095**	**14,008,598**	**7,005,862**	**5,900,438**	**4,740,062**
Other gains and losses	9	429,247	(1,141,114)	497,804	481,990	281,944
Net finance cost	10	(4,550,693)	(2,129,376)	(1,898,437)	(1,578,681)	(437,539)
Profit before tax		**1,460,649**	**10,738,108**	**5,605,229**	**4,803,747**	**4,584,467**
Income tax	11.1	(115,283)	71,968	(312,529)	94,117	(64,098)
Profit for the year		**1,345,366**	**10,810,076**	**5,292,700**	**4,897,864**	**4,520,369**
Other comprehensive income/(loss)		4,550,693	2,129,376	1,967,914	1,581,573	437,539
Items that will not be reclassified subsequently to profit or loss:						
Remeasurement losses on defined benefit obligation	26.5	(128,059)	(5,990)	(16,553)	3,080	(4,913)
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translating foreign operations	20	4,116	(79,872)	-	-	-
Other comprehensive income/(loss), net of income tax		(123,943)	(85,862)	(16,553)	3,080	(4,913)
Total comprehensive income for the year		**1,221,423**	**10,724,214**	**5,276,147**	**4,900,944**	**4,515,456**
Profit of the year attributable to:						
Owners of the company		1,345,363	10,810,074	5,292,698	4,897,862	4,520,368
Non controlling interest	22	3	2	2	2	1
		1,345,366	**10,810,076**	**5,292,700**	**4,897,864**	**4,520,369**
Total comprehensive income for the year attributable to:						
Owners of the company		1,221,420	10,724,212	5,276,145	4,900,942	4,515,455
Non controlling interest	22.1	3	2	2	2	1
		1,221,423	**10,724,214**	**5,276,147**	**4,900,944**	**4,515,456**

CONSOLIDATED STATEMENTS OF CASHFOWS
FOR THE YEARS ENDED 31 DECEMBER

	Notes	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
Cashflows from operating activities						
Cash receipts from customers		105,593,857	91,240,667	68,484,476	59,715,548	44,317,764
Cash paid to suppliers and employees		(94,153,817)	(81,759,241)	(60,586,075)	(57,327,631)	(38,117,914)
Cash generated from operations		11,440,040	9,481,426	7,898,401	2,387,917	6,199,850
Finance cost	10	(4,362,044)	(1,835,524)	-	-	-
Net value added tax paid		(1,871,140)	(2,058,269)	(1,771,251)	(1,428,137)	(911,981)
Income taxes paid	11.2	(60,116)	(83,908)	(25,722)	(65,082)	(155,754)
Net cash generated by operating activities	27	**5,146,740**	**5,503,725**	**6,101,428**	**894,698**	**5,132,115**
Cashflows from investing activities						
Payments for property,plant and equipment		(3,062,313)	(4,388,467)	(3,211,877)	(11,522,431)	(7,587,188)
Investment in subsidiary		(234)	(21,637)	-	-	-
Intangible assets		-	-	(1,632)	(16,712)	-
Proceeds from disposal of property, plant and equipment		45,452	99,372	138,345	290,068	17,821
Interest received		4,052	4,945	-	-	6,521
Net cash (used in)/generated by investing activities		**(3,013,043)**	**(4,305,787)**	**(3,075,164)**	**(11,249,075)**	**(7,562,846)**
Cash flows from financing activities						
Proceeds from borrowings		194,568,583	136,369,445	41,687,836	31,344,191	14,984,189
Repayment of borrowings		(192,900,954)	(130,879,592)	(38,349,894)	(16,226,402)	(9,006,029)
Finance expenses		-	-	(1,967,914)	(1,581,573)	(437,539)
Finance income		-	-	69,477	2,892	-
Dividend paid to owners of the company		(67,533)	(11,818,368)	(4,254,602)	(67,533)	(5,622,001)
Net cash generated by/(used) in financing activities		**1,600,096**	**(6,328,515)**	**(2,815,097)**	**13,471,575**	**(81,380)**
Net increase/(decrease) in cash and cash equivalents		3,733,793	(5,130,577)	211,167	3,117,198	(2,512,111)
Cash and cash equivalents at the beginning of the year		(5,013,930)	116,647	(94,520)	(3,211,718)	(699,607)
Cash and cash equivalents at the end of the year	18	**(1,280,137)**	**(5,013,930)**	**116,647**	**(94,520)**	**(3,211,718)**

1. The reporting entity

1.1 Company and group structure

Dufil Prima Foods Plc ("the Company") was incorporated in Nigeria as a private limited liability company on 19 December 2001 and commenced production on 2 January 2004. The Company converted into a public limited company (Plc.) on 25 July 2008. The Company's shareholders consist of Tolaram Africa Pte. Ltd., with 45.994% shareholding, Platinum Stream Profits Limited with 41.025% shareholding, Benetta Enterprises Inc. with 7.989% and the balance 2.012% held by minority shareholders. The Company acquired controlling interests in following companies:

Subsidiaries	Number of shares held	Percentage held (%)	Year of acquisition	Principal activities
De United Foods Industries Limited	59,999,998	99.99	2008	Manufacturing and marketing of Indomie and Minimie brand of instant noodles and seasoning.
Insignia Print Technology LFTZ Enterprise	1,999,998	99.99	2008	Manufacturing and selling of packaging materials.
Northern Noodles Limited	9,999,999	99.99	2011	Manufacturing and marketing of Indomie and Minimie brand of instant noodles
Pure Flour Mills Limited	9,999,999	99.99	2011	Manufacturing and marketing of Power Pasta brand of Pasta (spaghetti), Minimie brand of Chinchin (snacks), wheat flour and its by-product
Raffles Oil LFTZ Enterprise	99,999	99.99	2012	Manufacturing and marketing of Power Oil and Emperor Oil brand of vegetable oil, RBDPO and its by-product
De United Foods Industries Ghana Limited	3,000,000	100.00	2013	Importing and marketing of Indomie brand of instant noodles

1.2 Principal activities

The principal activities of the Group are manufacturing and marketing of Instant Noodles, Seasoning, Pasta, Wheat Flour, Packaging material, Chinchin, Vegetable oil and RBDPO. The principal activities of the Company are the manufacturing and marketing of the Indomie and Minimie brand of instant noodles.

1.3 Basis of measurement

The financial statements have been prepared using the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2. Adoption of new and revised IFRS standards

2.1 Accounting standards and interpretations issued but not yet effective

The following revisions to accounting standards and pronouncements that are applicable to the Group were issued but are not yet effective. Where IFRSs and IFRIC interpretations listed below permits, early adoption is permitted. The Group has elected not to apply them in the preparation of these financial statements.

The full impact of these IFRSs and IFRIC interpretations is currently being assessed by the Group, but none of these pronouncements are expected to result in any material adjustments to the financial statements.

Pronouncement	Nature of change	Required to be implemented for annual years beginning on or after
IFRS 15 Revenue from contracts with customers	Establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supercede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction contracts and the related interpretations when it becomes	01-Jan-17
IAS 16 and IAS 38 Clarification of acceptable methods of depreciation and amortisation	IAS 16 prohibits entities from using a revenue-based depreciation method for items of property, plant and equipment. IAS 38 introduce a rebuttable presumption that and amortisation revenue is not an appropriate basis for amortisation of an intanqible asset.	01-Jan-16
IFRS 9 Financial Instrument	A revised version of IFRS 9 incorporating revised requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement.	01-Jan-18
IAS 16 and IAS 41 Agriculture: Bearer plants	Amendments define a bearer plant and require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16, instead of IAS 41. The produce growing on bearer plants continues to be accounted for in accordance with IAS 41.	01-Jan-16
IAS1: Disclosure Initiative	Amendments give some guidance on how to apply the concept of materiality practice.	01-Jan-16
IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	Amendments provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 Business Combinations. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation, if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operations.	01-Jan-16
IFRS10,IFRS 12 IAS28: Investment Entities; Applying the Consolidation Exception	Amendments clarifies that the exemption from preparing consolidated financials statements is available to a parent Entities; Applying the entity that is a subsidiary of an investment entity, even if the investment entity measures all its subsidiaries at fair value in accordance with IFRS 10. The amendments also clarify that the requirement for an investment entity to consolidate a subsidiary providing sen/ices related to the formers investment activities applies only to subsidiaries that are not investment entities themselves.	01-Jan-16

3. Significant accounting policies

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (lFRSs).

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below.

Judgments made by management in the application of lFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 4.

3.2 Basis of preparation

The consolidated and separate financial statements have been prepared using the historical cost convention as stated in the accounting policies.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable retums from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally, The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting pattems at previous shareholders' meetings.

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

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

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

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

3.4 Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value:

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

3.5 Goodwill

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

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement year adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Company’s previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off. If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete.

Those provisional amounts are adjusted during the measurement year, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 3.4 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.
A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impainnent loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.
On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.6 Revenue

Revenue represents the net value of goods and services invoiced to third parties (i.e. net of discounts and rebates). Discounts and rebates are offset against revenue when it is probable that the criteria for the discount or rebate will be met and the amount can be reliably estimated.

3.6.1 Revenue from sale of goods

Revenue from the sale ofgoods is recognised when all the following conditions are satisfied:
- the Company has transferred to the buyer the significant risks and rewards of ownership of the good. Transfer of significant risk and rewards of ownership is believed to be transferred to the buyer at the point ofdispatch from the factory.
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; an
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.7 Dividend and interest income

Dividend income from investments is recognised when the shareholders right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.8 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the years in which they are incurred.

3.9 Segment reporting

The Group's business segments are presented based on the information reported to the Chief Operating Decision Makers (Directors) for resource allocation and performance assessment.

3.10 Foreign currencies

The financial statements of the Group are presented in Naira, which is the functional currency. In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

The assets and liabilities of the group's foreign operation are translated in Naira using exchange rate prevailing at the end of each reporting period, Income and expenses items are translated at the average monthly exchange rate for the period. Exchange difference arising (if any) are recognised in other comprehensive income and accumulated in equity.

Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was detemrined.

Any resulting exchange differences are included in ‘Other income and loss‘ in the statement of profit or loss.
Non monetary items measured in terms of historical cost that are denominated in foreign currencies are translated using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items are included in statement of profit or loss for the year.

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

3.12 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants 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 grants are intended to compensate. Specifically, government grants whose primary condition is that the Group 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 life of the related assets.

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

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.13 Employee benefits

3.13.1 Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity makes contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss in the year during which sevices are rendered by employees.

The Group has the pension fund scheme as defined contribution plan.
The Group operates a defined contribution pension plan in accordance with Pension Reform Act 2014. The contribution payable to a defined contribution plan is in proportion to the services rendered to the Group by the employees and is recorded as an expense in statement of profit or loss and other comprehensive income. The Contribution by the employee is 8% and by the employer is 10% of the employees' emoluments.

3.13.2 Retirement benefits costs and termination benefits

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year.
Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the year to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income ;
- remeasurement.

The retirement benefit obligation recognised in the consolidated and separate statement of financial position represents the actual deficit or surplus in the Group's and Company defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

3.13.3 Other employee benefits

Other short and long term employee benefits are recognised as an expense over the period in which they accrue.

3.14 Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

3.14.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting year.

3.14.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Where the Group has a history of tax losses, the Group recognises a deferred tax asset only to the extent that the entity has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the reporting date. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

3.14.3 Current and deferred tax for the year

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

3.15 Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

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

Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day to day servicing of property, plant and equipment are recognised in profit or loss as incurred,

iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of each part of an item of property. plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Group will obtain ownership by the end of the lease term in which case the assets are depreciated overthe useful life.

The estimated useful life of property, plant and equipment applied to arrive at the depreciation charge is as follows:

Class of assets	**Estimated useful life (Years)**
Building	20
Plant and machinery	5 to 15
Furniture and fittings	5
Motor vehicles	5
Land	nil

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

Land is not depreciated. No depreciation is charged on capital work in progress, The attributable cost of each asset is transferred to the relevant asset category immediately the asset is put to use and depreciated accordingly.

3.16 Intangible assets

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

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Computer software costs

Costs that are directly associated with identifiable and unique software products controlled by the Group and which probably generate economic benefits exceeding beyond costs beyond one years are recognised as intangible assets. Expenditures which enhance or extend the performance of Computer software programs beyond their original specifications are capitalised and added to the original cost of the software. Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives, but not exceeding a period of three (3) years.

3.16.1 Derecognition of intangible assets

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

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the derecognised.

3.16.2 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.17 Impairment of tangible and intangible assets other than goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Where the asset does not generate independent cash flows from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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

3.18 Inventories

Inventories are valued at the lower of cost and estimated net realisable value after making allowance for slow moving inventory items. Costs of inventories are detemined on a Weighted Average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventories includes purchase cost, conversion cost and other cost incurred to bring inventories to its present location and condition.

3.19 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reponing year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.20 Contingent liabilities

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

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

3.21 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provision of the instruments.

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

3.21.1 Financial assets

Financial assets are classified into:
(a) loans and receivables;
(b) held-to-maturity investments (HTM);
(c) Available-for-sale (AFS); and
(d) financial assets at fair value through profit or loss (FVTPL).

Financial assets are subsequently measured based on their nature and purpose as determined at initial recognition. The Group does not have financial assets classified as held-to-maturity and at fair value through profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

a) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise inter group receivables and trade and other receivables.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash balance and short term investments with original maturities of three months or less. Bank overdrafts that are repayable on demand and fon'n an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Group does not have any financial assets classified as "FVTPL", "HTM" and "AFS".

c) Impairment of financial asset

A financial asset, other than at FVTPL, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events that occurred after the initial recognition of the financial assets have had a negative effect on the estimated future cash flows of that asset.

For available-for-sale equity investments, a significant or prolonged decline in the fair value of an equity security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group’s past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit year, as well as observable changes in national or local economic conditions that correlate with default on receivables.

An impairment loss in respect of a financial asset measured at amorlised cost is calculated as the difference between the carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss of an available for sale financial asset is calculated by reference to its current fair value. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost that are debt securities, the reversal is recognised in profit or loss.

d) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

3.21.2 Offsetting of financial assets and liabilities

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

3.21.3 Financial liabilities and equity instruments

Classification as debt or equity

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

a) Equity instruments

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

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

Dividend paid is recognised as liability in the year they are approved.

b) Financial liabilities

Financial liabilities are classified as either financial liabilities ‘at FVTPL' or ‘other financial liabilities’.

Financial liabilities at FVTPL

Financial liabilities are classified as at F\/TPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the nearterm; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at F\/TPL upon initial recognition if.

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would othenuise arise; or the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL. Financial liabilities at F\/TPL are stated at fair value, with any gains or losses arising on measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘other gains and losses‘ line item.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured 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 year. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter year, to the net carrying amount on initial recognition.

c) Derecognition of financial liabilities

The Group derecognises financial liabilities when the obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.22 Share capital

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

3.23.1 Non financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For intangible assets that have indefinite useful life or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. impairment losses are recognised in profit or loss. Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, described in note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4.1 Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see note 4.2 below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

4.1.1 Discount rate used to determine the carrying amount of the Group's defined benefit obligation.

The Group's defined benefit obligation is discounted at a rate set by reference to market yields at the end of the reporting year on high quality corporate bonds. Significant judgment is required when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, qualify of the bonds and the identification of outliers which are excluded.

4.1.2 Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies and funding strategy. Further details are contained in Note 3.14.

4.1.3 Revenue recognition

In making their judgment, the directors considered the detailed criteria for the recognition of revenue from sale of goods set out in IAS 18 and in particular, whether the Group had transferred to the buyer the significant risks and rewards of ownership of the goods.

4.1.4 Impairment loss on trade receivables

Management believes that there is no impairment loss on trade receivables because significant sales are made to related entities which are allowed a credit year of 30 days within which it pays on account.

4.1.5 Impairment of property, plant and equipment

Management assesses items of property, plant and equipment for impairment when there are indications that the assets are impaired. Specifically damaged, accident and physically deteriorated assets are immediately derecognised.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

4.2.1 Useful life of property, plant and equipment

The useful life of an asset shall be reviewed at least at each financial year end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

4.2.2 Write down of inventories to net realisable value

The Group regularly evaluates inventory to determine excess or obsolete status. To properly reflect the value of inventory, any identified exposure is reflected in the allowance for excess and obsolete inventory reserve. The proper recording of inventory at lower of cost or market value is necessary to fairly reflect its net realizable value.

4.2.3 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

4.2.4 Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Group's management determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses rnarket-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 31.11.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
5.	**Revenue**					
	Revenue from sale of goods	103,893,936	89,717,735	67,965,384	59,165,039	45,861,532
		103,893,936	**89,717,735**	**67,965,384**	**59,165,039**	**45,861,532**
6.	**Cost of sales**					
	Raw material consumed	74,241,583	54,274,242	41,932,392	37,633,433	29,745,929
	Factory overheads	9,424,094	8,552,201	7,362,039	6,486,011	4,188,514
	Depreciation and amortisation	2,271,292	2,125,123	1,818,307	1,329,142	767,577
	Bad inventory	-	-	201,954	75,580	142,868
	Amortisation on software	-	-	3,687	1,710	-
	Leasehold rent	-	-	35,936	6,281	-
		85,936,969	**64,951,566**	**51,354,315**	**45,532,157**	**34,844,888**
7.	**Marketing expenses**					
	Media	2,104,571	1,691,301	1,983,061	1,633,655	1,102,381
	Production of adverts	161,394	209,528	114,719	43,837	22,705
	Consumer/trade promotion	3,935,143	3,529,063	2,698,066	2,106,042	2,147,726
	Other promotions	1,331,540	864,623	880,860	717,768	326,062
		7,532,648	**6,294,515**	**5,676,706**	**4,501,302**	**3,598,874**
8.	**Administration expenses**					
	Administration overhead	1,220,868	1,218,860	1,086,514	856,217	709,415
	Salaries and wages	2,027,396	1,755,488	1,388,129	981,400	854,097
	Royalty and technical fees	1,424,913	1,329,397	1,324,227	1,313,432	1,056,340
	Depreciation	169,047	159,311	129,631	80,093	57,856
		4,842,224	**4,463,056**	**3,928,501**	**3,231,142**	**2,677,708**
9.	**Other gains and losses**					
	Sale of scrap	363,165	399,608	352,027	391,658	263,525
	(Loss)/gain on disposal of property, plant and equipment	(1,281)	(3,220)	4,772	(5,051)	903
	Foreign exchange (loss)/gain	(67,882)	(1,772,171)	96,951	79,056	6,787
	Unutilised provision for customer incentives	-	-	21,384	1,335	226
	Miscellaneous income	41,710	148,366	22,670	14,992	10,503
	Interest from staff loans	4,052	4,945	-	-	-
	Income on government grant(Note 29)	89,483	81,358	-	-	-
		429,247	**(1,141,114)**	**497,804**	**481,990**	**281,944**
10.	**Net finance cost**					
	Finance cost (Note 10.1)	4,550,693	2,129,376	1,967,914	1,581,573	437,539
	Finance income (Note 10.2)	-	-	(69,477)	(2,892)	-
	Net finance cost	**4,550,693**	**2,129,376**	**1,898,437**	**1,578,681**	**437,539**
10.1	**Finance cost**					
	Interest on term loans	1,191,737	1,119,212	1,126,848	1,076,507	-
	Interest on bank overdrafts and import finance facility	3,170,308	716,312	707,053	452,083	437,539
		4,362,045	1,835,524	1,833,901	1,528,590	437,539
	Interest on government grant (Note 23.3)	188,648	293,852	134,013	52,983	**-**
		4,550,693	**2,129,376**	**1,967,914**	**1,581,573**	**437,539**

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
10.2	**Finance income**					
	Interest from staff loans and others	-	-	(69,477)	(2,892)	-
		-	**-**	**(69,477)**	**(2,892)**	**-**
11.	**Tax expense**					
11.1	**Income tax**					
	Income tax	95,300	34,673	26,765	1,724	50,530
	Education tax	35,435	25,443	25,248	26,837	13,568
		130,735	60,116	52,013	28,561	64,098
	Deferred tax charge	(96,213)	(92,087)	268,345	(92,115)	-
	Deferred tax credit	80,761	(39,997)	(7,829)	(30,563)	-
		(15,452)	(132,084)	260,516	(122,678)	-
	Total income tax expense	**115,283**	**(71,968)**	**312,529**	**(94,117)**	**64,098**
11.2	**Reconciliation of income tax expense**					
	The income tax expense for the year can be reconciled to the accounting profit as follows:					
	Profit before tax	1,460,649	10,738,108	5,605,229	4,535,531	4,592,279
	Income tax expense calculated at 30%	438,195	3,221,432	1,681,569	1,360,659	1,377,684
	Education tax	35,435	25,443	22,975	12,738	12,523
	Effect of income that is exempt from taxation	(1,259,321)	(3,527,179)	(1,868,156)	(1,737,937)	(1,377,684)
	Effect of expenses that are not deductible in determining taxable profit	617,697	698,165	559,343	543,591	51,575
	Effect of concessions (capital allowances)	(436,239)	(337,195)	(321,000)	(194,205)	-
	Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets/liabilities	719,516	(152,634)	237,798	(78,963)	-
	Income tax expenses recognised in profit or loss	**115,283**	**(71,968)**	**312,529**	**(94,117)**	**64,098**
11.2	**Current income tax liabilities**					
	At 1 January	60,116	83,908	57,617	94,138	185,794
	Charge for the year (Note 11.1)	130,735	60,116	52,013	28,561	64,098
	Payment in the year	(60,116)	(83,908)	(25,722)	(65,082)	(155,754)
	At 31 December	**130,735**	**60,116**	**83,908**	**57,617**	**94,138**
11.3	**Deferred taxation**					
	Deferred tax assets (Note 11.3.1)	79,759	146,684	101,129	93,300	62,737
	Deferred tax (liabilities) (Note 11.3.2)	(800,316)	(896,505)	(988,592)	(720,247)	(812,362)
		(720,557)	**(749,821)**	**(887,463)**	**(626,947)**	**(749,625)**
11.4.1	**Deferred income tax - Attributable to:**					
	Property, plant & equipment	(800,316)	(995,122)	(1,012,350)	(722,302)	(771,265)
	Exchange difference on foreign currency	-	98,617	23,758	2,055	(41,097)
	Defined benefit obligation	79,759	146,684	101,129	93,300	62,737
		(720,557)	**(749,821)**	**(887,463)**	**(626,947)**	**(749,625)**

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
11.4.3	**Deferred income tax assets**					
	At 1 January					
	Defined benefit obligation	146,684	101,129	93,300	62,737	62,737
		146,684	101,129	93,300	62,737	62,737
	Charge to profit or loss					
	Defined benefit obligation	(80,761)	39,997	7,829	30,563	-
		(80,761)	39,997	7,829	30,563	-
	Charge to other comprehensive income					
	Defined benefit obligation	13,836	5,558	-	-	-
	At 31 December					
	Defined benefit obligation	79,759	146,684	101,129	93,300	62,737
		79,759	**146,684**	**101,129**	**93,300**	**62,737**
11.4.2	**Deferred income tax liabilities**					
	At 1 January					
	Property, plant & equipment	(995,122)	(1,012,350)	(722,302)	(771,265)	(771,265)
	Exchange difference on foreign currency	98,617	23,758	2,055	(41,097)	(41,097)
		(896,505)	(988,592)	(720,247)	(812,362)	(812,362)
	Charge to profit or loss					
	Property, plant & equipment	194,806	17,228	(290,048)	48,963	-
	Exchange difference on foreign currency	(98,593)	74,859	21,703	43,152	-
		96,213	92,087	(268,345)	92,115	-
	Charge to other comprehensive income					
	Defined benefit obligation	(24)	-	-	-	-
	At 31 December					
	Property, plant & equipment	(800,316)	(995,122)	(1,012,350)	(722,302)	(771,265)
	Exchange difference on foreign currency	-	98,617	23,758	2,055	(41,097)
		(800,316)	**(896,505)**	**(988,592)**	**(720,247)**	**(812,362)**
12.	**Property, plant and equipment**					
	Cost					
	Land and Building	13,334,427	11,775,175	10,797,400	8,571,847	4,532,611
	Plant and Machinery	23,534,559	20,575,999	18,551,539	15,464,332	8,454,275
	Furniture &Fittings	2,332,982	2,260,239	2,116,897	1,568,571	1,263,519
	Motor Vehicles	768,010	666,655	628,032	438,694	247,256
	Construction work in progress	409,404	2,152,931	241,931	3,259,480	3,631,255
		40,379,382	37,430,999	32,335,799	29,302,924	18,128,916
	Accumulated depreciation and impairment					
	Land and Building	2,680,632	2,109,355	1,497,076	1,048,988	726,703
	Plant and Machinery	6,987,480	5,579,888	4,303,686	3,205,428	2,425,671
	Furniture &Fittings	1,696,998	1,422,845	1,087,148	811,798	595,403
	Motor Vehicles	395,032	269,578	227,040	146,227	108,731
	Construction work in progress	-	-	-	-	-
		11,760,142	9,381,666	7,114,950	5,212,441	3,856,508
	Carrying amount					
	Land and Building	10,653,795	9,665,820	9,300,324	7,522,859	3,805,908
	Plant and Machinery	16,547,079	14,996,111	14,247,853	12,258,904	6,028,604
	Furniture &Fittings	635,984	837,394	1,029,749	756,773	668,116
	Motor Vehicles	372,978	397,077	400,992	292,467	138,525
	Construction work in progress	409,404	2,152,931	241,931	3,259,480	3,631,255
		28,619,240	**28,049,333**	**25,220,849**	**24,090,483**	**14,272,408**

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
12.1	**Depreciation charged in the year included in:**					
	Cost of sales	2,261,036	2,117,620	1,818,307	1,329,142	767,577
	Administrative expenses	169,047	159,311	129,631	80,093	57,856
		2,430,083	**2,276,931**	**1,947,938**	**1,409,235**	**825,433**
12.2	**Assets pledged as security for liabilities**					
	There is negative pledge on the assets of the Group.					
13.	**Goodwill**					
	Cost	608,910	608,910	608,910	608,910	608,910
	Accumulated impairment loss	-	-	-	-	-
	At 31 December	**608,910**	**608,910**	**608,910**	**608,910**	**608,910**
	Goodwill on consolidation represents excess investments over the net assets on acquisition of 99.99% in the subsidiaries (De United Foods Industries Limited and Insignia Print Technology LFTZ Enterprise).					
14.	**Intangible assets (software)**					
	Cost	54,532	54,298	32,661	31,029	14,318
	Accumulated amortisation	37,220	26,964	19,461	15,774	14,064
	Carrying amount	**17,312**	**27,334**	**13,200**	**15,255**	**254**
15.	**Other assets**					
	Prepayments (Note 15.1)	1,903,678	908,479	890,024	1,384,750	473,196
	Leasehold land	-	-	819,540	114,637	120,919
	Advance to suppliers and contractors	208,121	733,222	151,154	173,983	-
		2,111,799	**1,641,701**	**1,860,718**	**1,673,370**	**594,115**
	Current	1,921,046	1,422,470	848,786	1,272,745	365,059
	Non-current	190,753	219,231	1,011,932	400,625	228,956
		2,111,799	**1,641,701**	**1,860,718**	**1,673,370**	**594,015**
15.1	**Prepayments**					
	Rent - housing and office	334,904	452,008	429,645	453,592	209,236
	Rent - others	71,227	54,627	147,738	526,725	-
	Insurance	112,196	101,375	91,710	69,275	339,776
	Marketing	427,560	87,663	23,927	46,103	29,631
	Interest	17,241	22,208	4,994	4,647	2,494
	School subsidy	7,092	8,691	-	-	1,308
	Import charges	767,460	51,482	89,793	663	-
	Repair and maintenance	-	1,071	102,216	183,745	196,451
	Others	165,998	129,354	-	-	-
		1,903,678	**908,479**	**890,023**	**1,284,750**	**778,896**

Others assets represent non-financial assets and receivables that will be realised by the receipt of goods or rendering of services.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
16.	**Inventories**					
	Raw materials	17,304,434	15,435,072	7,940,557	4,527,045	3,265,125
	Finished goods	1,603,259	896,658	793,796	1,073,415	3,609
	Work in progress	129,600	145,464	54,476	3,397,934	532,745
	Spares and consumables	1,030,571	905,166	936,244	675,186	457,251
		20,067,864	**17,382,360**	**9,725,073**	**9,673,580**	**4,258,730**
16.1	**Goods in transit**					
	Included in raw material are goods in transit	**6,070**	**3,430**	**1,100,000**	**770,980**	**953,350**
16.2	**Recognised in profit or loss**					
	Raw material recognised in profit or loss	**74,241,583**	**54,274,242**	**41,932,392**	**37,633,433**	**29,745,929**

16.3 Inventories pledged as security for liability

There is negative pledge on the inventory as security for liabilities of the Company.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
17.	**Trade and other receivables**					
	Trade receivables					
	Trade receivables from third parties	265,746	267,692	435,689	11,559	41,290
	Trade receivables from related parties (Note 29.2.3)	1,253,594	5,024,528	3,712,861	4,200,095	4,252,869
		1,519,340	5,292,220	4,148,550	4,211,654	4,294,159
	Other receivables					
	Project receivable	-	-	203,683	18,457	1,655
	Staff debtors	136,981	141,285	122,680	128,071	106,147
	Other debtors	693,844	134,251	25,653	106,238	625,482
	Claimable deposit	5,613,942	4,792,785	3,937,933	2,302,245	1,114,302
	Due from related parties (Note 29.2.3)	-	13,230	2,311	39,003	62,121
	Vat receivable	90,362	154,964	-	-	-
		6,535,129	5,236,515	4,292,260	2,594,014	1,909,707
		8,054,469	**10,528,735**	**8,440,810**	**6,805,668**	**6,203,866**

17.1 Trade receivables

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

The Group's credit policy on sales is an average of 30 days for external customers. The Group did not have any doubtful debts in the past hence there is no provision recognised for doubtful debts.

Trade creditors and other payables principally comprise amounts outstanding for trade purchases and ongoing costs.
The average credit per for trade purchases is 30 days. The Group has financial risk management policies in place as well as efficient and effective treasury management policies to ensure that all payables are paid within the pre-agreed credit terms.
The Directors consider that the carrying amount of trade and other payables approximates to the fair value.

17.2 Collateral and other credit enhancements

The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Group to the counter party.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
17.3	**Age of receivables that are past due but not impaired**					
	60 - 90 days	-	-	-	-	-
	91 - 120 days	-	-	-	-	-
		-	-	-	-	-
17.4	**Impairment allowance for doubtful debts**					
	At 1 January	-	-	-	-	-
	impairment loss recognised	-	-	-	-	-
	At 31 December	-	-	-	-	-

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
18.	**Cash and cash equivalents**					
	Cash	7,787	267,888	3,522	12,961	18,889
	Bank balance	1,253,599	602,321	113,125	202,700	218,243
	Cash and bank balances	1,261,386	870,209	116,647	215,661	237,132
	Bank overdrafts (Note 23)	(2,541,523)	(5,884,139)	-	(310,181)	(3,448,850)
	Cash and cash equivalents in the statement of cashflows	**(1,280,137)**	**(5,013,930)**	**116,647**	**(94,520)**	**(3,211,718)**

For the purpose of the statement of cash flows, cash and cash equivalents includes cash in hand and at banks, short term investments with an original maturity of three months or less, net of outstanding bank overdrafts.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
19.	**Share capital**					
	Authorised share capital:					
	10,000,000,000 ordinary shares of 50 kobo each	**5,000,000**	**5,000,000**	**5,000,000**	**5,000,000**	**5,000,000**
	Issued and fully paid share capital					
	6,753,333,334 ordinary shares of 50 kobo each	**3,376,667**	**3,376,667**	**3,376,667**	**3,376,667**	**3,376,667**
20.	**Foreign currency translation reserve**					
	At 1 January	(79,872)	-	-	-	-
	Exchange differences arising on translating the foreign operations	4,116	(79,872)	-	-	-
	At 31 December	**(75,756)**	**(79,872)**	**-**	**-**	**-**
21.	**Retained earnings**					
	At 1 January	6,392,418	7,406,702	6,385,159	1,551,750	2,658,295
	Dividend paid	(67,533)	(11,818,368)	(4,254,602)	(67,533)	(5,622,000)
	Other comprehensive loss arising from remeasurement of defined benefit obligation net of income tax	(128,059)	(5,990)	(16,553)	3,080	(4,913)
	Profit for the year attributable to the owners of the Company	1,345,363	10,810,074	5,292,698	4,897,862	4,520,368
	At 31 December	**7,542,189**	**6,392,418**	**7,406,702**	**6,385,159**	**1,551,750**
	Summary of dividends					
	Interim dividend approved by Directors	-	7,428,666	4,322,133	4,187,066	4,052,000
	Final dividend approved by the shareholders	67,533	67,533	67,533	67,533	67,533
		67,533	**7,496,199**	**4,389,666**	**4,254,599**	**4,119,533**

The dividends were paid from interim dividends received from seasoning division of De United Foods Industries Limited, which currently enjoys pioneer status by virtue of Industrial Development (Income Tax Relief) Act, CAP 17 LFN, and Insignia Print Technology LFTZ Enterprise, an Enterprise operating under the laws of Nigerian Export Processing Zone Act, CAP 107, 2004

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
22.	**Non controlling interest**					
	At 1 January	7	5	3	1	-
	Share of proft for the year	3	2	2	2	1
	At 31 December	**10**	**7**	**5**	**3**	**1**

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
23.	**Borrowings**					
	Bank overdrafts	2,541,523	5,884,139	-	310,181	3,448,850
	Import finance facility and commercial Paper (Note 23.1)	29,052,655	23,123,703	14,355,625	10,454,399	2,957,066
	Term loans (Note 23.2)	5,810,822	8,532,460	10,978,103	12,126,325	7,776,885
	Government grant (Note 23.3)	3,330,917	4,681,954	3,540,619	2,917,715	-
		40,735,917	**42,222,256**	**28,874,347**	**25,808,620**	**14,182,801**
	Current	35,286,550	33,443,811	18,903,095	13,687,722	8,272,824
	Non-current	5,449,367	8,778,445	9,971,252	12,120,899	5,909,977
		40,735,917	**42,222,256**	**28,874,347**	**25,808,621**	**14,182,801**
23.1	**Import finance facility and commercial papers**					
	At 1 January	23,123,703	14,355,625	10,454,399	2,957,066	1,544,413
	Additions during the year	194,261,107	132,811,454	39,071,121	21,906,378	7,650,004
	Repayments in the year	(188,332,155)	(125,477,682)	(35,169,895)	(14,409,045)	(6,237,351)
	Effect of foreign exchange difference	-	1,434,306	-	-	-
	At 31 December	**29,052,655**	**23,123,703**	**14,355,625**	**10,454,399**	**2,957,066**
	Current	29,052,655	23,123,703	18,903,095	13,687,722	8,272,824
	Non-current	-	-	9,971,252	12,120,899	5,909,977
		29,052,655	**23,123,703**	**28,874,347**	**25,808,621**	**14,182,801**
23.2	**Term loans**					
	At 1 January	8,532,460	10,978,103	12,126,326	7,776,885	3,188,472
	Additions during the year	307,476	1,007,991	1,584,691	8,810,575	4,638,413
	Repayments in the year	(3,029,114)	(4,401,596)	(2,732,914)	(4,461,134)	(50,000)
	Effect of foreign exchange difference	-	947,962	-	-	-
	At 31 December	**5,810,822**	**8,532,460**	**10,978,103**	**12,126,326**	**7,776,885**
23.2.1	**Borrowings - Maturity**					
	Current	2,604,986	3,270,011	3,542,414	2,634,445	1,866,908
	Non-current	3,205,836	5,262,449	7,435,689	9,491,881	5,909,977
		5,810,822	**8,532,460**	**10,978,103**	**12,126,326**	**7,776,885**
23.3	**Government grant**					
	At 1 January	4,681,954	3,540,619	2,917,715	-	-
	Additions in the year	-	2,550,000	1,032,024	3,271,012	-
	Deferred income (Note 24)	-	(702,203)	(96,048)	(406,280)	-
	Interest on government grant	188,648	293,852	134,013	52,983	-
	Repayments in the year	(1,539,685)	(1,000,314)	(447,085)	-	-
	At 31 December	**3,330,917**	**4,681,954**	**3,540,619**	**2,917,715**	**-**
	Current	1,087,386	1,165,958	1,005,055	288,690	**-**
	Non current	2,243,531	3,515,996	2,535,564	2,629,025	**-**
		3,330,917	**4,681,954**	**3,540,619**	**2,917,715**	**-**

23.4 Summary of borrowing arrangements

23.4.1 The bank overdrafts represent facilities from different banks at an interest rate ranging from 14% to 18% per annum. The loans are secured by a negative pledge on the assets of the Group.

23.4.2 The commercial papers represents facilities from different banks at an interest rate ranging from 14% to 18% per annum. The loans are secured by a negative pledge on the assets of the Group.

23.4.3 The import finance facilities were loans obtained from different banks at an interest rate ranging from 2.75% to 4.5% per annum. The loans are secured by a negative pledge on the assets of the Group.

23.4.4 The term loans represents facilities primarily from different banks at an interest rate ranging from 4.5% to 10% p.a. The loans are secured by a negative pledge on the assets of the Group.

23.4.5 The Government grant (loan) represent loans taken at interest rate ranging from 7% to 10% p.a, which is below market rate after the transition date (1 January 2012) only. Additions during the years were as indicated in note 23.3 above.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
24.	**Deferred income**					
	At 1 January	1,085,511	464,666	391,288	-	-
	Accrued during the year (Note 23.3)	-	702,203	96,048	406,280	-
	Provided during the year	(89,483)	(81,358)	(22,670)	(14,992)	-
	At 31 December	**996,028**	**1,085,511**	**464,666**	**391,288**	**-**
	Current	89,483	89,482	33,680	19,078	-
	Non current	906,545	996,029	430,986	372,210	-
		996,028	**1,085,511**	**464,666**	**391,288**	**-**

The Deferred income has arised as a result of the benefit received from a below market interest rate government loan granted to Northern Noodles Limited, Pure Flour Mills Ltd, Raffles Oil LFTZ Enterprise & De United Foods Industries Ltd, subsidiaries of Dufil Prima Foods Plc. The revenue is recognised in profit or loss over the life of the asset for which the loan is obtained /granted.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
25.	**Trade and other payables**					
	Trade payables	1,097,224	1,191,530	603,995	1,139,684	3,017,102
	Other payables					
	VAT payables	233,914	229,677	228,686	712,354	55,241
	WHT payables	134,649	111,496	-	-	-
	Due to related parties (Note 29.2.3)	2,293,943	1,170,338	1,148,305	2,040,952	909,817
	Staff pension (Note 25.1)	553	11,466	16,854	10,625	23,362
	Other current liabilities	333,181	307,857	-	-	-
	Other payables	273,942	704,320	1,072,592	508,029	615,437
	Accruals	2,159,316	1,038,939	1,398,750	1,706,005	1,081,191
		5,429,498	3,574,093	3,865,187	4,977,965	2,685,048
		6,526,722	**4,765,623**	**4,469,182**	**6,117,649**	**5,702,150**
25.1	**Staff pension**					
	At 1 January	11,466	16,851	10,625	23,362	15,824
	Additions in the year	230,654	199,476	149,004	125,442	107,517
	Payments in the year	(241,567)	(204,861)	(142,778)	(138,179)	(99,979)
	At 31 December	**553**	**11,466**	**16,851**	**10,625**	**23,362**

26. Retirement benefits plans

26.1 Defined contribution plans

The Group operates a contributory pension scheme for the benefits of it staff in which employer and employee contribute 10% and 8% of the employees emoluments respectively. The assets of the plans are held seperately from those of the Group in funds under the control of trustees. Where employees leaves the plan prior to full vesting of the contributions, the contribution payable by the Group are reduced by the amount of forfeited contributions.

26.2 Defined benefit plan

The Group sponsors funded defined benefit plans for its qualifying employees in Nigeria. The defined benefit plans are administered by a separate funds that is legally seperated from the entity.

The plans in Nigeria typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate determined by reference to a high quality corporate bond yields, if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balancd investment in equity securities, debt instruments and real estates.
Inherent risk	A decrease in the bond interest rate benefit plan liability, however, this will be partially offset by an increase in the return on the plan's debt investment.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 December 2015 by Giant Consultants Limited, Fellow of the Conference of Consulting Actuaries. The present value of the defined benefit obigation and the related current service cost and the past service cost were measured using the projected unit credit method.

The principal assumptions used for the purposes of acturial valuations were:

	2015	2014	2013	2012	2011
Discount rate(s)	12.00%	13.50%	13.50%	13.50%	13.50%
Expected rate(s) of salary increase	12.50%	13.50%	13.50%	13.50%	13.50%
Rate of inflation	10.00%	10.00%	10.00%	10.00%	10.00%

	N'000	N'000	N'000	N'000	N'000
26.3 Defined benefit obligation					
At 1 January	536,035	423,267	318,976	249,967	209,128
Current service cost	63,039	51,882	52,343	41,959	50,025
Interest cost	79,368	63,149	47,972	36,026	-
Remeasurement losses	141,895	11,548	16,553	(3,080)	4,913
Benefits paid	(32,426)	(13,811)	(12,577)	(5,896)	(14,099)
At 31 December	**787,911**	**536,035**	**423,267**	**318,976**	**249,967**
26.4 Defined benefits plans					
Present value of funded defined benefit	-	-	-	-	-
Fair value of plan assets	-	-	-	-	-
Funded status	-	-	-	-	-
Present value of unfunded defined benefit obligation	787,911	536,035	423,267	318,976	249,967
Net liability arising from defined benefit obligation	**787,911**	**536,035**	**423,267**	**318,976**	**249,967**

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
26.5	**Amounts recognised in**					
	Service cost					
	Current service cost	63,039	51,882	52,343	41,959	-
	Net interest expense	79,368	63,149	47,972	36,026	-
	Component of defined benefits costs in profit or loss	**142,407**	**115,031**	**100,315**	**77,985**	**-**
	Remeasurement of the net defined benefit liability:					
	Actuarial gains and losses arising from experience adjustments	141,895	11,548	16,553	(3,080)	(4,913)
	Deffered tax assets recognised on actuarial gain and losses (Note 13.3.2)	13,836	5,558	-	-	-
	Components of defined benefits cost recognised in other comprehensive income net of tax.	**128,059**	**5,990**	**16,553**	**(3,080)**	**(4,913)**
		270,466	**121,021**	**116,868**	**74,905**	**(4,913)**

26.6 Sensitivity analysis

Significant actuarial assumptions for / the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below 2 /has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease/increase.

. If the expected salary growth increase/(decrease) by 1%, the defined benefit obligation would increase/(decrease)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

There was no change in the methods and assumption used in preparing the sensitivity analysis from prior years.

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
27.	**Cash generated from operations**					
	Reconcilation of profit after tax to net cash generated by operating activities:					
	Proifit for the year	1,345,366	10,753,242	5,288,102	4,595,992	4,579,358
	Adjustments for:					
	Depreciation and amortisation of PPE and intangible assets	2,455,929	2,284,434	1,947,938	1,409,235	825,432
	Interest on government grant	188,649	293,852	111,343	37,991	-
	Foreign exchange loss	-	2,382,268	-	-	-
	Loss/(gain) on disposal of PPE	1,281	3,220	(4,772)	5,051	18,153
	Investment income	(93,535)	(86,303)	-	-	-
	Exchange difference on translating foreign operation	4,116	(79,872)	-	-	-
	Remeasurment of defined obligation	(128,059)	(5,990)	-	-	-
	Net finance cost	-	-	1,898,437	1,578,681	431,227
	Amortisation of intangible asset	-	-	3,687	1,710	-
	Operating cashflow before movement in working capital	**3,773,747**	**15,544,851**	**9,244,735**	**7,628,660**	**5,854,170**
	(Increase)/decrease in inventories	(2,685,504)	(7,657,287)	(51,493)	(5,414,850)	(1,062,737)
	Decrease/(increases) in trade and other receivables	2,474,266	(2,087,925)	(1,635,142)	(601,802)	(2,764,457)
	Incease in trade and other payables	1,761,099	296,441	(1,648,467)	415,499	2,813,981
	(Increase)/decrease in other assets	(470,098)	(600,523)	(187,348)	(1,079,355)	398,065
	Increase in retirement benefit obligation	251,875	112,768	104,291	69,009	35,927
	Increase in current tax liabilities	70,619	33,042	14,336	215	(142,834)
	Decrease/(increases) in deffered tax	(29,264)	(137,642)	260,516	(122,678)	-
	Net cash generated by operating activities	**5,146,740**	**5,503,725**	**6,101,428**	**894,698**	**5,132,115**
28.	**Directors and Employees**					
28.1	**Directors**					
	Emoluments:					
	Directors' sitting fees	2,550	2,250	2,250	1,150	1,025
		2,550	**2,250**	**2,250**	**1,150**	**1,025**
28.2	**Employees**					
	Wages, salaries, allowances and other benefits	5,221,172	4,559,307	3,671,854	3,075,391	2,471,687
	Pension and social benefits	146,732	101,918	78,344	74,579	44,032
	Gratuity	124,242	114,528	100,315	77,985	57,546
		5,492,146	**4,775,753**	**3,850,513**	**3,227,955**	**2,573,265**
28.3	**Remuneration of key management personnel**					
	The remuneration of the Directors, who are the key management personnel of the Company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.					
	Fees	**2,550**	**2,550**	**2,250**	**1,150**	**1,025**
		Number	**Number**	**Number**	**Number**	**Number**
28.4	**Employees**					
	The average number of employees employed:					
	Managerial and senior staff	596	576	563	515	479
	Junior and other staff	872	842	758	724	693
		1,468	**1,418**	**1,321**	**1,239**	**1,172**

	2015 Number	2014 Number	2013 Number	2012 Number	2011 Number
The number of higher paid employees with basic emoluments within the ranges below were:					
Up to N500,000	715	792	225	839	841
N500,001 - N1,000,000	476	381	742	270	188
N1,000,001 - N1,400,000	112	104	219	58	66
N1,400,001 - N2,000,000	90	73	115	53	43
N2,000,001 and above	75	68	20	19	34
	1,468	**1,418**	**1,321**	**1,239**	**1,172**

29. Related party disclosures

29.1 Related party relationships

The following entities are related parties that are not members of the Group:-

Multipro Consumer Products Limited	99,999997% of its share capital owned by Multipro Singapore Pte Limited (MSPL). Tolaram Africa Pte, Ltd. Owns 50% share capital of MSPL and 100% share capital of Tolaram Africa Foods Pte Ltd (TAFDL), TAFPL has a joint control in Dufil Prima Foods Plc.
PT Indofood Sukses Makmor Tbk	Ultimate owner of holding company of PT Indofood Sukses Makmur Tbk has control over Benetta Enterprises Inc. and Platinum Stream Profit Limited which is having joint control in Dufil Prima Foods Plc together with Tolaram Africa Foods Pte, Limited.

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
29.2 Related party transactions					
29.2.1 Trading transaction (Sale of goods)					
Multipro Consumer Products Limited	91,841,162	69,998,026	62,523,088	57,573,472	44,485,686
	91,841,162	**69,998,026**	**62,523,088**	**57,573,472**	**44,485,686**
29.2.2 Trading transaction (Purchase of goods)					
PT Indofood CBP Sukses Makmur Tbk	4,190,544	3,955,544	3,692,811	3,767,802	2,787,591
	4,190,544	**3,955,544**	**3,692,811**	**3,767,802**	**2,787,591**
29.2.3 Due from related parties					
Multipro Consumer Products Limited	1,253,594	5,024,528	3,712,861	4,200,095	4,252,869
PT Indofood CBP Sukses Makmur Tbk	-	13,230	2,311	39,003	62,121
	1,253,594	**5,037,758**	**3,715,172**	**4,239,098**	**4,314,990**
29.2.4 Due to related parties					
PT Indofood CBP Sukses Makmur Tbk	2,293,943	1,170,338	1,148,305	2,040,952	908,817
	2,293,943	**1,170,338**	**1,148,305**	**2,040,952**	**908,817**
29.2.5 Royalty and technical fees payable					
PT Indofood sukses Makmur Tbk	**1,424,913**	**1,329,397**	**1,324,227**	**1,313,432**	**1,056,340**

The above mentioned royalty and technical fees is at the net rate of 0.5% and 1.5% respectively of the turneover of the Indomie noodle business during the year. This is subject to 10% withholding tax and 5% value added tax (combined gross royalty and technical fee of 2.30% on noodles business turnover including withholding and value added taxes).

30 Segment reporting

30.1 Products from which reportable segments derive their revenues

Information reported to the Group's Chief Operating decision makers for the purpose of resource allocation and assessment of segment performance is focused on the category of products for each type of activity. The Group's reportable segments under IFRS 8 are:

Segments	Company
Noodles	Dufil Prima Foods Plc De United Foods Industries Limited Northern Noodles Limited De United Foods Industries Ghana Limited
Seasoning	De United Foods Industries Limited
Flour	Pure flour Mills Limited
Pasta	Pure flour Mills Limited
Snacks	Pure flour Mills Limited
Packaging	Insigma Print Technology LFTZ Enterprise
Palm Oil	Raffles Oil LFTZ Enterprise

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
30.2	**Segment revenue**					
	Noddles	64,751,245	57,468,361	57,031,685	56,556,760	45,490,848
	Seasoning	-	-	-	-	-
	Flour	6,303,359	5,327,558	1,852,033	776,436	-
	Pasta	4,011,818	1,741,973	3,842,714	1,533,646	-
	Snacks	1,423,982	646,021	-	-	-
	Packing	997,983	1,537,002	921,069	298,197	370,684
	Palm Oil	26,405,549	22,996,820	4,317,883	-	-
		103,893,936	**89,717,735**	**67,965,384**	**59,165,039**	**45,861,532**
30.3	**Segment profit/(loss) before tax**					
	Noddles	(2,241,543)	2,121,874	1,043,484	(479,338)	(47,610)
	Seasoning	1,004,602	2,342,635	2,012,624	2,824,014	2,802,244
	Flour	3,360,167	2,485,008	1,900,848	850,736	(18,722)
	Pasta	(1,531,473)	(1,059,578)	(1,486,081)	(539,181)	-
	Snacks	(765,537)	(300,201)	-	-	-
	Packing	2,549,082	2,444,112	2,122,490	1,881,300	1,856,367
	Palm Oil	(914,649)	2,704,258	11,864	(2,000)	-
		1,460,649	**10,738,108**	**5,605,229**	**4,535,531**	**4,592,279**
30.4	**Segment assets**					
	Noodles	24,428,788	28,820,637	20,195,208	24,283,608	17,717,362
	Seasoning	2,991,137	2,343,421	2,844,540	3,074,562	2,565,011
	Flour	6,639,071	5,991,007	5,566,348	4,823,604	3,290,328
	Pasta	2,673,638	3,033,963	3,349,421	3,829,821	-
	Snacks	868,315	905,110	-	-	-
	Packaging	5,119,258	3,751,495	5,147,366	5,207,885	2,595,489
	Palm Oil	18,020,773	14,768,452	9,118,805	2,554,257	-
		60,740,980	**59,614,085**	**46,221,688**	**43,773,737**	**26,168,190**
30.5	**Segment liabilities**					
	Noodles	22,151,743	24,445,459	15,923,895	20,400,226	16,847,608
	Seasoning	149,274	61,544	31,423	70,088	74,281
	Flour	(1,480,045)	775,670	2,835,136	3,958,337	2,363,326
	Pasta	6,839,056	6,120,310	5,376,343	4,392,246	-
	Snacks	1,934,057	1,205,311	-	-	-
	Packaging	1,099,731	2,278,766	2,121,742	2,605,875	850,190
	Palm Oil	19,204,054	15,037,805	9,092,941	2,540,257	-
		49,897,870	**49,924,865**	**35,381,480**	**33,967,029**	**20,135,405**

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
30.6 Segment depreciation and amortisation					
Noodles	1,184,016	1,134,817	1,228,898	820,679	539,319
Seasoning	134,682	165,216	151,703	170,245	160,279
Flour	281,804	278,309	456,990	173,583	-
Pasta	194,708	192,218	6,940	126,267	-
Snacks	56,077	32,206	-	-	-
Packaging	173,400	162,593	-	126,451	125,835
Palm Oil	415,652	319,075	103,407	-	-
	2,440,339	**2,284,434**	**1,947,939**	**1,417,225**	**825,433**
30.7 Group sales based on geographical location					
Nigeria	97,121,673	84,258,595	67,965,384	59,165,039	45,861,532
Ghana	6,772,263	5,459,140	-	-	-
	103,893,936	**89,717,735**	**67,965,384**	**59,165,039**	**45,861,532**
30.8 Group assets based on geographical location					
Nigeria	60,580,482	59,437,116	46,221,688	43,773,737	26,168,190
Ghana	160,498	176,969	**-**	**-**	**-**
	60,740,980	**59,614,085**	**46,221,688**	**43,773,737**	**26,168,190**

The accounting policies of the reportable segments are same as that of the Group's as described in note 3.

31. Financial Instruments

31.1 Capital risk management

The Group manages its capital to ensure that it will be able continue as going concern while maximizing the return to stakeholders through optimum utilisation of capital.

The capital structure of the Group consists of net debt (borrowings offset by the cash and bank balance) and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings.

The Group is not subject to any externally imposed capital requirements.

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
Gearing ratio					
The gearing ratio at the year end is as follows:					
Debt (i)	40,735,917	42,222,256	28,874,347	25,808,621	14,182,801
Cash and bank balance	(1,261,386)	(870,209)	(116,647)	(215,661)	(237,132)
	39,474,531	41,352,047	28,757,700	25,592,960	13,945,669
Equity (ii)	10,843,100	9,689,213	10,783,369	9,761,826	4,928,417
Gearing ratio	**3.6**	**4.3**	**2.7**	**2.6**	**2.8**

i) Debt is defined as both current and non current borrowings.
ii) Equity includes all capital and reserves of the Group that are managed as capital.

31.2 Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
31.3 Categories of financial instruments					
Financial assets					
Cash and bank balance	1,261,386	870,209	116,647	215,661	237,132
Trade and other receivables	8,054,469	10,528,735	8,440,810	6,805,668	6,203,866
	9,315,855	**11,398,944**	**8,557,457**	**7,021,329**	**6,440,998**
Financial liabilities					
Borrowings	40,735,917	42,222,256	28,874,347	25,808,621	14,182,801
Trade and other payables	6,526,722	4,765,623	4,469,182	6,117,649	5,702,150
	47,262,639	**46,987,879**	**33,343,529**	**31,926,270**	**19,884,951**

VAT and WHT have been excluded from trade and other payables since these are our statutory liabilities not financial liabilities.

31.4 Financial risk management objectives

The financial risk management framework is in place, where ever appropriate, to mitigate any adverse impact that may arise on the Group's reported results.

The Group's Senior Management ensures that financial risks are identified, measured and managed in accordance with Group's activities. Sensitivity analysis provides the appropriate information to monitor the net underlying financial risks.

The Senior Management reviews and agrees policies for managing each of these risks which are summarised below. The Group does not trade in financial instruments, nor does it take on speculative or open position through the use of derivatives.

31.5 Market risk

The market risk is the risk that changes in the market prices such as foreign exchange rates, interest rates and commodity input prices will affect the company's income or the value of its holding financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing returns. The financial instruments held by the company that are affected by market risk are principally the non-derivative financial instruments which include trade and other receivables, cash and cash equivalent and trade and other payables.

31.5.1 Operational risk

The operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risk such as those arising from legal and regulatory requirement and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group'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 risks is assigned to senior management within business unit.

31.6 Interest rate risks

The interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because it has borrowed funds from commercial banks at both fixed and floating interest rates.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting year. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year. 100 basis points increase or decrease is used as it represents management's assessment of the reasonably possible change in interest rates. The company minimises its exposure to interest rate risk by maintaining an appropriate mix between fixed and floating rate borrowings.

	2015	2014	2013	2012	2011
	N'000	N'000	N'000	N'000	N'000
Exposure to interest rate risk					
Bank overdraft	2,541,523	5,884,139	-	310,181	3,448,850
Term loans	5,810,822	8,532,460	10,978,103	12,126,326	7,776,885
Import finance facility	29,052,655	23,123,703	14,355,625	10,454,399	2,957,066
	37,405,000	**37,540,302**	**25,333,728**	**22,890,906**	**14,182,801**

31.7 Foreign currency risk management

The foreign currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates arises primarily from intragroup transaction and intragroup loans. The Group's entities have a treasury function that monitors exposure to foreign exchange risk.

The carrying amounts of the Group and company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2015	2014	2013	2012	2011
	N'000	N'000	N'000	N'000	N'000
Monetary assets (denominated in USD)					
Cash and bank balance	872,889	366,295	10,569	21,579	166,827
Monetary liabilities (denominated in USD)					
Borrowings	(18,275,741)	(29,725,190)	(21,902,000)	(17,908,751)	(3,804,906)
	(17,402,852)	**(29,358,895)**	**(21,891,431)**	**(17,887,172)**	**(3,638,079)**

31.7.1 Foreign currency sensitivity analysis

The Group and Company are mainly exposed to US Dollars because of its dollar denomination loan and trading transactions.

The below table shows the sensitivity to a 5% increase and decrease in Naira against the US Dollars. 5% represents Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding US Dollars denominated monetary items and adjusts their translation rate at year end for a 5% change in foreign exchange rate. A positive number below indicates an increase in profit where Naira strengthens against US Dollars and vice versa.

	2015	2014	2013	2012	2011
	N'000	N'000	N'000	N'000	N'000
Impact on report profit/equity					
Naira strengthens by 5% against US Dollar	**870,143**	**1,467,995**	**1,094,572**	**894,359**	**181,904**

31.8 Credit risk management

The credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.
The Group's exposure and the credit ratings of its customers are continuously monitored.
Credit exposure is controlled by credit limits that are reviewed and approved by the Senior Management annually.

The Group defines all its customers as having similar characteristics and it does not have any significant credit risk exposure to any of them.

The carrying amount of financial assets represents the Group's maximum exposure, which at the reporting date, was as follows:

	2015	2014	2013	2012	2011
	N'000	N'000	N'000	N'000	N'000
- Bank balance.	1,253,599	602,321	113,125	202,700	218,243
- Trade and other receivables.	8,054,469	10,528,735	8,440,810	6,805,668	6,203,866
	9,308,068	**11,131,056**	**8,553,935**	**7,008,368**	**6,422,109**

31.9 Liquidity risk management

The liquidity risk is the risk that the Group is unable to meet its current and future cash flow obligations as and when they fall due, or can only do so at excessive cost. This includes the risk that the Group is unable to meet settlement obligations to the acquiring banks due to failure of an issuing bank to pay.

The Group has a trade receivable policy of an average of 30 days.

The ultimate responsibility for liquidity risk rests with the Senior Management, which has established an appropriate liquidity risk management framework for the Management of the Group's short, medium, and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

To mitigate this risk, back up liquidity facilities are in place with a syndicate consisting of high credit, quality financial institutions, in addition to the Group's own liquid investments.

31.10 Maturity risk

The following tables show the Group's contractual maturities of financial liabilities:

	Contractual Cashflows N'000	0-12 months N'000	1-2 years N'000	Over 2 year N'000
31 December 2015				
Financial assets				
Trade and other receivables	8,054,469	8,054,469	-	-
	8,054,469	**8,054,469**	**-**	**-**
Financial liabilities				
Borrowings	40,735,917	35,286,550	(3,148,886)	8,598,253
Trade and other payables	6,158,159	6,158,159	-	-
	46,894,076	**41,444,709**	**(3,148,886)**	**8,598,253**
31 December 2014				
Financial assets				
Trade and other receivables	10,528,735	10,528,735	-	-
	10,528,735	**10,528,735**	**-**	**-**
Financial liabilities				
Borrowings	42,222,256	33,443,811	3,838,455	4,939,990
Trade and other payables	4,765,623	4,765,623	-	-
	46,987,879	**38,209,434**	**3,838,455**	**4,939,990**
31 December 2013				
Financial assets				
Trade and other receivables	8,440,810	8,440,810	-	-
	8,440,810	**8,440,810**	**-**	**-**
Financial liabilities				
Borrowings	28,874,347	18,903,095	3,847,578	6,123,674
Trade and other payables	4,469,182	4,469,182	-	-
	33,343,529	**23,372,277**	**3,847,578**	**6,123,674**
31 December 2012				
Financial assets				
Trade and other receivables	6,805,668	6,805,668	-	-
	6,805,668	**6,805,668**	**-**	**-**
Financial liabilities				
Borrowings	25,808,621	13,687,722	4,448,048	7,672,851
Trade and other payables	6,117,649	6,117,649	-	-
	31,926,270	**19,805,371**	**4,448,048**	**7,672,851**
31 December 2011				
Financial assets				
Trade and other receivables	6,203,866	6,203,866	-	-
	6,203,866	**6,203,866**	**-**	**-**
Financial liabilities				
Borrowings	14,182,801	8,272,824	2,527,335	3,382,642
Trade and other payables	5,702,150	5,702,150	-	-
	19,884,951	**13,974,974**	**2,527,335**	**3,382,642**

31.11 Fair value of financial instruments

The Directors considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

31.12 Capital management

The Group manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through optimum utilisation of capital.

The capital structure of the Group consists of net debt (borrowing offset by cash and bank balance) and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings.

The Group is not subject to any externally imposed capital requirements.

32. Capital commitments

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

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
33.	**Contingent liabilities and contingent assets**					
	The Group has the following contingent liabilities:					
i	Guarantee on loan obtained from Bank of Industry for Northern Noodles Ltd.	2,300	2,300	2,300	-	-
ii.	Guarantee on custom bonds received for De United Foods Industries Ltd.	-	117,260	154,280	-	-
iii.	Guarantee on loan obtained from Bank of Industry for Pure Flour Mills Limited	790	-		-	-
ix.	Guarantee on Export Expansion Grant obtained from the Nigerian Export Promotion Council	-	928	928	-	-

The Dufil Prima Foods Plc has given cross guarantee for various facilities taken by the group subsidiairies from Banks. The subsidiaries has given cross guarantee for facility taken by the Company from Bank.

STATEMENT OF ADJUSTMENTS TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
1.	**Retained earnings**					
	Per audited financial statements	7,542,189	6,392,418	7,463,536	6,430,038	1,901,581
	IPO expense incurred in 2008 but written off in 2012 now adjusted	-	-	-	-	(268,216)
	Prior years over provision for tax but recognised in 2014 now adjusted	-	-	(56,834)	(31,895)	(29,056)
	Prior year over provision for tax but recognised in 2012 now adjusted	-	-	-	-	(52,559)
	Prior year over provision for tax but recognised in 2013 now adjusted	-	-	-	(12,984)	-
	Per reporting accountants' report	**7,542,189**	**6,392,418**	**7,406,702**	**6,385,159**	**1,551,750**
2.	**Current income tax liabilities**					
	Per audited financial statements	130,735	60,116	27,074	12,738	12,523
	Prior year over provision for tax but recognised in 2014 now adjusted	-	-	56,834	31,895	29,056
	Prior year over provision for tax but recognised in 2012 now adjusted	-	-	-	-	52,559
	Prior year over provision for tax but recognised in 2013 now adjusted	-	-	-	12,984	-
	Per reporting accountants' report	**130,735**	**60,116**	**83,908**	**57,617**	**94,138**
3.	**Other assets**					
	Per audited financial statements	1,921,046	1,422,470	848,786	1,272,745	365,059
	IPO expense incurred in 2008 but written off in 2012 now adjusted	-	-	-	-	(268,216)
	Per reporting accountants' report	**1,921,046**	**1,422,470**	**848,786**	**1,272,745**	**96,843**

STATEMENT OF ADJUSTMENTS TO CONSOLIDATED PROFIT OR LOSS AND STATEMENT OF OTHER COMPREHENSIVE INCOME

	2015 N'000	2014 N'000	2013 N'000	2012 N'000	2011 N'000
1. Other expenses					
Per audited financial statements	-	-	-	**268,216**	-
Reversal of IPO expense incurred in 2008 but written off in 2012	-	-	-	(268,216)	-
Per reporting accountants' report	**-**	**-**	**-**	**-**	**-**
2. Tax expense					
Per audited financial statements	115,283	(15,134)	300,574	(57,381)	12,523
Prior years over provision for income and education tax but recognised in 2014	-	(56,834)	24,939	2,839	27,891
Prior years over provision for income and education tax but recognised in 2012	-	-	-	(52,559)	23,684
Prior years over provision for income and education tax but recognised in 2013	-	-	(12,984)	12,984	-
Per reporting accountants' report	**115,283**	**(71,968)**	**312,529**	**(94,117)**	**64,098**
3. Administration expenses					
Per audited financial statements	4,842,224	4,463,056	3,928,501	3,231,142	2,669,896
Prior years over provision for income and education tax but recognised in 2012	-	-	-	-	7,812
Per reporting accountants' report	**4,842,224**	**4,463,056**	**3,928,501**	**3,231,142**	**2,677,708**
4. Investment income					
Per audited financial statements	93,535	86,303	-	-	-
Reclassification of interest income recognised as investment income	(93,535)	(86,303)	-	-	-
Per reporting accountants' report	**-**	**-**	**-**	**-**	**-**
5. Other gains and losses					
Per audited financial statements	335,712	(1,227,417)	497,804	481,990	281,944
Reclassification of interest income treated as investment income	93,535	86,303	-	-	-
Per reporting accountants' report	**429,247**	**(1,141,114)**	**497,804**	**481,990**	**281,944**

1. OWNERSHIP STRUCTURE

As at December 31, 2015 the 6,753,333,334 issued and paid up ordinary shares at NGN0.50 per share were beneficially held as follows:

Name	Number of shares	% holding
Tolaram Africa Foods PTE Limited	3,308,700,056	48.99%
Platinum Stream Profits Limited	2,770,555,500	41.02%
Benetta Enterprises INC	538,144,556	7.97%
Others	135,933,222	2.02%
Paid-up Capital	**6,753,333,334**	**100.00%**

2. INCORPORATION AND SHARE CAPITAL HISTORY

At incorporation on 19 December 2001, the authorised share capital of Dufil was ₦2,000,000 divided into 2,000,000 ordinary shares of ₦1.00 each. In 2008, Dufil's authorised share capital was sub-divided from 20,000,000 ordinary shares of ₦1.00 each to 40,000,000 ordinary shares of ₦0.50 each. Then, the Group's authorised share capital was also increased from ₦20,000,000 (comprising 40,000,000 ordinary shares of ₦0.50 each) to ₦5,000,000,000 (comprising 10,000,000,000 ordinary shares of ₦0.50 each) by the creation of 9,960,000,000 ordinary shares of ₦0.50 each.

At present, the issued and fully paid up share capital is ₦3,376,667,667 ordinary shares values at ₦0.50 each comprising of 6,753,333,334 ordinary shares. The following changes have taken place in Dufil's issued capital since incorporation:

Date	Authorised Share Capital		Issued Share Capital		Consideration
	Increase	Cumulative	Increase	Cumulative	
December 2001	2,000,000	2,000,000	2,000,000	2,000,000	Ordinary Shares
February 2003	18,000,000	20,000,000	18,000,000	20,000,000	Ordinary Shares
May 2008	20,000,000	40,000,000	20,000,000	40,000,000	Sub-Division
May 2008	9,960,000,000	10,000,000,000	6,733,333,334	6,753,333,334	Ordinary Shares

3. DIRECTORS' INTERESTS

As at 31 December 2015, none of the Directors had any interest in the share capital of the Group.

4. SUBSIDIARIES, ASSOCIATED COMPANIES AND INVESTMENTS

As at the date of this Shelf Prospectus, the Issuer had the following Subsidiaries:

S/N	Subsidiary	% Holding
1	De United Foods Industries Limited	99.9%
2	Insignia Print Technology LFTZ Enterprise	99.9%
3	Northern Noodles Limited	99.9%
4	Pure Flour Mills Limited	99.9%
5	Raffles Oil LFTZ Enterprise	99.9%
6	De United Foods Industries Ghana Limited*	100.0%

**De United Foods Industries Ghana Limited is a foreign subsidiary*

5. EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Borrowing Powers of the Board of Directors

Article 118 of the Articles of Association of the Issuer provides thus:

"The Directors may, subject to a resolution of the Board of Directors' meeting held under the provisions of these Articles at any time borrow or raise for the purpose of the Company from any party approved by the Board of Directors such sums of money on such terms as the Directors may think proper.

PROVIDED however that the borrowing powers of the Directors are limited so that the aggregate amount at any time owing in respect of monies borrowed by the Company and its subsidiary companies whose financial statements are consolidated with the financial statements of the Company ("Group") (exclusive of inter-company borrowings) shall not exceed one and a half times the aggregate of the total equity of the Group on a consolidated basis except that the general meeting of the shareholders of the Company may approve of a higher level of borrowing of the Group."

6. STATEMENT OF INDEBTEDNESS

Details of all indebtedness of the Issuer at the time of issuance of any Bonds under the Programme will be disclosed in the Supplementary Shelf Prospectus relating to the series of Bonds to be issued.

As at 30 November 2016, the Issuer had the following existing facilities:

Name of Bank	Facility Limit (N'000)	Amount outstanding (N'000)
Bank of Industry	1,200,000	327,273
Bank of Industry	1,297,038	216,173
Bank of Industry	2,303,036	815,774
Eco Bank - Bank of Industry	1,000,000	613,451
Eco Bank - Bank of Industry	1,000,000	652,543
Zenith Bank - Bank of Industry	1,000,000	318,905
Union Bank	5,000,000	4,500,000
FCMB	1,000,000	928,571
Eco Bank	2,580,000	1,170,256
Eco Bank	4,031,250	1,722,256
Total	**20,411,324**	**11,265,202**

Name of Bank	Facility Limit ($'000)	Amount outstanding ($'000)
Standard Bank of South Africa	5,000,000	5,000
Standard Chartered Bank	7,500,000	4,218
Total	**12,500,000**	**9,218**

7. OFF BALANCE SHEET ITEMS

As at December 31, 2015, the Issuer had no Off Balance Sheet Items other than in the ordinary course of business.

8. CLAIMS AND MATERIAL LITIGATION

The Solicitors were provided with a number of claims and litigation files in relation to the Sponsor, which revealed that as at 08 August 2016, in the ordinary course of business, Dufil was involved in one suit. The amount claimed in the suit against the Company is ₦30,000,000.00 (Thirty Million Naira only).

The Solicitors to the Issue are of the professional view that the Issuer's liability in the event of an unfavorable resolution of the case would have no material adverse effect on the Issue.

The Board of the Issuer is of the opinion that the case is not likely to have any material adverse effect on the Issuer and/or the Issue, and is not aware of any other pending and or threatened claims or litigation involving the Issuer which would have any material adverse effect on the Issue.

9. DECLARATIONS

Except as otherwise disclosed in this Shelf Prospectus:

(i) No share of the Issuer is under option or agreed conditionally or unconditionally to be put under option;

(ii) No commissions, brokerages or other special terms have been granted by the Issuer to any person in connection with the Bond Issuance Programme or sale of any securities of the Issuer;

(iii) Save as disclosed in this Shelf Prospectus, the directors of the Issuer have not been informed of any holding representing 5% or more of the issued share capital of the Issuer;

(iv) There are no founders', management or deferred shares or any options outstanding;

(v) There are no material service agreements between the Issuer or any of its respective Directors and employees other than in the ordinary course of business;

(vi) There are no long-term service agreements between the Issuer or any of its respective Directors and employees other than in the ordinary course of business;

(vii) No Directors of the Issuer has had any interest, direct or indirect, in any property purchased or proposed to be purchased by the Issuer in the five years prior to the date of this Shelf Prospectus; and

(viii) No prosecution has commenced against the Issuer or any of its respective subsidiaries in respect of any breach of any securities or CAMA;

It is further declared that as at 16 May, 2017:

(i) None of the Directors is under any bankruptcy or insolvency proceedings in any court of law;

(ii) None of the Directors has been convicted in any criminal proceeding;

(iii) None of the Directors is subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty.

10. COSTS AND EXPENSES

The costs and expenses of undertaking this Bond Issuance Programme including fees payable to the SEC, FMDQ OTC and professional parties, filing fees, stamp duties, legal fees, other expenses, brokerage commission and the costs of printing and advertising the Offer are as set out in each Pricing Supplement issued by the Group.

11. MATERIAL CONTRACTS

The following agreements have been entered into by the Group and are considered material to the Programme:

1. Programme Trust Deed dated 16 May, 2017 between the Issuer, ARM Trustees Limited and Stanbic IBTC Trustees Limited in connection with the Programme.

Other than as stated above, the Issuer, has not to our knowledge, entered into any material contracts other than in the ordinary course of business

12. RELATIONSHIPS BETWEEN THE ISSUER AND ITS ADVISERS

There is no relationship between the issuer and its advisers except in the ordinary course of business.

13. MERGER AND TAKEOVERS

As at the date of this Shelf Prospectus, the Directors were not aware of a merger or takeover offer by third parties in respect of the Issuer's securities during the preceding financial year or current financial year.

14. CONSENTS

The following have given and not withdrawn their written consents to the issue of this Shelf Prospectus with their names and reports (where applicable) included in the form and context in which they appear:

	Directors of the Issuer	
S/N	**Name**	**Role**
1	Mr. Harkishin Aswani	Chairman
2	Mr. Deepak Singhal	Managing Director / Chief Executive Officer
3	Mr. Adhi Suryana Narto	Executive Director / Chief Operating Officer
4	Dr. Joseph Oladele Sanusi	Non-Executive Director
5	Mr. Sajen Aswani	Non-Executive Director
6	Mr. Axton Salim	Non-Executive Director
7	Mr. Kasim Rusmin	Non-Executive Director

	Other parties to the Programme	
S/N	Name	Role
1	Stanbic IBTC Capital Limited	Issuing House
2	Nnenna Ejekam Associates	Solicitors to the Issuer
3	G. Elias & Co.	Solicitors to the Issue
4	Udo Udoma & Belo Osagie	Solicitors to the Trustees
5	Stanbic IBTC Trustees Limited	Trustee
6	ARM Trustees Limited	Trustee
7	Global Credit Ratings Co	Ratings Agency
8	PKF Professional Services	Reporting Accountants
9	First Registrars and Investor Services Limited	Registrars
10	Stanbic IBTC Bank PLC	Receiving Bank

15. DOCUMENTS AVAILIABLE FOR INSPECTION

Copies of the following documents may be inspected at the office of the Issuing House during normal business hours on any weekday (except public holidays), during the validity period of the Programme:

i. The Certificate of Incorporation of the Issuer, duly certified by the CAC;
ii. The Memorandum and Articles of Association of the Issuer, duly certified by the CAC;
iii. A copy of the resolution dated 23 May 2016 passed at the meeting of the Board of Directors of the Issuer, recommending the Programme for the consideration of the shareholders; signed by a Director and the Company Secretary of the Issuer;
iv. An extract of the resolution of the shareholders at a general meeting authorising the establishment of the Programme which is signed by a Director and the Company Secretary of the Issuer;
v. This Shelf Prospectus dated 16 May 2017 issued in respect of the ₦40,000,000,000 Bond Issuance Programme;
vi. The Programme Trust Deed;
vii. The Issuer's Audited Accounts for each of the three years ended December 31, 2015;
viii. The Report by Akintola Williams Deloitte on the audited financial information of the Issuer for each of the three years ended 31 December 2015;
ix. The schedule of the Claims and Litigation referred to above and the Solicitors' opinion thereon;
x. The material contracts referred to on page 98 of this Shelf Prospectus;
xi. The written consents referred to on page 98 and 99 of this Shelf Prospectus;
xii. The letter from solicitors on claims and litigations; and
xiii. The SEC letter of approval dated 24 February 2017 in respect of the shelf registration of the Programme.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be prepared by the Issuer for each Series of Indomie Bonds issued under the Programme

RC: 438802

DUFIL PRIMA FOODS PLC

MANUFACTURERS OF

OFFER FOR SUBSCRIPTION OF [·] [·] YEAR [·] % FIXED RATE SENIOR UNSECURED BOND DUE [·]
UNDER THE ₦40,000,000,000 DUFIL PRIMA FOODS PLC BOND ISSUANCE PROGRAMME
ISSUE PRICE: ₦ [•] PER UNIT
PAYABLE IN FULL ON APPLICATION

This Pricing Supplement is prepared for the purpose of Rule 279(3) of the Rules and Regulation of the Securities & Exchange Commission ("The Commission" or "SEC") in connection with the ₦40,000,000,000.00 Bond Issuance Programme established by Dufil Prima Foods PLC ("the Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated [•] and any other supplements to the Shelf Prospectus to be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from the Issuing House.

The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No securities will be allotted or issued on the basis of the Shelf Prospectus read together with this Pricing Supplement later than three years after the date of the issue of the Shelf Prospectus.

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder (the "Series [●] Bonds" or "Bonds"). Application has been made to FMDQ for admission of the Bonds to its OTC platform. The Bonds now being issued will upon admission to the OTC platform qualify as a security in which Trustees may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004. The Bonds also qualify as a security under Section 20(1)(g) of the Personal Income Tax Act, Cap P8, LFN, 2004 as well as Section (19)(2) of the Companies Income Tax Act, Cap C21, LFN, 2004.

The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of its knowledge (having made all reasonable enquiry), in accordance with the facts and does not omit anything likely to affect the import of such information and that save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Furthermore, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

This Pricing Supplement is dated [•] 2017

Final terms of the Series [●] Bonds

1.	Issuer:	Dufil Prima Foods PLC
2.	Description of the Bond:	[●]
3.	Series Number:	[●]
4	Specified Currency:	[●]
5.	Aggregate Nominal:	₦[●]
6.	Issue Price:	[●]
7	Net proceeds	₦[●]
8.	Denominations:	[●]
9.	Issue Date:	[●]
10.	Coupon Commencement Date	[Coupon shall accrue from the Allotment date]
11.	Maturity Date:	[●]
12.	Principal Moratorium:	[●]
13.	Coupon Basis:	[●]
14.	Coupon:	[●]% p.a.
15.	Redemption/Payment Basis:	[●]
16.	Status:	[●]
17.	Payment Undertaking:	[●]
18.	Negative Pledge	[●]
19.	Listing(s):	[●]
20.	Method of Distribution:	[●]
21.	Offer Period:	[●]

Provisions relating to coupon (if any) payable

22. Fixed Rate Bond Provisions

(i)	Coupon Payment Date(s)/Payment Dates:	[●]
(ii)	Coupon Amount(s):	[●]
(iii)	Day Count Fraction:	[●]
(iv)	Business Day Convention:	[Modified Following: Where a Coupon Payment Date falls on a non-Business Day,

		such payment shall be postponed to the next day which is a Business Day provided that if such a Business Day falls into the next calendar month, such Coupon Payment Date shall be brought forward to the immediately preceding Business Day].
(v)	Other terms relating to method of calculating Coupon for Fixed Rate Bonds:	[●]
(vi)	Zero Coupon Note Provisions:	[●](Delete if not applicable)

Provisions relating to redemption

23.	Optional Early Redemption		
	(i)	Call Option:	[Applicable/Not Applicable]
	(ii)	Put Option:	[Applicable/Not Applicable]
24.	Scheduled Amortisation:		[Applicable/Not Applicable]
25.	Redemption Amount(s):		[●]
26.	Scheduled Redemption Dates:		[●]

General provisions applicable to the Bonds

27.	Form of Bonds:		Dematerialised
	(i)	Form of Dematerialised Bonds:	[Registered/Certificate/Dematerialised]
	(ii)	Registrar:	[●]
28.	Trustee:		[●]
29.	Record Date:		[●]
30.	Other terms or special conditions:		[●]
31.	Payment Agent		[●]

Distribution, clearing and settlement provisions

32.	Method of Distribution:		[●]
33.	Underwriting:		[●]
34.	Delivery		[●]
35.	Clearing System:		Central Securities Clearing System PLC
36.	Rating:		
	(i)	Issuer:	[●]
	(ii)	Issue:	[●]

An issue rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

General

37.	Taxation:	See "Taxation" on page [●] of the Shelf Prospectus dated [●].
38.	Risk Factors:	See Risk Factors on page [●] - [●] of the Shelf Prospectus dated [●].
39.	Governing Law:	The Bonds will be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

Appendices

40.	Appendices:	[List and attach appendices if applicable]

Use of proceeds

[Insert details of use of proceeds]

Material adverse change statement

Except as disclosed in this document and in the Shelf Prospectus dated [●] 2016, there has been no significant change in the financial or trading position of the Issuer since [Insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts].