CWG

The Power of Transformation:

Renewing Commitment for Growth

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2023 ANNUAL REPORT AND ACCOUNTS

CWG

Positioning Africa to Maximise the Future.

70+	26+	5
Partnerships	Countries (Pan-African Initiative)	Operation Hubs

CWG

CWG PLC- RC 615619

2023

ANNUAL REPORT AND ACCOUNTS

Contents

Corporate Information

Directors

Mr. Philip Obioha	Chairman (Non-Executive)
Mr. Austin Okere	Non-Executive Director
Mr. Abiodun Fawunmi	Non-Executive Director
Dr. Olusegun Oso	Non-Executive Director
Mr. Babawale Agbeyangi	Non-Executive Director
Mr. Adewale Adeyipo	Managing Director/Chief Executive Officer
Mrs. Taba Peterside	Independent Non-Executive Director
Mr. Afolabi Sobande	Executive Director
Mr. Ireti Yusuf	Executive Director

Registered Office

Block 54A, Plot 10, Adebayo Doherty Road,
Off Admiralty Way, Lekki Phase 1, Lagos.
Tel: 01-7406817, 01-8936502
www.cwg-plc.com

Offices in Nigeria

Abuja
Port Harcourt

Subsidiaries

CWG Ghana Ltd
CWG Cameroun Ltd
CWG Uganda Ltd
FTHLAB Ltd
CWG Global Services FZ - LLC

External Auditors

PKF Professional Services
PKF House, 205A Ikorodu Road, Obanikoro, Lagos, Nigeria.
Email: lagos@pkf-ng.com

Solicitors

G. Elias & Co
6, Broad Street, Lagos Island, Lagos.

Internal Auditors

PwC
Landmark Towers
5B, Water Corporation Road, Victoria Island, Lagos, Nigeria.
E-mail: enquiry@ng.pwc.com

Key Bankers

Globus Bank
United Bank for Africa Plc
First Bank of Nigeria Limited
First City Monument Bank Plc
Stanbic IBTC Bank Plc
Guaranty Trust Bank Plc
Zenith Bank Plc

Registrars

Cordros Registrars Limited
21 Norman Williams Street, Ikoyi. PO Box 75590
Victoria Island, Lagos, Nigeria.
www.cordros.com

Company Secretary

DCSL Corporate Services Limited
235 Ikorodu Road Ilupeju P.O. Box 965 Marina Lagos

NOTICE OF 19th ANNUAL GENERAL MEETING
CWG PLC
(RC No 615619)
(PURSUANT TO SECTION 237 OF THE COMPANIES AND ALLIED MATTERS ACT 2020)

NOTICE IS HEREBY GIVEN THAT the 19th Annual General Meeting of **CWG** PLC will be held at The Jewel Aeida, Plot 105B Hakeem Dickson Link Road Lekki Phase 1, Lagos, on **Friday** the **26th day of April** 2024 at **10.00 a.m**. prompt to transact the following business:

Ordinary Business:

1. To lay before the Members, the Report of the Directors', the Audited Statements of Financial Position of the Company, together with the Statement of Comprehensive Income for the year ended 31st December 2023 and the Reports of the Auditors and the Audit Committee thereon.
2. To declare a dividend.
3. To re-appoint PKF Professional Services as the Auditors of the Company and authorize the Directors to fix their remuneration.
4. To disclose the remuneration of the Managers of the Company.
5. To elect members of the Statutory Audit Committee.

Special Business:

Ordinary Resolution

1. To approve the remuneration of the Directors for the financial year 2024.

Dated This 3rd Day of April 2024

BY ORDER OF THE BOARD

DCSL Corporate Services Limited
Company Secretaries

Notes:

- **Proxy:** Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. For the appointment of the proxy to be valid, a Proxy Form must be completed and deposited at the office of the Company's Registrar, Cordros Registrars, 70 Norman Williams Street Ikoyi Lagos not later than 48 hours before the time fixed for the meeting. A blank Proxy Form is attached to the Annual Report and may also be downloaded from the Company's website at www.cwg-plc.com
- **Stamping of Proxy:** The Company has made arrangement at its cost, for the stamping of the duly completed and signed Proxy Forms submitted to the Company's Registrars within the stipulated time.
- **Online Streaming Of AGM:** The AGM will be streamed live online. This will enable Shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the AGM online live streaming will be made available on the Company's YouTube Channel at https://www.youtube.com/cwgafrica?uid=FLAvVjxEmBru49o_NIIukQ
- **Closure of Register:** The Register of Members shall be closed from 18th April 2023 to 23rd April 2024, (both days inclusive) for the purpose of updating the Register of Members.
- **Dividend:** If the final dividend recommended by the Directors is approved, dividend will be paid on Friday, 26th April 2024 to shareholders whose names are registered in the Register of Members as at the close of business on 17th April 2024.
- **E-Dividend:** Notice is hereby given to all shareholders to open bank accounts, stockbroking accounts and CSCS accounts for the purpose of dividend payment. Detachable application forms for the e-dividend is attached to the Annual Report to enable all shareholders furnish particulars of their bank accounts to the Registrar as soon as possible. The e-dividend form is also available on the website of our Registrar: www.cordrosregistrars.com
- **Nomination of Statutory Audit Committee Members:** In accordance with Section 404(6) of the Companies and Allied Matters Act Cap C20, Laws of the Federal Republic of Nigeria, 2020, any member may nominate a shareholder as a member of the Statutory Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the Annual General Meeting. Such notice of nominations should be sent via email to info@dcsl.com.ng or tkembi@dcsl.com.ng
- **Rights of Security Holders to Ask Questions**: In compliance with Rule 19.12(c) of the Nigerian Exchange Limited's Rulebook, a member and other Security Holders of the Company have a right to ask questions not only at the Annual General Meeting, but also in writing prior to the Meeting, and such questions must be submitted at least one week before the meeting.

Who We Are

Our Mission

Positioning Africa to maximize the Future

Our Vision

Our vision is to be the most preferred technology solutions company out of Africa.

Our Values

Integrity

Quality

Efficiency

Customer Obsession

Transformative Innovation

Leadership

Our Strengths

WORLD ECONOMIC FORUM

Awarded Global Growth Company by the World Economic Forum

Largest IT Security Listed on NGX

Countries Served

28
Countries served and still serving

Customers Served

293
Enterprise customers served in 5 years

Managed Services

47
Number of enterprise managed services in 5 years

Projects Implemented

Over 400
Successful project implemented in 5 years

IPs Owned

10
Owned IPs

Accreditations and Certifications

**Accredited Meter Asset Provider (MAP) supplier*

**Payment Terminal Service Provider (PTSP)*

**International Data Access (IDA)*

**Information Security Management System (ISMS)*

**Business Continuity Management System (BCMS)*

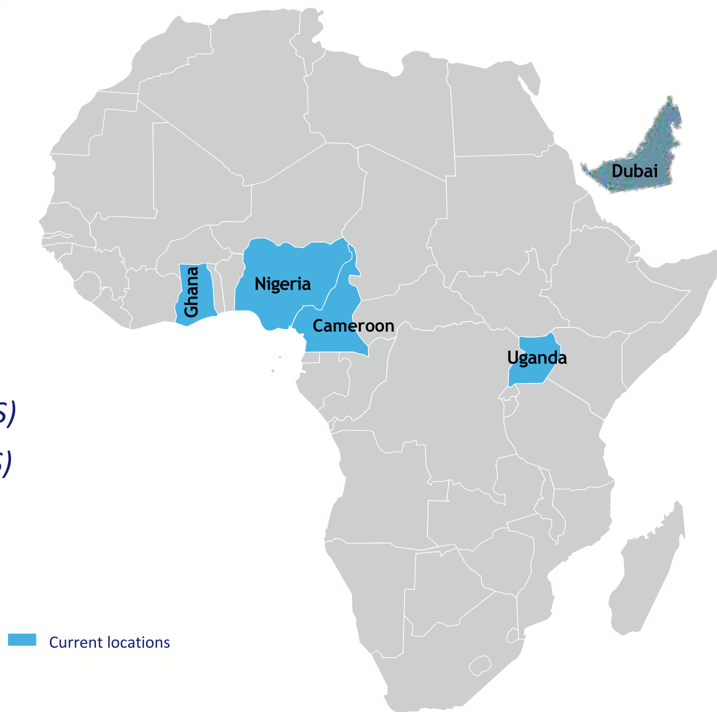
**Quality Management System (QMS)*

ISO/IEC 27001:2022 MSECB CERTIFIED

ISO 22301:2019 MSECB CERTIFIED

ISO 9001:2015 CERTIFIED COMPANY

NATIONAL CERTIFICATION SCHEME



Finacle Support Capacity In Africa

Countries Reached

24
Countries reached

Bank Transactions Supported

~60%
Of commercial banking transactions are facilitated on our core-banking platform

Customers Supported

94,724,265+
Number of bank customers supported

Bank Accounts Supported

120,857,866
Number of bank accounts supported

Transaction Count

250,000,000+
Daily transaction count

APIs Supported

300/2000
Standard Regulatory Report / APIs

Banks Supported

FirstBank — Head Office and 6 other countries
Fidelity
Wema Bank
FBNQuest Merchant Bank
access
UBA — Head Office and 6 other countries
CORONATION MERCHANT BANK
FCMB
Optimus Bank
GTBank
unity bank
Heritage Bank
Globus Bank
Greenwich
unionbank
Standard Bank
parallex
NOVA

Supporting Tipping Point Innovation

At CWG, we're at the forefront of change, dedicated to propelling brilliant ideas to their tipping points. We believe in the pursuit of groundbreaking innovations that will redefine the future

HEAD OFFICE

BLOCK 54A, PLOT 10, OFF RUFUS GIWA STREET, OFF ADEBAYO DOHERTY ROAD, OFF ADMIRALTY WAY, LEKKI PHASE 1, LAGOS
+234-012809800
INFO@CWG-PLC.COM

CWG GHANA LIMITED

B2A/2, AGOSTINO NETO CLOSE, AGOSTINO NETO ROAD OPPOSITE THE COCOSHIE BUILDING AIRPORT RESIDENTIAL AREA ACCRA, GHANA P.O. BOX: KD 247 KANDA, GHANA
+234-1-2809800 EXT. 6000, 233-302772793
INFO.CWGGHANA@CWG-PLC.COM

CWG CAMEROON LIMITED

3RD FLOOR —DOOR 9, ECOBANK BUILDING BONAMOUSSADI P.O. BOX: 1316 DOUALA —CAMEROON
+237 71844761, 233-696057449
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CWG UGANDA LIMITED

PLOT 5, CLEMENT HILL ROAD, NAKASERO, KAMPALA UGANDA. P.O BOX 72098
+256 393202011, +256 774245169
INFO.UGANDA@CWG-PLC.COM

CWG FZ LLC

T1-FF-8E RAKEZ AMENITY CENTER AL HAMRA INDUSTRIAL ZONE-FZ RAK, UNITED ARAB EMIRATES

FIFTHLAB

7 JOSHUA EBUN OJO CLOSE, OFF RUFUS GIWA STREET, LEKKI PHASE 1, LAGOS

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Corporate Governance Report

CWG PLC Annual Report and Accounts

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER 2023

CWG Plc holds itself to the highest standards of corporate governance and consistently aims to adopt useful international best practices and adhere to regulatory requirements for effective corporate governance. Effective corporate governance permeates the business as would be seen in the Board composition, how the Company is managed, internal control mechanisms, and communications with stakeholders. The business thus operates on high ethical standards while striving to make profits, mindful of the macroeconomic business environment, technological advancements, and stakeholders.

In accordance with the requirements of the Nigerian Exchange Group (NGX), the Securities and Exchange Code of Corporate Governance Guidelines (SCGG), and the Nigerian Code of Corporate Governance (NCCG), the Board undertook an internal appraisal exercise to ascertain its level of compliance with defined corporate governance tenets and international best practices. The Report of this exercise forms part of this Annual Report.

GOVERNANCE STRUCTURE

The governance bodies in place, as well as an outline of their composition and responsibilities, are detailed below:

THE BOARD

The Board ensures that the highest standards of corporate governance are maintained and complied with. The Board is responsible for the proper management and direction of the Company and achievement of its strategic objectives as agreed by the Board and recommended by the Nigerian Code of Corporate Governance.

The Board exercises leadership and has oversight over the business, long-term goals, and strategy overseeing the Company's risks, implementing controls and procedures where necessary, particularly maintaining a sound system of internal controls and protects shareholders' interests and the Company's assets.

The Board fulfills its responsibility through standing and ad-hoc committees which also report and make recommendations to the Board on issues within their respective term of reference. Through these committees, interactive dialogue is employed on a regular basis to set broad policy guidelines, and to ensure proper management and direction of the Company. The Committees present reports to the Board at its quarterly meetings.

The Board met six (6) times during the financial year ended 31st December 2023. The meeting details are provided in the latter part of this Report.

COMPOSITION OF THE BOARD

The Board during the period was composed of nine (9) Directors three (3) Executive Directors, five (5) Non-Executive Directors) and one (1) Independent Non- Executive Director.

The Board Members are professionals who have excelled in their various fields of endeavor, including computer science, engineering, economics, as well as accounting, and possess the required integrity, skills, and experience to bring independent judgment to bear on the deliberations of the Board.

In addition to having one or more of these core competencies, candidates for appointment as Directors are identified and considered based on their knowledge, experience, integrity, professionalism, career success experience, diversity, leadership, reputation, and ability to understand and add value to the Company's business.

The Board and the Board Committees usually meet quarterly in each financial year, although additional meetings may be convened when the need arises.

The Board met regularly during the year to discuss, review and receive reports on the business and plans for the Group. The long-term success of the Company is the collective responsibility of the Board, who are accountable to the shareholders for the creation of long-term shareholder value. Decisions are taken at the Board meetings by way of resolutions, as provided for in the Companies and Allied Matters Act (CAMA),2020.

The Non-Executive Directors are provided with comprehensive information at each Board meeting and are also briefed on business developments between Board meetings. The Non-Executive Board members possess strong knowledge of the Company's business and usually contribute actively at Board's meetings.

ROLES & RESPONSIBILITY OF THE BOARD

The role of the Board is well documented in the CWG Corporate Governance Framework which is revised from time to time based on the evolving nature of the responsibilities of the Board.

The Board has ultimate responsibility for determining the the strategic objectives and policies of the Company to deliver long-term value by providing overall strategic direction within a framework of rewards, incentives, and controls.

The Board has delegated the responsibility for day-to-day operations of the Company to Management and ensures that Management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives. In fulfilling its primary responsibility, the Board is aware of the importance of achieving a balance between conformance to governance principles and economic performance.

Notwithstanding the delegation of the operation of the Company to Management, responsibilities reserved for the Board and its Committees include: reviewing, monitoring, implementation of the Company's strategy and financial objectives, major plans of action, annual budgets and business plans, and setting performance objectives Approval of the Company's investment policies and framework; Approval the Company's financial statements, any significant changes in the Company's accounting policies and/or practices; Appointment or removal of Company Secretary; Approval of major changes in the Company's corporate or capital structure; Recommendation to shareholders of the appointment or removal of Auditors and the remuneration of Auditors; Approval of resolutions and corresponding documentation for shareholders in general meeting(s).

Other powers reserved to the Board are the determination of Board structure, size and composition (including appointment and removal of Directors and Board Committee Membership; oversight of the establishment, implementation and monitoring of the Company's risk management framework; assessment of risks facing the Company, review and approval of new or revised risk policies recommended by the Risk Management Committee for approval; approval of remuneration policy and packages of the Directors, appointment of the Managing Director; Approval of Board performance evaluation processes; approval of Board performance evaluation processes, approval of the Company's corporate governance framework and policy documents on significant issues including Enterprise Risk Management, Human Resources, Corporate Governance, Anti-Money laundering policies; Review of the performance of the Executive Directors; Succession planning for the Board and Senior Management; Approval of all matters of importance to the Company as a whole because of their strategic, financial, risk or reputational implications or consequences for the Company, among others.

SEPARATION OF THE ROLES OF CHAIRMAN AND MANAGING DIRECTOR

The position of the Chairman of the Board and the Managing Director are separated and clearly defined such that no individual combines both positions in compliance with Principle 2.7 of the Nigerian Code of Corporate Governance, 2018.

THE CHAIRMAN

The Chairman is responsible for providing overall leadership to the Company and the Board as well as eliciting the constructive participation of all Directors at Board meetings. He manages the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely, and clear information to enable the Board to make informed decisions and provide advice to promote the success of the Company. The Chairman also facilitates the discussions of Directors and promotes effective relationships and open communications between Executive and Non-Executive Directors, both inside and outside the Boardroom.

The Board Chairman, Mr. Philip Obioha, is a NED and is not involved in the day-to-day operations of the Company. He is not a member of any Board Committee, in line with corporate governance practice.

THE MANAGING DIRECTOR

The responsibility for the day-to-day management of the Company has been delegated by the Board to the Managing Director and other Executive Directors, who are supported by the Executive Management. The Managing Director is responsible for the implementation of the Board Strategy and Policy. He executes the powers delegated to him in accordance with guidelines approved by the Board of Directors.

BOARD COMMITTEES

The Board carries out its oversight functions using its various Board Committees. The effectiveness of the Board of the Company is fortified and strengthened by its Four (4) Committees, viz; Finance and General-Purpose Committee (FGPC); Risk Management Committee (RMC); Audit Committee (Audit) and Remuneration and Nomination Committee (REMCO). Each of these Board Committees is chaired by a Non-Executive Director.

The Board Committees assist the Board to properly assess management reports and proposals. It maintains oversight, and make recommendations to the Board. Thus, the Board is not bogged down with minutiae while still retaining responsibility for final decision making. There are clearly spelt out duties, authorities, and composition requirements in the terms of reference for each Board Committee.

BOARD FINANCE AND GENERAL- PURPOSE COMMITTEE

The Finance and General- Purpose Committee (FGPC) amongst other functions, assists the Board in fulfilling its oversight responsibilities as it relates to review of the Company's accounting policies, financial reporting process, quarterly Management Accounts, strategy planning and operationalisation, financial statements, yearly budgets, and banking facilities.
The Committee, during the period, consisted of six (6) members as listed below: two (2) Executive Directors, three (3) Non-Executive Directors and one (1) Independent Non-Executive Director and the Committee met 6 (six) times during the financial year.

S/N	NAME	STATUS	DESIGNATION
1.	Mrs. Taba Peterside	Independent Non-Executive	Chairman
2.	Dr. Olusegun Oso	Non-Executive	Member
3.	Mr. Austin Okere	Non-Executive	Member
4.	Mr. Wale Agbeyangi	Non-Executive	Member
5.	Mr. Adewale Adeyipo	Executive	Member
6.	Mr. Afolabi Sobande	Executive	Member

BOARD RISK MANAGEMENT COMMITTEE

The Committee among other functions, reviews and recommends the risk management policies and framework for approval of the Board, assists the Board in its oversight of risk management, defines the risk appetite of the Company, establishes guidelines and frameworks for risk management and compliance with regulatory requirements, oversees the Company's risk profile and performance against the defined risk appetite.

The Committee, during the period, consisted of six (6) members as listed below: three (3) Executive Directors, two (2) Non-Executive Directors and one (1) Independent Non-Executive. The Committee met four (4) times during the financial year.
During the period under review, the members of the Risk Management Committee were:

S/N	NAME	STATUS	DESIGNATION
1.	Dr. Olusegun Oso	Non-Executive	Chairman
2.	Mr. Abiodun Fawunmi	Non-Executive	Member
3.	Mrs. Taba Peterside	Independent Non-Executive	Member
4.	Mr. Adewale Adeyipo	Executive	Member
5.	Mr. Afolabi Sobande	Executive	Member
6.	Mr Ireti Yusuf	Executive	Member

BOARD AUDIT COMMITTEE

The Audit Committee among other functions, reviews the effectiveness of the Company's system of accounting and internal control and authorizes the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern. The Committee also receives the internal audit reports of the internal auditor quarterly and generally monitors compliance with the internal control internal audit reports of the internal auditor quarterly and generally monitors compliance with the internal control framework.

The Committee, during the period, consisted of four (4) members as listed below: three (3) Non-Executive Directors and one (1) Independent Non-Executive Director; and the Committee met four (4) times during the financial year.

During the period under review, the members of the Audit Committee were:

S/N	NAME	STATUS	DESIGNATION
1.	Mr. Abiodun Fawunmi	Non-Executive	Chairman
2.	Mr. Austin Okere	Non-Executive	Member
3.	Mr. Wale Agbeyangi	Non-Executive	Member
4.	Mrs Taba Peterside	Non-Executive	Member

BOARD REMUNERATION AND NOMINATIONS COMMITTEE

The Remuneration and Nominations Committee among other functions, is responsible for Board nomination and remuneration matters and ensures that the process is aligned to best practices of Corporate Governance; developing remuneration policies and procedures; succession planning; setting Key Performance Indicators for the Executive Directors, identifying qualified candidates for Board membership, assessing the skill level and training gaps of the Board, Human Resources Matters; recruitment and assessment of the performance of Senior Management employees and all other issues relating to the Company and staff welfare. The Committee also oversees the Board's annual evaluation of its performance and the performance of other Board Committees.

The Committee, during the period, consisted of five (5) members as listed below: four (4) Non-Executive Directors and one (1) Independent Non-Executive Director; The committee met five (5) times during the financial year.

During the period under review, the members of the Remuneration and Nominations Committee were:

S/N	NAME	STATUS	DESIGNATION
1.	Mr. Wale Agbeyangi	Non-Executive	Chairman
2.	Mr. Austin Okere	Non-Executive	Member
3.	Mr. Abiodun Fawunmi	Non-Executive	Member
4.	Dr. Olusegun Oso	Non- Executive	Member
5	Mrs. Taba Peterside	Independent Non-Executive	Member

STATUTORY AUDIT COMMITTEE

As required by section 404 of the Companies and Allied Matters Act, 2020, the Company has a Statutory Audit Committee is responsible for oversight of audit functions and it ensures that the Company complies with all relevant regulatory policies and procedures, as well as policies laid down by the Board of Directors.

The other functions of the Statutory Audit Committee include keeping under review the scope and results of the external audit as it relates to the Company's annual audited financial statements; reviewing the Management Letter of the External Auditors and Management's response thereto; reviewing the effectiveness of the Company's accounting and internal control systems, reviews the appropriateness and completeness of the Company's statutory accounts and its other published financial statements; as well as the independence and objectivity of the external auditors.

The committee is currently composed of two (2) Directors and three (3) Shareholders of the Company appointed at the Annual General Meeting, while the Company Secretary of the Company serves as the secretary to the Committee. The membership of the Audit Committee at the Board level is based on relevant experience of board members, while one of the shareholders serves as the Chairman of the Committee.

The committee has access to the external auditors to seek explanations and additional information, while the internal and external auditors have unrestricted access to the committee which ensures their independence is in no way impaired. The Committee is provided with comprehensive information on the operations of the Company at each meeting and is also briefed on business developments.

The internal and external auditors are invited from time to time to attend the meetings of the Committee. Appropriate members of the management also attend the meetings upon invitation.

S/N	NAME	STATUS	DESIGNATION
1.	Mr. Akinsola Akinyemi	Shareholders' Representative	Chairman
2.	Mr. Ibekwe Robert	Shareholders' Representative	Member
3.	Alhaji Wahab Ajani	Shareholders' Representative	Member
4.	Dr. Olusegun Oso	Non-Executive Director	Member
5.	Mr. Abiodun Fawunmi	Non-Executive Director	Member

ATTENDANCE OF THE BOARD AND BOARD COMMITTEE MEETINGS

BOARD MEETINGS ATTENDED

S/N	NAME	21st March 2023	4th May 2023	28th July 2023	27th October 2023	22nd January 2024	31st January 2024
1	Mr. Philip Obioha (Chairman)	✓	✓	✓	✓	✓	✓
2	Mr. Austin Okere	✓	✓	✓	✓	✓	✓
3	Mr. Abiodun Fawunmi	✓	✓	✓	✓	✓	✓
4.	Dr. Olusegun Oso	✓	✓	✓	✓	✓	✓
5.	Mr. Wale Agbeyangi	✓	✓	✓	✓	✓	✓
6.	Mrs. Taba Peterside	✓	✓	✓	✓	✓	✓
7.	Mr. Adewale Adeyipo	✓	✓	✓	✓	✓	✓
8.	Mr. Afolabi Sobande	✓	✓	✓	✓	✓	✓
9	Mr. Ireti Yusuf	✓	✓	✓	✓	✓	✓

Note:

✓ - Present

× - Absent with apology

The fourth quarter 2024 meeting was held in January 2024

BOARD FINANCE AND GENERAL-PURPOSE COMMITTEE (FGPC) MEETINGS ATTENDED

S/N	NAME	21st March 2023	2nd May 2023	24th July 2023	23rd October 2023	24th January 2024	29th January 2024
1	Mrs Taba Peterside (Chairperson)	✓	✓	✓	✓	✓	✓
2	Dr. Olusegun Oso	✓	✓	✓	✓	✓	✓
3	Mr. Austin Okere	✓	✓	✓	✓	✓	
4	Mr. Wale Agbeyangi	✓	✓	✓	✓	✓	✓
5	Mr. Adewale Adeyipo	✓	✓	✓	✓	✓	✓
6	Mr. Afolabi Sobande	✓	✓	✓	✓	✓	✓

BOARD RISK MANAGEMENTCOMMITTEE MEETINGS ATTENDED

S/N	NAME	2nd May 2023	24th July 2023	23rd October 2023	29th January 2024
1	Dr. Olusegun Oso (Chairman)	✓	✓	✓	✓
2	Mr. Abiodun Fawunmi	✓	✓	✓	✓
3	Mrs. Taba Peterside	N/A	N/A	✓	✓
4	Mr. Adewale Adeyipo	✓	✓	✓	✓
5	Mr. Afolabi Sobande	✓	✓	✓	✓
6	Mr. Ireti Yusuf	✓	✓	✓	✓

Note:

✓ - Present

× - Absent with apology

N/A- Not yet a member of the Committee

BOARD AUDIT COMMITTEE MEETINGS ATTENDED

S/N	NAME	2nd May 2023	24th July 2023	23rd October 2023	29th January 2024
1	Mr. Abiodun Fawunmi (Chairman)	✓	✓	✓	✓
2	Mr. Austin Okere	✓	✓	✓	✓
3	Mr. Wale Agbeyangi	✓	✓	✓	✓
4	Mrs. Taba Peterside	✓	✓	✓	✓

Note:

✓ - Present

× - Absent with apology

The fourth quarter 2023 meeting was held in January 2024

BOARD REMUNERATION AND NOMINATIONS COMMITTEE (REMCO) MEETINGS ATTENDED

	NAME	27th April 2022	28th July 2023	3rd August 2023	27th October 2023	31st January 2024
1	Mr. Wale Agbeyangi (Chairman)	✓	✓	✓	✓	✓
2	Mr. Austin Okere	✓	✓	✓	✓	✓
3	Dr. Olusegun Oso	✓	✓	✓	✓	✓
4	Mr. Abiodun Fawunmi	✓	✓	✓	✓	✓
5	Mrs. Taba Peterside	✓	✓	✓	✓	✓

Note:

✓ - Present

× - Absent with apology

***The fourth quarter 2023 meeting was held in January 2024**

STATUTORY AUDIT COMMITTEE MEETINGS ATTENDED

S/N	NAME	31st October 2023	19th December 2023	20th February 2024	20th March 2024
1.	Mr. Akinsola Akinyemi (Chairman)	✓	✓	✓	✓
2	Mr. Robert Ibekwe	✓	✓	✓	✓
3	Alhaji Wahab Ajani	✓	✓	✓	✓
4	Mr. Abiodun Fawunmi	✓	✓	✓	✓
5	Dr. Olusegun Oso	✓	✓	✓	✓

Note:

✓ - Present

× - Absent with apology

BOARD APPOINTMENT PROCESS

The Remuneration and Nominations Committee is charged with the responsibility of leading the process for Board appointments and for identifying and nominating suitable candidates for the approval of the Board.

In considering appointment, the Board seeks to achieve a balance and mix of appropriate skills and experience, with due consideration for integrity, professionalism, career success and ability to add value to the Company. A background check is usually conducted by the Remuneration and Nomination Committee (REMCO) to ensure that the Directors are fit and proper persons.

INDUCTION AND CONTINUOUS TRAINING

The Company has a mandatory induction programme for new directors on the Company's business and other information that will assist them in discharging their duties effectively. The Company believes in and provides continuous training and professional education to its Directors. On appointment to the Board and the Board Committees, Directors receive an induction tailored to meet their individual requirements. The induction which is co-ordinated by the Company Secretaries includes meeting with senior management staff and key external advisors, to assist Directors in building a detailed understanding of the Company's operation, its strategic plan, its business environment, the key issues the company faces, and to introduce directors to their fiduciary duties and responsibilities. Training and education of Directors on issues pertaining to their oversight functions is a continuous process, in order to update their knowledge and skills and keep them informed of new developments in the Company business and operating environment.

The Company is committed to keeping employees fully informed as much as possible, regarding the Company's performance and progress and seeking their views, wherever practicable, on matters which particularly affect them as employees. The Company also encourages staff to invest in the Company's equity; holds staff meetings that discuss the Company's day-to-day operations, business focuses, and staff welfare issues.

Management, professionals, and technical experts are the Company's major assets, and investment in their future development continues. The Company's expanding skill base has been extended by a range of trainings provided to its employees whose opportunities for career development within the Company have thus been enhanced. Training is carried out at various levels through both in-house and external courses. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of these schemes include bonuses.

SHAREHOLDERS

The Company is conscious of and promotes shareholders' rights. It continues to take necessary steps in ensuring that shareholders participate actively in matters affecting the growth and development of the Company. The General meeting of the Company is the highest decision-making body of the Company and it is conducted in a transparent and fair manner. Shareholders have the opportunity to express their opinion on the Company's financial results and other issues affecting the Company.

The Company ensures the existence of adequate interaction among the shareholders, the Management, and the Board. The Company's General Meetings provide shareholders the platform to contribute to the administration of the Company. The Annual General Meeting (AGM) is held in an accessible location and it is open to shareholders or their proxies. The AGM is conducted in a manner that facilitates shareholder participation in accordance with relevant regulatory and statutory requirements. CWG encourages shareholders to attend these meetings and ensures notices of meetings and other information required by shareholders to make informed decisions are dispatched in a timely meetings and ensures notices of meetings and other information required by shareholders to make informed decisions are dispatched in a timely manner. The Company Secretary additionally affords shareholders, channels of communication to the Board and the Management of the Company. It is the responsibility of the shareholders to approve the appointment of directors and to grant other approvals that are required by law or the Articles of Association of the Company.

The Shareholders through their representatives on the Statutory Audit Committee in line with section 404 of CAMA, assume responsibility for the integrity of the Company's audited accounts.
The Board and Management of the Company ensure that communication and dissemination of information regarding the operations and management of the Company to shareholders via NSE and other media is timely, accurate, and continuous.

THE COMPANY SECRETARY

The Company Secretary provides a point of reference and support for all Directors. The Company Secretary consults regularly with Directors to ensure they receive required information promptly.

The Company Secretary is also responsible for assisting the Board and Management in the implementation of the Company's Corporate Governance principles; assisting the Chairman and Managing Director to formulate an annual Board plan and with the administration of other strategic issues at the Board level; organizing Board meetings and ensuring that the minutes of the Board meetings clearly and properly capture Board discussions and decisions.

It is also the responsibility of the Company Secretary to ensure that all regulations and policies of the Company including the Memorandum and Articles of Association are complied with. The procedure for the appointment and removal of the Company Secretary is a matter for the Board.

When the need arises for external expertise, the Board obtains information from external sources, such as consultants and other advisers, via the Company Secretary or directly.

REPORTING AND CONTROL

The Board is responsible for and ensures proper financial reporting as well as the establishment of strong internal control procedures. There is a Statutory Audit Committee and the internal audifunctions is handled by PricewaterhouseCoopers.

INDEPENDENT ADVICE

Independent professional advice is available, on request, to all Directors at the Company's expense when such advice is required to enable a member or committee of the Board to effectively perform certain responsibilities. The Company bears the cost of independent professional advice obtained jointly or severally by a Director or Directors, where such advice is necessary to enable them to fulfill the obligation imposed on them by virtue of their Board membership.

EXECUTIVE MANAGEMENT COMMITTEE

The Executive Management Committee comprises senior management staff of the Company. This Committee analyses and make recommendations on business prospects as well as risk arising from the daily activities of the Company. The Committee provides inputs for the Board Committees and also ensures that recommendations of the Board and Board Committee are implemented. The Committee meets as frequently as necessary to enable actions and decisions within its power.

CODE OF PROFESSIONAL CONDUCT

The company has an Ethics and Conduct Policy - applicable to all directors, senior management staff, and other employees. The policy contains common ethical standards and procedures, and they collectively impose a duty on directors and staff alike to strive to maintain the highest standards of ethical conduct and integrity in all aspects of their professional life as contained in the policy.

INTERNAL MANAGEMENT STRUCTURE

The Company operates an internal management structure where all officers are accountable for duties and responsibilities attached to their respective offices and there are clearly defined and acceptable lines of authority and responsibility.

CONFLICT OF INTEREST

The Directors of the Company are expected to avoid any action, position, or interest that conflicts or likely conflicts with the interest of the Company. Every Director is expected to make a declaration of economic interest annually with regards to any contract or arrangement between CWG and any other company in which he/she is also a director, officer, servant, creditor, or holder of substantial shares or other securities.

very Director who has any material or personal interest in any matter that relates to the affairs of CWG is required to give the other directors notice of such interest during any meeting in which the matter is to be discussed. The Company Secretary is mandated to note such interest in the minutes of that meeting. The director who has a conflict of interest is excluded from taking part in discussions and decisions relating to the conflicted matter.

WHISTLEBLOWING PROCEDURE

In line with the Company's commitment to instilling the best corporate governance practices, the Company has established a whistle-blowing policy. The policy is designed to encourage the Company's employees to report suspected or actual concerns about malpractice, danger, mismanagement, or other illegal, unethical, or inappropriate events without fear of any negative repercussion. The whistleblower can be a director, employee, supplier, consultant, etc.

The policy also defines and itemizes the procedure to handle the aforementioned concerns; enables management to be informed at an early stage about any act of fraud or misconduct; reassures employees of their protection from punishment or unfair treatment for disclosing concerns in good faith; develop a culture of openness, accountability, and integrity; foster good relations, avoid crisis management and minimize damaging incidents and unpleasant publicity about the Company.

The Policy demonstrates the Company's commitment to ensuring that its affairs are conducted ethically, honestly, and to exacting standards. It confirms the Company's commitment to a culture of openness, accountability, and integrity in line with its core values.

The dedicated email for whistleblowing is whistleblower@cwg-plc.com

SECURITIES TRADING POLICY

CWG has developed a Security Trading Policy in line with international corporate governance best practices, regulatory requirements, and the Company's internal commitment to transparency. This policy was designed to guard the interest of investors by regulating the trading of the Company's securities by its directors and employees, as well as those who are closely connected to them ("Insiders"), who may have access to or be in possession of unpublished price sensitive information regarding the state of affairs by Insiders to shareholders of the Company, to place the interest of the shareholders above their own and conduct their personal transactions in a manner that does not create any conflict of interest or jeopardize the interest of the shareholders. The policy is also designed to ensure that compliance with its provisions is monitored on an ongoing basis.

ENVIRONMENTAL POLICY

The Company strives to comply with all present and future environmental laws and regulations, including the provisions of the CAMA (Section 305(3)) which makes it a duty of Directors to be mindful of the impact of a company's operations on the environment in the community where it carries on business operations. This policy statement serves to demonstrate the Company's responsibility to the environment and the pursuit of world-class standards in all aspects of its operations.

QUALITY POLICY

This Policy serves to ensure that Company produces products and services worthy of its vision to be the preferred IT Platform Service Provider. The Policy serves to ensure that the Company delivers value-added products and services and exceed customer expectations. The responsibility for quality is the shared responsibility of everyone at CWG.

COMPLAINTS MANAGEMENT

The Company has a Complaints Management Policy that addresses complaints and provides redress when possible because complaints are a natural part of any business and interaction with a large number of stakeholders. This policy covers all employees, officers, directors, representatives, and advisors of CWG, and complies with the Complaints Management Framework of the Nigerian Capital Market ("the framework").
This policy helps the Company to handle and resolve complaints arising from issues covered under the Investment and Securities Act 2007, from clients, shareholders, other public companies, investors, and other relevant stakeholders in a timely, effective, fair and consistent manner.

COMPLIANCE

The Company complied with all regulatory filings. There were no contraventions and regulatory infractions incurred during the year 2023.

CWG
ACADEMY
Online Program
Preparing and Inspiring the
NEXT
GENERATION
with the best ICT skills.
CWG Academy is a hands-on information and communications technology academy set up to resourcefully train and develop individuals who would make their mark in the ICT industry. We are one of the leading ICT academies based in Lagos, Nigeria, where we offer practical learning experiences from ICT experts.
Course Outline:
1. Advanced Service Management
2. IT Infrastructure and Cloud Management
3. Data Centre Infrastructure Services
4. Software Training
5. Finacle Training
Address: Block 54A, Plot 10, Off Rufus Ciwa Street, Lekki Phase 1, Lagos (Nigeria)
Duration 6 weeks
Nigeria
+2349023161483
+2348104593516
+2348115510756
Uganda:
+256393202011
+256777318255
+256759232623
Cameroun:
+23771844761
+233-696057449
For more information on CWG Academy, Kindly contact the Training Manager /Technical Specialist:
Mr. Emmanuel Effiong | +234 802 316 1483
academy@cwg-plc.com

Board Of Directors

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Phillip Obioha
Chairman

Philip Obioha is an accomplished Technology operations services professional with over 30 years of cognitive experience in the Information, Communication and Technology services industry. He is the Co-Founder and Chairman, Board of Directors of CWG Plc. He is also the chairman of Ambulatory Surgical Center of Lagos, a medical firm and Amaphil Limited an investment firm.

Prior to this period, Philip worked as the Chief Operating Officer of CWG PLC, were he led the Communications Division of the company to become the foremost provider of Wide Area Communications that enabled the local banking industry to start offering branchless and online banking services to customers. He oversaw the geographical diversification of the group with the establishment of subsidiary companies in Ghana, Uganda and Cameroun. As the COO, he also oversaw the institutionalization of the company, implementing systems and processes and the successful listing of the group at the Nigerian Stock exchange.

Trained as an Electrical Engineer, with specialization in Digital Electronics at West Virginia University, USA, he also holds an MBA from the Lagos Business School, and the International Graduate School of Management (IESE), Navarra, Spain.

Philip was conferred with the Titans of Tech award by Technology Africa in 2015.

He is a fellow of the Institute of Directors (FIOD), Fellow Institute of Information Management (FIIM), member of the Institute of Electrical and Electronic Engineers (IEEE, USA), and the Nigerian Computer Society (NCS).

Mr Obioha has a passion for the Real Estate industry and has founded Four-Cees-Gee Limited and Managed Offices, a real-estate development and services firm respectively

Adewale Adeyipo
Group MD/CEO

Adewale Adeyipo is a proficient technology enthusiast and Business Executive with extensive experience in Strategy, Management, and Leadership. He is the Group CEO of CWG Plc—a leading technology conglomerate with Headquarters in Lagos and operations in five (5) countries. Before his appointment, he was the Executive Director for Sales and Marketing, overseeing all Sales, Marketing, Product Management, and Market Penetration responsibilities within the CWG Group.

He is known for his knack for proffering diverse angles on innovation and has worked closely with African industry leaders and government parastatals on models and mechanisms for SME growth. He has worked with multiple investors/ promoters to set up new financial institutions while creating a plan to power their growth aspirations.

In 2014, he led the CWG Plc PAN Africa Initiatives (PAI). The PAI was a brainchild that produced CWG's strategic delivery partnerships and business expansion in 23 Africa operations.

Wale possesses extensive study in Valuation and Funding, Dynamic System Thinking, Digital and ITO Transformation from Harvard and London Business School. He is a certified AFN CEO Panelist and a member of the Forbes Business Council (an Invitation-Only Community for Successful Business Owners and Leaders). He is an alumnus of Lagos Business School, Business School Netherlands, and Massachusetts Institute of Technology (MIT).

Adewale has a proven track record of collaborating closely with industry leaders and promoters of new financial institutions, offering strategic guidance on setting up banks and driving their growth ambitions. His diverse experience, combined with his deep understanding of technology as an enabler for business success, has made him a sought-after consultant for numerous organizations seeking expansion and transformation.

He also serves as a mentor and facilitator at the CWG Academy, established to groom technology-savvy professionals. He is a member and fellow of several organizations, including the BCS, The Chartered Institute of IT, the Institute of Directors (Nigeria), Nigeria Computer Society, Nigeria Institute of Management, and the Institute of Management Consultant.

Austin Okere
Non-Executive Director

Austin Okere is the Founder of CWG Plc and the Ausso Leadership Academy, which mentors Businesses and Entrepreneurs for Geometric Growth. Austin has an MBA from IESE Business School and is an Entrepreneur-in-Residence at Columbia Business School, New York.He was appointed to the Advisory Board of the Global Business School Network in Washington DC in recognition of his major contribution to the development of business education and knowledge transfer in Africa. Austin is a Consultant to the Sustainable Development Goals – Africa Centre (SDGAC) in Kigali.

Austin has been recognized with a Lifetime Entrepreneurship Achievement Award by the American University of Nigeria in 2017 for his dedicated service and outstanding entrepreneurial accomplishments.

He received the Nigerian Computer Society Special Presidential Award in 2016, and was named ICT Personality of the year by the Society in 2014.

He was also named ICT Man of the Decade by ICT Watch – Africa Digital Network in 2012 and was listed on the United Kingdom's C.Hub Magazine 100 Most Influential Creatives in 2016. Austin was named among 100 Leading Telecoms & ICT Personalities in Nigeria by the Association of Telecoms Operators of Nigeria (ATCON) in July 2018.

Austin is a member of the World Economic Forum's Global Agenda Council and a Fellow of the Institute of Directors of Nigeria.

Abiodun Fawunmi
Non-Executive Director

Abiodun Fawunmi is a highly experienced technology expert who, in his professional career, has led multicultural professional teams to high levels of effectiveness in a variety of competitive industries and fast-paced environments. Armed with strong technical and business qualifications, Abiodun has created an impressive track record with over 35 years of hands-on experience in strategic planning, business unit development and resource management.

He holds postgraduate degrees in Engineering, Business Management and Analytical Finance from different Universities in Nigeria, the U.K and the U.S.

He has also played significant roles in multinational organizations such as Shell Petroleum Development Corporation, Unilever, Unisys Corporation, Price Waterhouse Coopers and Coca-Cola Hellenic Corporation.

He worked for various United Nations Organizations in different countries for almost two decaded, at one point being Head Infrastructure Services at the International Atomic Energy Agency in Vienna and later as the Chief Information Officer (CIO) from where he retired in 2016.

He currently consults on derivatives investments and developmemtal economics with a focus on energy. He serves as the Chairman of the Board Audit committee.

Dr Olusegun Oso
Non-Executive Director

Dr. Olusegun Oso is a medical doctor turned finance professional with a Bachelor of Medicine and Surgery (MBBS) degree from the University of Ibadan and an MBA from MIT, where he was a Sloan Fellow. He has worked in the fields of investment banking, private equity/venture capital, portfolio management, and corporate governance.

Dr. Oso has held various roles at organizations such as FCMB, Accenture, PWC, Afrinvest, Aureos Capital, The Abraaj Group, and Actis. He co-founded the Nigeria Healthcare Development Fund as its pioneer CIO and is currently the CFO of Metro Africa Xpress, a venture-backed company operating in the mobility space.

Dr. Oso is a non-executive director on the boards of Custodian Life Assurance Limited, and CWG Plc, where he serves as Chairman of CWG's Risk Management Committee.

Wale Agbeyangi
Non-Executive Director

Wale is a consummate entrepreneur and investment banker with specialist knowledge of Securities Trading, Asset Management, and Investment Banking Services. He has an extensive network of Institutional and High net worth clients and investors across the global financial markets. He worked with Great Africa Trust Limited and later Meristem Securities Limited from where he joined Cordros Capital as the founding Managing Director.

Wale holds an MBA from Business School Netherlands, attended the University of Lagos, and was enrolled at the Nigerian Law School as a Solicitor and Advocate of the Supreme Court. He is an Authorized Dealer of the Nigerian Stock Exchange and a Fellow of the Chartered Institute of Stockbrokers (FCS).

He is currently the Group Managing Director/CEO of Cordros Capital and sits as the serving Chairman, Remuneration and Nominations Committee (REMCO) on the Board of CWG Plc.

Mrs. Taba Peterside
Independent Non-Executive Director

Taba Peterside has over 33 years' experience in the Nigerian and International banking, financial services and the capital markets. She started her career at the Nigerian-American Merchant Bank before holding several senior management positions at Investment Banking & Trust Company Limited (now Stanbic IBTC), Canada Deposit Insurance Corporation and International Finance Corporation, Ghana. She was a General Manager at the Nigerian Stock Exchange (NSE).

She is the Founder and CEO of Waveline Growth Partners, a micro credit company in Nigeria. She has served on the board of Nigerian International Securities Limited and as a member of the Governing Council and Chairperson of the Finance Committee at the West Africa Theological Seminary. She currently sits on the Board of Ecobank Nigeria as an Independent Non-Executive Director.

She is active in several not-for-profit organisations, including Women in Management , Business and Public Service (WIMBIZ), where she has served on the Governing Council and on various committees. She is a Fellow of the Institute of Directors Nigeria.

She is the current Chairman of the Finance and General Purpose Committee.

Mr. Afolabi Sobande
Executive Director

Afolabi is a seasoned finance professional with experience spanning over fifteen years in the banking and technology industry. He is revered for his leadership and specialized skills in finance, project management and systems implementation.

Afolabi has a comprehensive knowledge of business processes and has managed many high-level projects throughout his career. Prior to joining CWG, he worked in Sterling Bank Plc where he was Head of IFRS reporting within the Financial Control group.

During his time at the Bank, he worked in various departments, including Treasury, Risk Management, Corporate Banking, and Operation and Technology departments). He was also faculty member in the Sterling Bank's academy as a financial accounting/reporting lecturer and a facilitator with Financial Institutions Training Centre (FITC).Afolabi is an alumnus of the University of Sunderland (BA, Hons) in Accounting and Financial Management, and the Sterling Management Associate Programme.

He is also a member of the Association of Chartered Certified Accountants (ACCA). Currently Afolabi serves as the Chief Operating Officer at CWG, where he oversees the global operations of the Group.

He brings his wealth of experience in leading teams, focused on delivering technology-driven business services and solutions, providing outstanding client service, as well as driving profitability and revenue growth.

Moruf Ireti Yusuf

Executive Director

Ireti Yusuf is a seasoned technology leader and the Chief Technology Officer (CTO) of CWG. He studied Computer Science with Economics in Obafemi Awolowo University and obtained an MSC in Computer Science from the University of Lagos. He is an Alumnus of the Advanced Management Program of Lagos Business School

He studied Computer Science with Economics in Obafemi Awolowo University and obtained an MSC in Computer Science from the University of Lagos. He is an Alumnus of the Advanced Management Program of Lagos Business School

As the CTO, Ireti Yusuf carries the responsibility of spearheading strategic initiatives that ensure CWG remains at the forefront of technological advancements. He is dedicated to leveraging cutting-edge solutions and emerging technologies to deliver exceptional value to CWG's clients and maintain the company's competitive edge in the market.

With an extensive background in Systems Design Engineering, Software Development, and Project Management, Ireti brings a wealth of expertise to his role. His profound understanding of the intricacies of IT systems and his ability to design and implement robust architectures enable CWG to provide world-class services to its diverse clientele.

Prior to his position at CWG, Ireti Yusuf held key leadership roles in renowned organizations within the tech industry. As the Head of Managed Support Services & Training at ExpertEdge Software, he successfully oversaw the delivery of top-notch services and played a vital role in nurturing a culture of excellence and customer satisfaction.

Ireti Yusuf's exceptional track record, coupled with his visionary approach to technology, has earned him a reputation as a results-oriented and highly capable technocrat. He remains committed to leveraging his skills and experience to propel CWG towards greater success, empowering the company to stay ahead in the rapidly evolving digital landscape.

Chairman's Statement

CWG PLC Annual Report and Accounts

CHAIRMAN'S STATEMENT 2023

Distinguished Shareholders, Members of the Board, Representatives of all regulatory agencies, Ladies, and Gentlemen, it is with great pleasure I welcome you all to our Company's 19th Annual General Meeting. It is indeed an honour to once again stand before you today to present the Annual Report of CWG plc, for the financial year ended 31st December 2023 and to review our performance during this period.

The year 2023 was a challenging year without any doubt, from conflicts in Europe and the Middle East (Israel and Gaza) to soaring inflation rates and heightened central bank tightening measures. The surge in oil prices and the significant increase in the cost of operation further compounded the pressures organizations faced in 2023. However, amidst these adversities, I take immense pride in CWG's unwavering response. We remained optimistic and showcased remarkable resilience in ensuring that we expanded our revenue stream. Throughout the year, we achieved significant growth milestones, a testament to the diligent efforts of CWG's management team and staff, based on which we were recognised by various as follows:

"IT Company of the Year" by the Leadership Group, Sales Excellence Partner for the year in Middle East and Africa by Infosys and Finacle Partners; "best Infrastructure Solution Group (ISG) partner of the year in Emerging Africa" by Dell Technologies and "the Most Innovative Company of the Year" by The Cooperative Rating & Award Society of Nigeria (CRASON).
These awards highlight our focus and commitment to delivering innovative solutions that deliver exceptional value to our customers and in doing so keeping faith to our mission of "Positioning Africa to maximize the Future"

In reviewing our activities for the year, I will highlight the major events that shaped the global and domestic operating economic landscape. Its impact on our business, our performance during the period and a brief outlook for the year 2024.

REVIEW OF THE GLOBAL ECONOMY

The global economy has grappled with persistent challenges since the onset of the Covid-19 pandemic, thus, experiencing a slow recovery. As the world began witnessing gradual economic improvement post Covid, in year 2021 and 2022, the global economy hit the brakes in 2023 largely due to the unprecedented elevated inflation experienced in many economies, the continued geopolitical tensions in Europe (Ukraine and Russia) and Middle East (Israel and Hamas), the deglobalization and trade fragmentation agenda by major economics and the weak rebound of China's economy amid the real estate crisis. While these headwinds were fierce enough to reverse some of the post-covid growth recovery of the global economy and drag some major economies to the brink of economic recession, they were not enough to plunge the resilient global economy into a recession.

The Ongoing Russia-Ukraine War continues to disrupt the energy markets as Russia's status as a major oil and gas exporter led to heightened volatility in global energy markets and contributed to rising energy prices worldwide. Also, the significant disruptions to global supply chains, particularly in essential commodities like wheat and fertilizers, led to shortages and price hikes. The combination of rising energy and food prices fueled a worldwide surge in inflation, eroding consumer purchasing power and creating challenges for businesses.

In response to the soaring inflation, central banks around the globe, particularly the US Federal Reserve, aggressively raised interest rates to slow economic activity and cool down demand. This rapid tightening of monetary conditions raised concerns about a global economic recession, leading to volatility in stock markets and dampening business investment. Despite the challenges, projections indicated a decline in inflation rates over the period, highlighting the delicate balance required to stabilize economic growth while managing inflationary pressures.

In the Sub-Saharan Africa (SSA) region, economies were confronted with multiple layers of challenges ranging from elevated inflation levels, debt sustainability problems, and steep currency depreciation. We anticipate an improvement in the region's performance in 2024 driven by easing financial conditions in advanced economies, sustained domestic monetary tightening, improved revenue mobilization, greater fiscal discipline and debt restructuring.

The world economic growth experienced a discernible downturn, declining from 3.5% in 2022 to settle at 3.0% at the end of 2023 according to IMF, as Central Banks of developed economies ended their monetary tightening streak aimed at reining in inflation to their 2% target.

The global growth is projected to stay at 3.1 percent in 2024. Global headline inflation is expected to fall from 6.8 percent in 2023 to 5.2 percent in 2024 with the underlying (core) inflation projected to decline more gradually.

THE MACROECONOMY

The year 2023 proved to be a challenging one for the Nigerian economy, impacted by external shocks stemming from the Russia-Ukraine war, the persistent global inflation combined with domestic policy shifts and longstanding structural issues. These factors created a complex landscape of limited growth, currency pressure, and heightened social hardship.

The general election was conducted which led to the emergence of Bola Ahmed Tinubu as the President. The first half of 2023 witnessed a blend of electoral tensions and governmental policy decisions, both of which significantly influenced the private sector and other key productive sectors. In the first two months, Nigeria experienced disruption in economic activities largely due to the Naira redesign and cash withdrawal limit by Central of Bank of Nigeria In February 2023, the Central Bank of Nigeria raised its monetary policy rate from 17.5% to 18% being the second interest hike in 2023. These policies precipitated a liquidity crisis, exerting severe repercussions on economic and productive activities. Consequently, numerous sectors experienced contractions, while simultaneously stifling the informal economy.

Energy costs surged early June following the removal of fuel subsidy. This led to a significant increase in petrol pump prices, rising from N195 per liter during the subsidy era to N565, and reaching as high as N710 in some parts of the country.

During the year, the Naira witnessed a significant devaluation with a depreciation of over a 101% with exchange rate at N447/US$ at the beginning of the year and closed at N899/US$, with the parallel market reaching N1000/US$. The decline was primarily attributed to the country's negative balance of trade, resulting in illiquidity in the FX market. The persistent foreign exchange challenges significantly disrupted business operations and investor confidence. The FX crisis of 2023 proved to be a major setback for many enterprises, with the CBN's inability to meet its obligations resulting in significant losses for businesses who now depend on the parallel market to source for their FX needs.
Inflation rate stood at 28.92% at the end of the year, making it the highest in the last twenty years largely driven by food inflation on the back of security challenges in the northern region.

Nigeria's Gross Domestic Product (GDP) contracted to 2.74% in 2023, marking a 13% percentage decline from 3.1% in 2022. Notably, the services sector recorded a growth of 3.98%, contributing 56.55% to the aggregate GDP, primarily due to finance & insurance (+29.8%) and information & communication (+6.3%) secors. The oil sector experienced a sharp rebound, ending over three years of contraction, as production increased to 1.55 million barrels per day, from 1.34 million barrels a year earlier.

The Nigerian Exchange (NGX) defied economic challenges, closing with a remarkable 45.9% gain in its All Share Index (ASI). This performance, the best since 2020, highlights the exchange's resilience amid high inflation and security concerns. Notably, the ASI hit an all-time high on the final trading day, reflecting strong investor confidence.

OPERATIONAL REVIEW OF 2023

The year 2023 saw CWG Plc solidify its position as a leading pan-African provider of integrated IT solutions. Despite operating within a dynamic market landscape, the company demonstrated resilience and strategic foresight, ensuring the delivery of value to our clients, employees, and shareholders alike. Below are some of the Key operational highlights within the period.

The Subscription Business, which has been the recent focus within the group, and under the FHTHLAB umbrella continued to yield positive results, with a 46% increase in recurring revenue compared to the previous year. This has enhanced our operational stability and positioned us for long-term growth in this area

The year under review also saw an expansion of our Service Offerings. In response to client demands, we expanded our products portfolio to include "Infrastructure As A Service" (IAAS), Cybersecurity Consulting, and Data Analytics. These new offerings have attracted significant interest and diversified the groups revenue streams.

The group in recognition of the critical role SMEs in the Nigerian economy, focused more on onboarding SMEs on its SMERP platform, thereby empowering small business with the requisite financial technology that would enable them to grow. Over three-hundred and ninety SMEs were onboarded within the period under review. This initiative has not only boosted our client base but also contributed to the broader development of the Nigerian technology ecosystem.

The Group also gave employee development a special focus within the year by heavily investing in the upskilling of its workforce, particularly in the areas of Core banking Application, Cyberssecurity, and Fraud Management solutions. This has led to enhanced service delivery and reinforced our reputation as a preferred technology solution provider in the region.

Lastly, in 2023, CWG embarked on a journey of innovation with the launch of KuleanPay, our cutting-edge online payment platform that is designed to simplify transactions and promote transparency. Kuleanpay which was designed as a payment system with escrow facilities for individuals, businesses, and marketplaces, has evolved into a comprehensive financial platform catering to diverse demographics. Additional features of the system include, digital banking, merchant payment processing, bill settlement, crowdfunding, and targeted savings. We are confident that the investments and efforts put into this product will yield significant returns on the long term further giving the group a diversified revenue base.

FINANCIAL PERFORMANCE

Despite a tough business climate in 2023, characterised by significant devaluation of the Naira, unprecedented inflation rate in Nigeria and Ghana, and soaring cost of operations, CWG demonstrated its operational resilience by achieving significant growth across all financial metrics in 2023.

The Group reported a revenue growth of N23.5billion in 2023, a growth of 66% from N14.2billion recorded in FYE 2022. The gross profit grew by 24% to N4.7bn from N3.8 billion the previous year. The Profit before Tax grew by 53% to N1.13 billion, representing a growth of 53% over N741million recorded in the corresponding period of 2022, whilst the Profit after tax stood at N576 million, a 21% growth over prior's year performance of N476million.

On the Statement of Financial Position, we achieved a growth of 23% in total assets with N17.8billion. Equity attributable to owners of the business also appreciated by 52% to close the year at N2.24 billion

2024 MACRO-ECONOMIC OUTLOOK

In 2024, the global economy is anticipated to experience moderate growth as projected by IMF at growth rate of 3.1%, primarily driven by factors such as lower inflation, increased income, and consumer demand, along with the expansion of the US economy. Early signs suggest China's real estate crisis is stabilizing, likely leading to growth improvements.

On the domestic front, we anticipate that growth will strengthen to 3.0% in 2024 driven by the rebound of business activities in the non-oil sector as the impact of the FX reforms fades and our continuing expectation of improved oil production and oil prices in the global market. To stem the tide of inflation, the Central Bank is more likely to maintain its hawkish posture and raise the MPR further in 2024. Also, the exchange rate is expected to marginally depreciate further in 2024, from the December 2023, N899 to 1 USD rate. Nonetheless, we expect to see FX liquidity improve significantly owing to the many reforms the CBN has implemented within the FX market in 2023.

Inflation is expected to ease in 2024, however it will remain elevated at around 21% principally driven by Food inflation as the perennial problem of flooding, increased production costs due to increased cost of credit, insecurity, energy costs and farmers displacement will remain unabated.

Oil prices are expected to remain broadly stable at average price of USD82 per barrel. Nigeria's production average is expected at 1.5 million bpd in 2024.

In summary, it is projected that businesses will be impacted by an improved stability in the foreign exchange market in the second half of the year, which will in turn reduce the imported cost of raw materials and finished goods. We also envisage a marginal decline in inflationary rate which will impact the selling, General and Administrative (SG&A) expenses in the medium term. Lastly, the continued tightening of monetary policy rate will keep the cost of funds high for most of 2024, and investments will be constrained.

DIVIDEND

Our key focus remains creating and preserving value for our shareholders. In line with our commitment to deliver value, and following the decent performance recorded in 2023, the board has proposed a dividend of N0.16 kobo per share for the 2023 financial year.

THE BOARD

There were no board changes within the reporting period.

CONCLUSION/APPRECIATION

On behalf of the Board, I would like to express my profound gratitude and appreciation to you, our shareholders for your continued support to our Company over the years. The Board and management in appreciation of this gesture, is committed to the annual payment of dividends in line with the performance of the organization. Furthermore, I extend my thanks to our clients for their immense trust and loyalty in choosing CWG as their technology partner. I wish to thank our key partners, regulators and Media partners for their continued passion and commitment to the sustainability of the CWG brand.

Also, on behalf of the board, I want to express my deepest gratitude to the CWG Plc team, whose unwavering dedication to the growth of the company has driven our success this far.

I wish to thank other stakeholders and the host communities, from where we operate, for the support we received during the period under review. We are confident that your support will continue to translate to sustained growth and profitability in our business operations.

To my colleagues on the Board, I say thank you for your dedication and commitment to the growth of the company. Your unflinching support, show of faith, confidence and cooperation in directing the affairs of the business during the period under review is unparalleled.

Finally, on behalf of the entire staff of CWG Plc, I say a big thank you to our clients whose immense trust and loyalty have inspired us to continue to seek for more exceptional innovative technology solutions and services.

CWG Plc is well positioned to navigate the challenges ahead, and I look to the future with unwavering optimism as we continue delivering innovative integrated IT solutions that drive business progress across Africa.

Yes, "Our vision to be the most preferred technology solutions company out of Africa" stands.

Thank You

PHILIP OBIOHA
Chairman

CEO's Statement

CWG PLC Annual Report and Accounts

CEO'S STATEMENT 2023

Distinguished shareholders, esteemed board members, colleagues, and friends, it is with great pleasure that I welcome you to the 19th Annual General Meeting of CWG Plc. Today, we gather not only to discuss the present and future of our company but also to reflect on the remarkable journey we started five years ago, building on the solid foundation laid by those before us.

Join me as we reflect on the obstacles we have overcome, the successes we have achieved, the lessons we have learned, and the audacious steps we are taking to foster growth and global expansion, leveraging innovation and partnerships.

It was a turning point that called for bold plans, clear actions, unflinching resolve, and shared confidence in a better future five years ago. We carefully considered our options and decided to use the opportunity to reframe the story of our business and create a new course that would reinforce the different resources and leverages we had built up over the years. A lightbulb went out, indicating that certain choices had to be made to meet the demands of the rapidly expanding technology landscape and digital innovation. We knew it would be a long and tough journey, but we progressed anyway because it was the only reasonable thing to do

Our organisation's true character emerged during this period. The dedication and unity displayed by our team were nothing short of extraordinary. We rallied around a shared vision for the future, one that saw CWG Plc as a beacon of resilience and innovation within our industry. Together, we rolled up our sleeves and worked diligently, and when faced with multiple obstacles, we remained relentless in transforming our aspirations into reality.

As we stand here today, we can proudly reflect on the incredible accomplishments that have resulted from our collective efforts. Our hard work has allowed us to overcome the obstacles of the past and forge a new path forward. We commemorated a number of significant events during this time, including our 30th anniversary, the rapid development and optimisation of several Intellectual Properties (IPs), financial stability, operational sustainability, dividend payments, and the founding of FifthLab, our fintech business. The power of a dedicated team united in purpose and vision is evident in these successes. We have successfully transitioned from stability to transformation, and we are now leveraging this transformation for growth.

Our five-year transformational plan came to a close in 2023, and we are thrilled with our achievements and performance during that time. We are well-positioned to build on past successes and leverage them to attain a better global brand.

2023 brought with it a distinct mix of regional and global challenges. Globally, many firms were negatively impacted by supply chain interruptions, rising inflation, geopolitical tensions, and food insecurity. In Nigeria and in a few other regions where we have operations or deliver businesses, we witnessed a few political transitions, rising inflation, talent flight, and volatile exchange rates. These events have had a significant effect on businesses and industries throughout the group. Due to these problems, the majority of our clients' discretionary income and spending power decreased, which in turn decreased demand. Organisations and industries have been observed to reduce their IT budgets while providing a variety of short- and long-term solutions to address their technological requirements. Organisations are now seeking more than just technology deployment, but rather precise value realisation, cost savings, and contribution to the bottom line, among other tangible outcomes.

Numerous companies and industries were negatively impacted by the decreased demand, which also brought about an unfavourable business environment and an economic downturn. It is now necessary for businesses to take extra steps in order to increase their revenue and net profitability. In the same year, we saw the strength of the mighty threatened, mainly due to the Marco challenges in the countries where we operate.

We have witnessed the incredible power of transformation in the face of these difficulties. We have proven our steadfast dedication to advancement by adapting, innovating, and emerging stronger. CWG has stayed true to its principles and has continued to be steadfast in utilising the strength of teamwork. We can continue to offer a variety of solutions that clients may use to maximise their businesses thanks to our wide range of partnerships. We also still firmly believe in our excellence-focused culture, which is exemplified by everyone in CWG.

CWG made tremendous progress in 2023 in broadening its scope and enhancing its product line to meet the changing demands of our customers and partners. We expanded our geographic reach and improved our product offering through partnerships and strategic initiatives. Our expansion has not only bolstered our growth but also strengthened our position as a trusted provider of innovative solutions. The technology appetite and consumption of our numerous customers have changed significantly in recent years, which has made it necessary for us to adopt a new, extensive, and comprehensive approach to comprehend the dynamics of our business and the industry, recognise our unique positioning and know how to appropriately leverage our assets, and cultivate customer loyalty and trust through our superior technical competence and long-term delivery excellence.

At CWG, we have long embraced the transformative power of technology. We have seen firsthand how it has revolutionised every aspect of our lives, from the way we work to the way we connect. In 2023, we continued to invest in cutting-edge solutions and foster strategic collaborations, ensuring we remained at the forefront of industry trends and needs while delivering sustainable growth. We expanded our skillsets, diversified our offerings, and added substantial value for our stakeholders. These accomplishments are credited to the commitment of our outstanding staff, the faith of our devoted clientele, and the unwavering support of our esteemed shareholders.

We extend our heartfelt gratitude to each and every one of you, and we reaffirm our steadfast commitment to providing our partners with devoted knowledge and collaboration, cutting-edge solutions and first-rate services, and the rewards that our valued shareholders so richly deserve.

GENERAL OVERVIEW

Our financial performance in 2023 was the result of a variety of strategic initiatives, partnerships, and leverage from our expanding intellectual properties (IPs) to maximise the economic landscape and realities. We created models and mechanisms that have made these approaches repeatable, and we will continue to do more of this in the coming year, offering IT (Information Technology) solutions and services that help our customers focus on their core businesses. We will serve as their reliable technology partners, offering state-of-the-art solutions that foster innovation and smooth operations. We remain resolute in our vision and mission to support a forward-thinking Africa using technology.

We are not only celebrating a good financial year today, but we are also marking the end of a strategic era and the beginning of another. Of course, none of these could have happened without the unwavering support of our dear shareholders, the resilience and resourcefulness of our competent workforce, and the technical expertise and goodwill of our partners.

Above all, we thank our esteemed customers, the reason we are in business today, for continually trusting us to deliver technology offerings that enable them to thrive. We will continue to partner with them to offer solutions tailored to their pain points and serve as their hand-holder and guide as they navigate the complexities and volatilities of the tech world.

2023 AT A GLANCE: BUSINESS PERFORMANCE

The Group

The economic slowdown, rising inflation, and exchange rate volatility are some of the other significant factors that threatened most businesses in Africa last year. Like many Nigerian enterprises, the government transition in May 2023 resulted in a few uncertainties that led some industries and customers to adopt a sceptical approach to spending, which had an adverse impact on the economy. This unpredictability also applies to partners and investors. Specifically, the fluctuations in exchange rates made it more difficult to conduct business with our global partners, as consumers now have to spend more Naira in order to purchase the same or certain goods and services. Consequently, the majority of consumers thus experienced a reduction in their technology budget coupled with the elevated rate of inflation. Nevertheless, these hurdles were no match for our team's grit and perseverance, as our business performance was a resounding success.

As a result, we used our resources, broad knowledge base, and technical know-how to suggest alternative behaviours and solutions while also considering more economical options. We performed exceptionally well and gained the admiration of the majority of our partner companies, which led to further business and revenue contributions for 2023.

We closed the year with a revenue of N23.5 billion, a 66% year-over-year increase from N14.2 billion in 2022. Gross profit also went up by 24%, from N3.8 billion in 2022 to N4.7 billion in 2023. In 2023, our OPEX was N3.44 billion compared to N2.82 billion the year before, a difference of 22%. PBT stood at N1.1 billion at the end of the year, a 53% increase from the N741 million recorded the year before. All financial variables showed growth trends in 2023 compared to the previous year, 2022.

The Regions

Ghana Business saw a 61% increase in revenue in 2023 over 2022. This increase was primarily the result of proactive engagement and value-creation initiatives that increased revenue, particularly in the public sector, while maintaining cost optimisation. Despite Ghana's economic instability and depression in 2023, we were able to close key opportunities in some major sectors.

Uganda Business saw a 30% increase in revenue in 2023 over 2022. More resources for market engagement and technical resource training to provide better and more effective services to our customers are credited to CWG Uganda's performance. As a result, more HSEQ documentation was created, which helped CWG Uganda close its first significant contract for a cloud file collaboration solution in the oil and gas industry. With a new entrant ascribed to a new resource, CWG Uganda recorded a 53% increase in overall income from major sectors compared to 2022. Gaining additional government clients, expanding Finedge into the Ugandan market, and achieving higher cooperation levels with our international partners were all strategically important to CWG Uganda's financial performance in 2023.

2023 AT A GLANCE: PRODUCT PERFORMANCE

The prevailing economic realities presented an opportunity for some of our intellectual properties (IPs) to flourish. The biggest win for us in 2023 and a significant milestone in the convergence of our corporate technology blueprint was our strategic collaborations with industry international partners and initiatives aimed at expanding our intellectual properties (IPs) in the payment and platform industry. We experienced tangible growth and established credible relationships that would change some of our product lines' landscape, growth, and market penetration, especially from FifthLab (our fintech sister company).

Most of our offerings from FifthLab recorded upward trends in revenue from 2022 to 2023. Businesses such as metering, consulting services, training, data centres, and cloud services all experienced positive trends, and we are projecting a positive upside and more significant contributions from these products in the coming year.

FifthLab's offerings have shown great potential to become one of our high-revenue, high-profit margin categories. It offers a perfect blend of B2B, B2C, and platform businesses with great potential for high returns. Some of these products include Kuleanpay, UCP, SMERP, and Finedge. FifthLab is well-positioned to experience exponential growth in 2024, thanks to increased investment and focus, as well as the acquisition of new collaborations and partners in 2023.

Fifthlab launched Kuleanpay, one of its flagship products, in the last quarter of 2023, following a well-thought-out strategic roadmap that included market analysis, product analysis, and structured development. It is a complete payment solution, a super application that offers escrow payments, savings, crowdfunding, bill payments, and airtime purchases, among other features. Since its launch, it has seen over 5,000 app downloads and over 2,000 active users in just a few months. With our new partnerships, collaborations, and investments, the rollout of new user-focused features, and the implementation of its market penetration strategy, Kuleanpay will overcome the immense competition in the payment solution space. The goal is to reach over 500,000 active users and $1B+ processed transactions by Q4 2024.

Kuleanpay has tremendous potential to grow exponentially and achieve above and beyond in the coming years.

Finedge is our advanced cloud-native digital banking solution for microfinance banks and other financial services institutions. Its architecture harnesses the power of cloud computing, ensuring scalability and flexibility to adapt to the dynamic needs of these institutions. Finedge currently has 13 institutions: 11 in Nigeria and two (2) in Ghana and Uganda. Finedge has over 50,000 users in its customer base, and with the new market penetration strategy, these numbers are bound to increase significantly.

SMERP is an ERP (enterprise resource planning) tool designed especially for small and medium-sized enterprises (SMEs). We specifically designed the lighter version, Smerp Go, for smaller businesses. The application Smerp Go aims to transform the operations of small businesses. With a focus on simplicity and effectiveness, Smerp Go offers a comprehensive suite of tools to manage operations, track sales and orders, generate receipts, and analyse business performance. By providing small businesses with the means to streamline their processes and harness valuable insights, Smerp Go empowers them to thrive in today's competitive market landscape. Smerp Go currently has about 100 users, with almost 150 users' sales worth up to N100 million.

The Airtime Vending Platform business also saw improved performance in 2023, supporting almost 40 million transactions worth about N20 billion. It currently has nine institutions, with another four being onboarded. The recent features added to this platform will ensure we acquire more customers and support more transactions.

Thanks to strategic partnerships and numerous commendable initiatives from the federal government of Nigeria, our metering is well-positioned for a successful year. We have extended the capacity of our assembly plants in Lagos, increasing our throughput to produce more meters. We have extended our partnerships to more electricity distribution companies (discos), giving us access to new markets while increasing our viability and improving performance in the coming year.

THE POWER OF TRANSFORMATION: RENEWING COMMITMENT FOR GROWTH

At CWG, our goal has always been to transform Africa through technology. To maximise Africa's future, we provide support for tipping-point innovation. This year, continuing on our post-thirty-year journey and drawing from our five-year strategic master plan, we are renewing our commitment to growth for the transformation of businesses and communities.

We shall continue with our goodwill projects and corporate social responsibility (CSR), as well as embarking on new beneficial ones to give back to society. We will continue to employ and develop the best talents with a commitment to excellence and professionalism in everything we do. CWG is still committed to global best practices and ethical conduct. We will continue to give our all to deliver the best solutions and services that will help our customers leverage IT in their operations so that they can focus on their businesses. We pledge to continue collaborating with the best partners and walking hand-in-hand with our customers to deliver excellent projects.

Our own growth, as well as that of our partners and customers, is critical. We have focused our strategy for the next few years on scale and growth, which extends to our partners and customers. We are working on aligning our internal structure and operations to fuel sustainable growth. With this growth, our influence will expand to new locations in Africa and around the world.

We believe that our greatest asset is our people. Our culture of excellence is not only about recognising achievements but also about fostering continuous learning and development. We invest heavily in training programs, skills creation initiatives, and mentorship opportunities for young talents. By empowering the next generation of tech leaders, we are not only securing the future of our company but also contributing to a more skilled and innovative Nigerian economy.

We expanded our skillsets, diversified our offerings, and created significant value for our stakeholders—a worthy testament to the dedication of our talented team, the trust of our loyal customers, and the unwavering support of our esteemed shareholders.

MOVING FORWARD: SCALE AND PROFITABILITY

We will continue to focus on developing our existing intellectual property (IP) to strengthen the commercial momentum within our platform business segment, maximizing our earnings and market penetration. At the same time, we will be on the lookout for opportunities to build new solutions that will bridge the gap in the digital space.

In recent years, we have made significant investments in creating value by proactively delving into technology trends such as process automation leveraging blockchain technology, AI analytics, and cloud services, working with some of our partner organisations. We are enhancing the potential of these business lines to have credible and more sustainable revenue streams while we continue to invest in relevant skills and operational excellence. We will leverage our many partnerships while strengthening our investment in localisation and digitalisation, which is appropriate for our market and economy.

To sustain our upward trajectory, we must continue to leverage the strengths of our top-performing products while addressing challenges in underperforming segments with strategic, customer-centric solutions and diversifying our revenue streams. This strategic approach will enable us to achieve a well-rounded and sustainable growth trajectory.

As part of our 2024 focus, we will focus on our solutions and services that provide high revenues and margins. We will invest more in these businesses while not losing sight of others. We will continue to build better competence on these business lines, as we consider them very viable and profitable. Our expansion plan is another strategic move, and we will continue to explore new markets and extend our influence to other regions and countries. We will also expand existing markets for some of our solutions and IPs, especially in Ghana and Uganda, while leveraging and strengthening our influence in the enterprise technology space in the East African market.

As we stand on the precipice of a new year, we renew our commitment to growth and transformation. We are committed to:

1. Investing in innovation: We will continue to explore and implement cutting-edge technologies that empower our clients and drive progress.
2. Expanding our reach: We will broaden our geographical footprint and product portfolio to meet the evolving needs of a globalised market.
3. Building strong partnerships: We will collaborate with industry leaders and stakeholders to create a more inclusive and sustainable future.
4. Delivering exceptional value: We remain committed to exceeding the expectations of our shareholders, customers, and employees.

The theme for this year's AGM, "**The Power of Transformation: Renewing Commitment for Growth,"** encapsulates our journey of resilience, innovation, and growth. As we navigate the uncertainties of the future, I am confident that CWG will emerge stronger, more resilient, and better equipped to seize opportunities, overcome challenges, and deliver the remarkable performance our esteemed shareholders deserve. Thank you for your continued trust and support in CWG's mission to shape a brighter future for all.

While I continue to seek your prayers and support, I can also assure you that it could only get better from here, and I am committed to delivering value to all stakeholders.

Thank you.

.

ADEWALE ADEYIPO
Group MD/CEO

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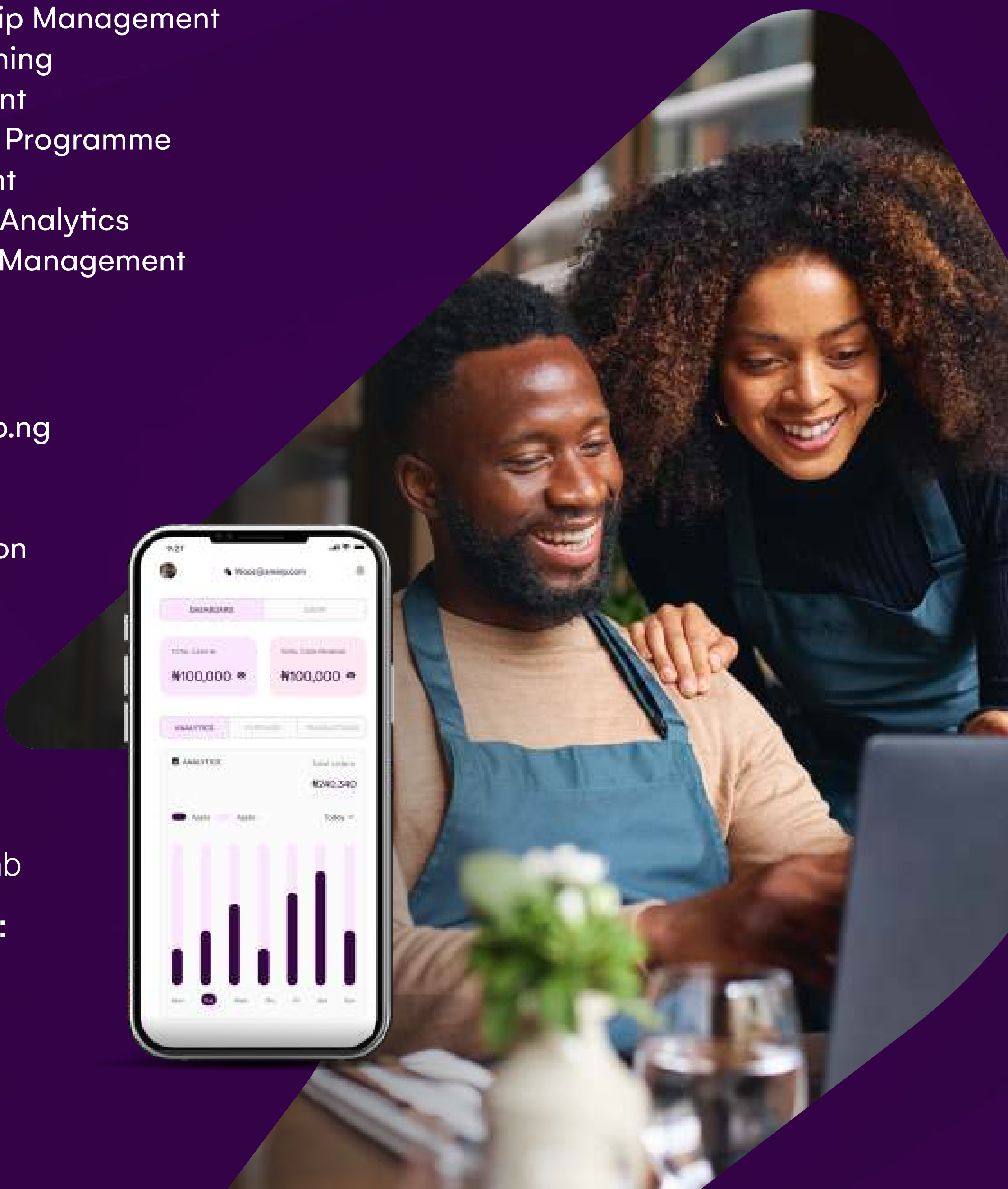

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Director's Report

CWG PLC Annual Report and Accounts

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023

The directors have pleasure in presenting their report on the affairs of CWG Plc (formerly Computer Warehouse Group Plc) ("the Company") together with its subsidiaries ("the Group"), the audited Consolidated financial statements of the Group and the Company for the year ended 31 December 2023 and Other National Disclosures.

LEGAL FORM

CWG Plc (formerly Computer Warehouse Group Plc) was incorporated in Nigeria as a private limited liability company on 1 February 2005 and became a public limited liability company on 15 November 2013. The certificate of incorporation number of the Company is RC 615619.

PRINCIPAL ACTIVITIES

The Group and the Company are principally engaged in integrated information and communications technology services and solutions, IT consultancy, supply, installation, maintenance and support of hardware, software, and managed services.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Group and the Company's affairs is satisfactory and there has been no material change since the reporting date, which would affect the Consolidated and Separate financial statements as presented.

	The Group		The Company	
	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Revenue	**23,529,216**	14,206,737	**15,778,260**	9,920,212
Profit before taxation	**1,131,916**	741,385	**870,132**	685,710
Income tax expense	**(555,832)**	(264,582)	**(296,212)**	(144,503)
Profit after taxation	**576,084**	476,803	**573,920**	541,207

DIVIDEND

The directors propose a dividend of 16 kobo per share of 50 kobo each for the year ended 31st December, 2023 (2022: 4 kobo per share).

PROPERTY, PLANT AND EQUIPTMENT

Information relating to movement in property, plant and equipment is shown in Note 16 to the Consolidated financial statements. In the opinion of the Directors, the market values of the Group and the Company's property plant and equipment are not less than the value shown in these Consolidated financial statements.

DIRECTORS INTEREST IN CONTRACTS

None of the Directors has notified the Group and the Company for the purpose of Section 303 of the Companies and Allied Matters Act 2020 of any disclosable interest in contracts with which the Group and the Company is involved as at 31 December 2023 (2022: Nil).

DONATIONS

The Company made a donation of N1,996,271 to Bab Es Salaam Orphanage , Public Complaints Commission and Lekki Phase 1 Community as part of its Corporate Social responsibility during the year.

DIRECTORS

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

Mr. Philip Obioha	Chairman
Mr. Austin Okere	Non-Executive Director
Dr. Olusegun Oso	Non-Executive Director
Mr. Abiodun Fawunmi	Non-Executive Director
Mr. Babawale Agbeyangi	Non-Executive Director
Mrs. Taba Peterside	Independent Non-Executive Director
Mr. Adewale Adeyipo	Managing Director/Chief Executive Officer
Mr. Afolabi Sobande	Executive Director
Mr. Ireti Yusuf	Executive Director

DIRECTORS' INTEREST IN SHARES AS AT 2023

	Number of shares holding	%	Nominal Value ₦
The issued and fully paid share capital of the Company as at 31 December 2023 was beneficially owned as follows:			
Mr. Austin Okere	590,129,287	23.37	295,064,644
Mr. Abiodun Fawunmi	456,074,990	18.06	228,037,495
Mr. Philip Obioha	456,077,754	18.06	228,038,877
Mr. Adewale Adeyipo	258,788,144	10.25	129,394,072
Cordros Trustees Limited	250,494,989	9.92	125,247,495
Others	513,261,195	20.33	256,630,597
	2,524,826,359	100	1,262,413,180

CWG PLC SHARE CAPITAL HISTORY

YEAR	AUTHORISED (₦)			ISSUED AND FULLY PAID UP (₦)			CONSIDERATION
	INCREASE	CUMULATIVE	UNITS	INCREASE/DECREASE	CUMULATIVE	UNITS	CASH/BONUS
1992	5,000,000	5,000,000	10,000,000		5,000,000	10,000,000	Cash
2008	1,745,000,000	1,750,000,000	3,500,000,000	995,000,000	1,000,000,000	2,000,000,000	Bonus
2008	-	1,750,000,000	3,500,000,000	25,000,000	1,025,000,000	2,050,000,000	Cash
2011	-	1,750,000,000	3,500,000,000	(25,000,000)	1,000,000,000	2,000,000,000	Staff Share Scheme
2013	-	1,750,000,000	3,500,000,000	262,400,329.50	1,262,400,329.50	2,524,800,659	Loan Stock Conversion
2013	-	1,750,000,000	3,500,000,000	12,850	1,262,413,179.50	2,524,826,359	Staff Share Allotment
2022	(487,586,820.50)	1,262,413,179.50	2,524,826,359		1,262,413,179.50	2,524,826,359	

ANALYSIS OF SHAREHOLDING
AS AT 31 DECEMBER 2023

RANGE ANALYSIS OF SHAREHOLDING AS AT 31ST DECEMBER 2023

Range	No. of Holders	Holders %	Holders Cum.	Holdings	Holdings %	Holdings Cum.
1 - 1000	1110	66.71	1110	259,156	0.01	259,156
1001 - 5000	207	12.44	1317	555,718	0.02	814,874
5001 - 10000	72	4.33	1389	561,519	0.02	1,376,393
10001 - 50000	132	7.93	1521	3,284,645	0.13	4,661,038
50001 - 100000	47	2.82	1568	3,819,773	0.15	8,480,811
100001 - 500000	53	3.19	1621	11,076,150	0.44	19,556,961
500001 – 1000000	13	0.78	1634	11,623,653	0.46	31,180,614
1000001 – Above	30	1.80	1664	2,493,645,745	98.77	2,524,826,359
Grand Total	**1664**	**100.00**		**2,524,826,359**	**100.00**	

RANGE ANALYSIS OF SHAREHOLDING AS AT 31ST DECEMBER 2023

S/N	FULL NAME	HOLDINGS	%
1.	KWESI OKERE AUSTIN	590,129,287	23.37
2.	IKECHUKWU OBIOHA PHILIPS	456,077,754	18.06
3.	ABIODUN BAMIDELE FAWUNMI	456,074,990	18.06
4.	ADEWALE A ADEYIPO	258,788,145	10.25
5.	CORDROS TRUSTEES LIMITED	250,494,989	9.92

Apart from the names mentioned therein, no other person(s) holds five percent (5%) and above shareholding in the Company.

EMPLOYMENT AND EMPLOYEES

1. Employment of Physically Challenged Persons

It is the Group and the Company's policy that there is no discrimination in considering applications for employment including those from physically challenged persons. All employees whether or not physically challenged are given equal opportunities to develop their expertise and knowledge and to qualify for promotion in furtherance of their careers. The group and the Company has no physically challenged person in her employment as at 31 December 2023 (2022:Nill).

2. Welfare

The company is registered with a Health Management Organisation (HMO) – (Reliance HMO). Staff, Spouse and 4 children choose a primary health care provider, where cases of illness are referred for treatment.

3. Training

The group and the Company attaches great importance to training and all categories of staff attend courses or seminars as considered necessary by the Group and the Company's management.

Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of these schemes include, bonuses, promotions and wage reviews.

FINANCIAL COMMITMENTS

The directors are of the opinion that all known liabilities and commitments have been taken into account. These liabilities are relevant in assessing the Group and the Company's state of affairs.

EVENTS AFTER REPORTING DATE

As stated in Note 31, there are no events or transactions that have occurred since the reporting date which would have a material effect on the Consolidated financial statements as presented.

FORMAT OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Consolidated and Separate financial statements of CWG Plc have been prepared in accordance with the reporting and presentation requirements of the Companies and Allied matters Act, CAP C20, Laws of the Federation of Nigeria, 2020 and are in compliance with the International Financial Reporting Standards issued by International Accounting Standards Board and the requirements of Financial Reporting Council of Nigeria Act No 6, 2011. The directors considered that the format adopted is the most suitable for the Group and the Company.

AUDITORS

PKF Professional Services served as Auditors during the year under review and have indicated their willingness to continue in office as Auditors of the Company in accordance with Section 401(2) of the Companies and Allied Matters Act 2020. A resolution will be proposed at the Annual General Meeting authorizing the Directors to fix their remuneration.

BY ORDER OF THE BOARD
DCSL Corporate Services Limited

FRC/2013/NBA/00000000855
Lagos, Nigeria
Date: 25 March 2024

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

The Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2020, requires the Directors to prepare consolidated financial statements for each financial year that give a true and fair view of the state of financial affairs of the group at the end of the year and of its profit or loss and other comprehensive income. The responsibilities include ensuring that the group:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the group and comply with the requirements of the companies and allied matters act, CAP C20, Laws of the Federation of Nigeria, 2020;

b) establishes adequate internal controls to safeguard its asset and to prevent and detect fraud and other irregularities; and

c) prepares its consolidated financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Directors accept responsibility for the annual consolidated financial statement, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates, in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; in compliance with Financial Reporting Council of Nigeria Act No. 6, 2011 and in the manner required by the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2020.

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

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

Mr. Adewale Adeyipo (MD/CEO)
FRC/2019/IODN/00000019283

Date: 25 March 2024

Mr. Philip Obioha (Chairman)
FRC/2013/IODN/00000003269

Date: 25 March 2024

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with the provisions of Section 404 (4) of the Companies and Allied Maters Act, CAP C20, LFN 2020, the members of the Audit Committee of CWG Plc ("the Company") hereby report as follows:

i. We have exercised our statutory functions under Section 404 (4) of the Companies and Allied Matters Act, CAP C20, LFN 2020 and acknowledge the cooperation of management and staff in the conduct of these responsibilities.

ii. We are of the opinion that the accounting and reporting policies of the Group and the Company are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 December 2023 were satisfactory and reinforce the Group and the Company's internal control systems.

iii. We have deliberated with the External Auditors, who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses to the External Auditor's recommendations on accounting and internal control matters and with the effectiveness of the Group and the Company's system of accounting and internal control.

Mr. Akinsola Akinyemi
Chairman, Audit Committee
FRC/2016/ICAN/00000015869

Date: 25 March 2024

MEMBERS OF THE COMMITTEE
Mr. Akinsola Akinyemi – Chairman
Alhaji Wahab Ajani
Mr. Robert Ibekwe
Dr. Olusegun Oso
Mr. Abiodun Fawunmi

CERTIFICATION OF AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

Further to the provisions of section 405 of the Companies and Allied Matters Act 2020, we the Managing Director/CEO and Chief Financial Officer of CWG plc respectively hereby certify as follows:

a. That we have reviewed the Audited Financial Statement (AFS) of the Company for the year ended 31 December 2023.

b. That the AFS represents the true and correct financial position of our company as at the said date of 31 December 2023

c. That the AFS does not contain any untrue statement of material fact or omit to state material fact, which would make the statement misleading

d. That the AFS fairly represent, in all material respect, the financial condition and results of operations of the company as of and for the year ended 31 December 2023

e. That we are responsible for establishing and maintaining internal controls and affirm that the company's internal controls were effective as of 31 December 2023

f. That all significant deficiencies in the design or operation of internal control which could adversely affect the company's ability to record, process, summarize and report financial data have been disclosed to the Independent Auditors and the Audit Committee

Adewale Adeyipo
Chief Executive Officer
FRC/2019/IODN/00000019283

Afolabi Sobande
Chief Operating Officer
FRC/2020/001/00000021960

PKF Professional Services

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Independent Auditor's Report

To the Members of CWG Plc

Opinion

We have audited the consolidated financial statements of CWG Plc ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) in compliance with the Financial Reporting Council of Nigeria Act, No. 42, 2023 (as amended) and with the requirements of the Companies and Allied Matters Act, 2020.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report. The key audit matters below relate to the audit of the consolidated financial statements.

1. Impairment of trade and other receivables

Significant judgement is required by the Directors in assessing the impairment of financial assets in compliance with IFRS 9, which requires a loss allowance for Expected Credit Loss (ECL) to be measured at the reporting date for those financial assets subject to impairment accounting. With the concept of a possible significant increase in credit risk, this assessment must consider all reasonable and supportable historic and forward-looking information.

The Group's credit exposures and respective impairment, where applicable, as at 31 December 2023 were as follows:

Exposures assessed for expected credit loss under IFRS 9	Gross Balance	Impairment
	N'000	N'000
Cash and Cash Equivalent	1,794,678	
Investment in Subsidiaries	59,990	
Financial assets measured	252,464	(253)
Trade & Other Receivables	11,702,252	(16,987)

Accordingly, for the purposes of our audit, we identified the impairment of financial assets as representing a significant risk of material misstatement and a key audit matter.

The assumptions with the most significant impact on the Expected Credit Loss (ECL) were:

1. The reasonableness of assumption information (e.g. probability of default information) used in the expected credit loss calculation and how this is supported to ascertain the completeness and accuracy of the records of the information used;

In evaluating the impairment of financial assets, we reviewed and tested the data used in the ECL calculations prepared by the Directors, with a particular focus on the probability of default (PD), loss given default (LGD) and discount rate. We performed various procedures, including the following:

• Testing the key controls relating to the preparation of the impairment model including the competence and authority of person(s) performing the control, frequency, and consistency with which the control is performed;

• Critically evaluated whether the impairment model used to measure the amount of the ECL for specific accounts and portfolio impairments complies with the requirements of IFRS 9;

• Testing of assumptions, inputs and formulas into the ECL model against historical performance and in comparison to forward looking information using the projected GDP growth rate and the Directors' strategic plans for the Group;

• Validating that the discount rates used in discounting the estimated future cash flows meet the effective interest rates requirement of IFRS 9;

• Evaluating the Directors staging of loans and advances, and securities in the ECL model and test facilities to ensure they have been included in the right stage;

• Robustly reviewing the modelling of the EAD. This is particularly important for 'stage 2' loans, where the point of default may be several years in the future;

2. Segmentation of portfolios used to develop risk parameters; 3. Determination of modification gains or losses including assumptions applied; 4. Analysis of external ratings, internal benchmarking or grouping risks together when the Group relies on such. The Group might be unable to support the suitability of any groupings to justify such approach as this may mask underlying credit losses or increases in credit risks, if the segments are not sufficiently homogeneous; 5. A lack of forward-looking information in the model to address non-linear relationship between the different forward-looking scenarios and their associated credit losses; 6. Past due (PD) ratings as management might be unable to obtain relevant data for internal ranking purpose; and 7. The Group might use the outstanding balance as the Exposure at Default (EAD).	• Involving a specialist to assist with the testing of the discount rate, probability of default (PD), and the loss given default (LGD). The specialist's procedures included evaluating the appropriateness of the key assumptions in the ECL model and reasonableness of the Credit Conversion Factors (CCFs)used; • Re-computation of the ECL provision for each stage to determine their reasonableness, considering the portfolio, risk profile, credit risk management practices and the macroeconomic environment; • Performing sensitivity analysis on the macroeconomic factors used in determining the probability of default. • Verifying the source of the credit ratings used and check the appropriateness of the ratings in accordance with IFRS 9. We considered the impairment on the financial assets to be appropriate.

Other Information
The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report; Audit Committee's Report, Corporate Governance Report and Company Secretary's report which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appeared to be materially misstated.

If, based on the work we have performed on the other information that we obtained, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and Those Charged with Governance for the Consolidated Financial Statements
The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and the requirements of the Companies and Allied Matters Act, 2020, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

In accordance with the requirement of the fifth schedule of the Companies and Allied Matters Act, 2020, we confirm that:

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

ii) The Company has kept proper books of account, so far as it appears from our examination of those books;

iii) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Olatunji Ogundeyin, FCA,
FRC/2013/ICAN/00000002224
For: **PKF Professional Services**
FRC/2023/COY/141906
Chartered Accountants
Lagos, Nigeria

Date: 25 March 2024

2022 AGM

CROSS SECTION OF SHAREHOLDERS AT THE 18TH GENERAL MEETING


CWG


18TH ANNUAL

CORPORATE SERVICES LIMITED

April 2024

REPORT OF THE PERFORMANCE APPRAISAL OF THE BOARD OF DIRECTORS OF CWG PLC FOR THE YEAR ENDED 31ST DECEMBER 2023

In compliance with the provisions of **Principle 14.1 of the Nigerian Code of Corporate Governance, 2018 ("NCCG"), and Guideline 9 of the Securities and Exchange Commission (SEC) Corporate Governance Guidelines ("SCGG"),** the Board undertook an internal appraisal of its performance to ascertain the level of compliance with the Codes as well as global best practices.

The appraisal which was coordinated by the Company Secretaries for the year-ended 31st December 2023, entailed a review of the Company's corporate and statutory documents, the minutes of Board and Board Committee meetings, policies and other ancillary documents, and the administration of online surveys and Directors' interviews to ascertain the level of the Board's compliance with the provisions of the SCGG and NCCG, relevant legislation as well as global best practices.

The objective of the review was to ascertain the extent of compliance with corporate governance principles and the performance of the Board in general. The evaluation covered the following seven key corporate governance themes:

1. Board Structure and Composition
2. Strategy and Planning
3. Board Operations and Effectiveness
4. Measuring and Monitoring Performance
5. Risk Management and Compliance
6. Corporate Citizenship
7. Transparency and Disclosure

Our review of the corporate governance standards and processes affirm that the Board of Directors is committed to ensuring prime corporate governance practices and adherence to the principles enshrined in the SCGG and the NCCG as well as globally accepted practices. The Board is committed to setting the pace for the observance of the highest ethical standards and transparency in the conduct of the Company's business.

Our detailed report contains the details of our findings and recommendations.

Yours faithfully,

For: DCSL Corporate Services Ltd

Bisi Adeyemi
Managing Director (DCSL Corporate Services Limited)
FRC/2013/NBA/00000002716

Directors: ~ Abel O. Ajayi (Chairman) ~ Bisi Adeyemi (Managing Director) ~ Adeniyi Obe ~ Dr Anino Emuwa ~ Obi A. Ogbechi ~ Mr. Lekan Belo

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Financials

CWG PLC Annual Report and Accounts

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

	Note	The Group		The Company	
		2023 N'000	2022 N'000	2023 N'000	2022 N'000
Non-current assets					
Property, plant and equipment	16	**617,196**	548,055	**591,177**	531,661
Right of use asset	26.2	**112,508**	51,381	**112,508**	51,381
Intangible asset	17	**62,210**	74,590	**61,820**	74,095
Investment in subsidiaries	18	**59,990**	-	**358,274**	298,284
Deferred tax assets	14.5.1	**10,441**	1,093	**-**	**-**
Financial assets	19	**277,552**	236,164	**277,552**	236,164
Total non-current assets		**1,139,898**	**911,283**	**1,401,331**	**1,191,585**
Current assets					
Inventories	20	**2,623,383**	1,268,508	**2,519,648**	1,268,508
Trade and other receivables	21	**11,685,265**	10,097,360	**7,888,999**	8,626,926
Income tax receivables	14.3.1	**39,231**	16,399	**-**	-
Prepayments	22	**532,844**	1,317,238	**487,568**	1,293,051
Cash and cash equivalents	23	**1,794,678**	922,245	**1,142,294**	611,452
Total current assets		**16,675,401**	13,621,750	**12,038,509**	11,799,937
Total assets		**17,815,299**	14,533,033	**13,439,840**	12,991,522
Equity					
Issued share capital	24.1	**1,262,413**	1,262,413	**1,262,413**	1,262,413
Retained earnings	24.2	**798,698**	323,608	**688,121**	215,193
Fair value reserve	24.3	**17,697**	10,661	**17,697**	10,661
Foreign translation reserve	24.4	**164,834**	(124,748)	-	-
Total equity		**2,243,642**	1,471,934	**1,968,231**	1,488,267
Non-Current Liabilities					
Deferred tax liabilities	14.3	**137,994**	-	**137,994**	-
Total non-current liabilities		**137,994**	-	**137,994**	-
Current Liabilities					
Trade and other payables	25	**10,436,143**	9,737,398	**6,739,082**	8,349,080
Lease liability	26	**8,703**	19,741	**8,703**	19,741
Interest bearing loans & borrowings	27	**2,403,631**	1,845,437	**2,213,651**	1,688,432
Income tax payable	14.4	**428,325**	225,480	**249,780**	225,405
Contract liability	28	**2,156,861**	1,233,043	**2,122,399**	1,220,597

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

		The Group		The Company	
	Note	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Total current liabilities		**15,433,663**	13,061,099	**11,333,615**	11,503,255
Total Liabilities		**15,571,657**	13,061,099	**11,471,609**	11,503,255
Total equity and liabilities		**17,815,299**	14,533,033	**13,439,840**	12,991,522

The consolidated financial statements were approved by the Board of Directors on 25 March 2024 and signed on its behalf by:

Mr. Adewale Adeyipo (MD/CEO)
FRC/2019/IODN/00000019283

Mr. Philip Obioha (Chairman)
FRC/2013/IODN/00000003269

Mr. Afolabi Sobande (COO)
FRC/2020/001/00000021960

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

		The Group		The Company	
	Note	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Revenue	7	**23,529,216**	14,206,737	15,778,260	9,920,212
Cost of sales	8	**(18,781,278)**	(10,377,506)	(12,404,358)	(6,896,406)
Gross Profit		**4,747,938**	3,829,231	**3,373,902**	3,023,806
Other income	9	**129,838**	65,235	**132,074**	43,142
Administrative expenses	10	**(3,494,758)**	(2,883,046)	**(2,458,471)**	(2,215,428)
Exchange loss	11	**(182,029)**	(219,667)	**(122,779)**	(126,918)
Finance costs	12	**(84,126)**	(55,919)	**(69,645)**	(44,443)
Finance income	13	**15,053**	5,551	**15,051**	5,551
Profit before tax		**1,131,916**	741,385	**870,132**	685,710
Income tax expenses	14	**(555,832)**	(264,582)	**(296,212)**	(144,503)
Profit for the year		**576,084**	476,803	**573,920**	541,207
Other comprehensive income: Items that may be subsequently reclassified:					
Net gain/(loss) on financial assets-FVOCI	24.4	**7,036**	(311)	**7,036**	(311)
Items that may not be subsequently reclassified:					
Translation of foreign entities	24.5	**289,582**	(62,244)	**-**	-
Other comprehensive income for the year - net of tax		**296,618**	(62,555)	**7,036**	(311)
Total comprehensive income for the year - net of tax		**872,702**	414.248	**580,956**	540.896
Earnings per share(Kobo)		**0.23**	0.19	**0.23**	0.21

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

		The Group		The Company	
	Note	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Cash flows from operating activities					
Profit for the year		**576,084**	476,803	**573,920**	541,207
Adjustment for:					
Depreciation of property, plant and equipment	16	**170,959**	141,262	**160,880**	137,536
Depreciation of right-of-use assets	26.2	**48,635**	53,868	**48,635**	49,563
Amortisation of intangible assets	17	**12,378**	80,088	**12,275**	80,067
Impairment charge/ (write back) on receivables	21.3	**(46,703)**	57,963	**(49,075)**	34,724
ECL Provisions - Contract assets	21.4	**(1,049)**	569	**(1,049)**	569
ECL Provisions - Related Parties	21.6	**-**	-	**85,043**	593
ECL Provisions - Financial asset at amortised cost	19.2	**34**	218	**34**	218
Income tax expense	14.1	**555,832**	264,582	**296,212**	144,503
Finance income	13	**(15,053)**	(5,551)	**(15,051)**	(5,551)
Changes in fairvalue reserve		**7,036**	-	**7,036**	-
Finance cost	12	**84,126**	55,919	**69,645**	44,443
WHT credit note utilised	14.4	**(108,297)**	(65,971)	**(108,297)**	(65,971)
Net foreign exchange differences		**403,100**	(112,381)	**-**	-
Profit on disposal of PPE	9	**-**	(4,644)	**-**	(5,250)
		1,687,081	942,725	**1,080,208**	956,651
Changes in:					
Deferred tax assets	14.5	**128,934**	326	-	-
Deferred tax liabilities	14.5			137,994	
Trade and other receivables	21	**(1,540,153)**	(3,293,889)	**703,008**	(2,720,195)
Income tax receivable		**(22,832)**	(16,399)	**-**	-
Prepayments	22	**784,394**	(1,152,534)	**805,483**	(1,158,793)
Inventories	20	**(1,354,875)**	(684,266)	**(1,251,140)**	(756,771)
Trade and other payables	25	**698,745**	2,212,548	**(1,609,998)**	1,514,347
Contract liabilities	28	**923,818**	1,046,650	**901,802**	1,052,550
Cash generated from/ (used in) operating activities		1,305,112	(944,839)	767,357	(1,112,211)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	The Group 2023 N'000	The Group 2022 N'000	The Company 2023 N'000	The Company 2022 N'000
Income tax paid	14.4	(201,523)	(66,809)	(163,540)	(28,826)
Net cash from/(used in)/ from operating activities		1,103,590	(1,011,648)	603,817	(1,141,037)
Cash flows from investing activities:					
Purchase of property, plant and equipment	16	**(241,170)**	(239,686)	**(220,395)**	(223,440)
Transfer from property, plant and equipment		**-**	(5,801)	**-**	-
Purchase of right-of-use assets	26.2	**(109,762)**	(31,905)	**(109,762)**	(31,905)
Acquisition of intangible assets	17	**-**	(72,043)	**-**	(71,527)
Addition to investment in subsidiaries	18	**(59,990)**	-	**(59,990)**	(25,000)
Addition to Financial assets measured at FVOCI & Amortised		**(41,422)**	(218,330)	**(41,422)**	(218,330)
Proceeds from sale of property, plant and equipment	16	**-**	4,549	**-**	5,155
Interest received	13	**15,053**	5,551	**15,051**	5,551
Net cash used in investing activities		**(437,291)**	(557,665)	**(416,518)**	(559,496)
Cash flows from financing activities:					
Additional loan	27.2	**2,934,453**	3,158,571	**2,228,475**	3,001,604
Repayment of loan principal	27	**(2,810,483)**	(1,547,432)	**(1,981,584)**	(1,467,512)
Additional lease liabilities		**14,679**	26,612	**14,679**	26,612
Dividend paid	24.3	**(100,993)**	-	**(100,993)**	
Lease obligation repayment	26.1	**(25,717)**	(68,744)	**(25,717)**	(52,064)
Interest paid	24	**(84,126)**	(55,919)	**(69,645)**	(44,443)
Net cash (used in)/from financing activities		**(72,187)**	1,513,089	**65,215**	1,464,197
Net increase/(decrease) in cash and cash equivalents		**594,105**	(56,230)	**252,514**	(236,337)
Net foreign exchange difference		-	-	-	-
Cash and cash equivalents at the beginning of the period		**853,646**	909,877	**542,854**	779,191
Cash and cash equivalents at the end of the period	23	**1,447,751**	853,646	**795,368**	542,854

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

Attributable to equity holders- the Group

	Issued share capital N'000	Retained earnings N'000	Fair value reserve N'000	Foreign translation reserve N'000	Total N'000
At 1 January 2022	**1,262,413**	**(153,195)**	**10,972**	**(62,504)**	**1,057,686**
Changes in equity for 2022:					
Profit for the year	-	476,803	-	-	476,803
	-	476,803	-	-	476,803
Other comprehensive income for					
Fairvalue loss for the year	-	-	(311)	-	(311)
Translation loss for the year	-	-	-	(62,244)	(62,244)
At 31 December 2022	**1,262,413**	**323,608**	**10,661**	**(124,748)**	**1,471,934**
At 1 January 2023	**1,262,413**	**323,608**	**10,661**	**(124,748)**	**1,471,934**
Changes in equity for 2023:					
Profit for the year	**-**	**576,084**	**-**	**-**	**576,084**
Dividend paid		**(100,993)**			
	-	**475,091**	**-**	**-**	**475,091**
Other comprehensive income for					
Fairvalue gain for the year	**-**	**-**	**7,036**	**-**	7,036
Translation gain for the year	**-**	**-**	**-**	**289,582**	**289,582**
31 December 2023	**1,262,413**	**798,698**	**17,697**	**164,834**	**2,243,642**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

Attributable to equity holders- the Company

	Issued share capital N'000	Retained earnings N'000	Fair Value Reserve N'000	Total N'000
1 January 2022	**1,262,413**	**(326,014)**	**10,972**	**947,371**
Changes in equity for 2022:				
Profit for the year	-	541,207	-	541,207
	-	541,207	-	541,207
Other comprehensive income for the year; net of tax				
Fairvalue gain for the year	-	-	(311)	(311)
31 December 2022	**1,262,413**	**215,193**	**10,661**	**1,488,267**
1 January 2023	**1,262,413**	**215,193**	**10,661**	**1,488,267**
Changes in equity for 2023:				
Profit for the year	**-**	**573,920**	**-**	**573,920**
Dividend paid	**-**	**(100,993)**		
	-	**472,927**	**-**	**472,927**
Other comprehensive income for the year; net of tax				
Fairvalue gain for the year	**-**	**-**	**7,036**	**7,036**
31 December 2023	**1,262,413**	**688,120**	**17,697**	**1,968,230**

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

Notes to the Consolidated Financial Statements

CWG PLC Annual Report and Accounts

1. General information

1.1 The Group

These consolidated financial statements comprise the financial statements of CWG Plc (referred to as "the company" and its subsidiaries (together referred to as "the group"). CWG Plc (the Company) is a limited liability company incorporated and domiciled in Nigeria and became public by listing on 15 November 2013. The registered office is located at Block 54A, Plot 10, Adebayo Doherty Road, off Admiralty Road, Lekki Phase 1, Lagos State in Nigeria.

1.2 Principal activities

The group and the Company is principally engaged in the supply, installation, integration, maintenance and support of computer equipment, e-payment hardware and ancillary equipment.

2. Basis of preparation

2.1 Statement of compliance with IFRSs

These consolidated financial statements are the financial statements of the company and its subsidiaries (together, "the group"). The consolidated financial statements for the year ended 31 December 2023 have been prepared in line with IFRS 10 on Consolidated Financial Statements in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

Additional information required by local regulators are included where appropriate.

The consolidated financial statements comprise of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated the statement of changes in equity, consolidated the statement of cashflows and notes to the financial statements.

2.1.2 Basis of measurement

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

2.1.3 Use of estimates and judgements

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

2.2 Going concern consideration

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

2.3 Summary of significant accounting policies

The following are the significant accounting policies applied by the Group and the Company in preparing its consolidated and separate financial statements.

2.3.1 Foreign currencies

The group's consolidated financial statements are presented in Naira, which is also the parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The group uses the direct method of consolidation and on disposal of a foreign operation; the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

ii) Foreign Operations

On consolidation, the assets and liabilities of foreign operations are translated into Naira at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates ruling at the dates of translation or at average rate for the period as an approximation of the exchange rates at the date of transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the cumulative amount of the exchange differences relating to the foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity, are reclassified from equity to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation. Thus, they shall be expressed in the functional currency of the foreign operation and shall be translated at the closing rate in accordance with the provisions of IAS 21.39.

2.3.2 Revenue from contracts with customers (IFRS 15)

The group and the Company is principally engaged in the supply, installation, integration, maintenance and support of hardware, software, consultancy, communications and managed services. The major streams of revenue for the Group and the Company are highlighted below:

a) IT Infrastructure Services
b) Communications and Integrated Services
c) Managed and Support Services
d) Software

2.3.2a IT Infrastructure Services

Revenue from IT Infrastructure Services is subdivided into Sale of equipment and IT Infrastructure Support Services.

Revenue from sale of equipment is recognised at a point in time when control is transferred to the customer. The normal credit term is 30 to 90 days upon delivery.

In determining the transaction price, the Group and the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Revenue from support services is recognised over time as control is transferred to the customer, because the customer simultaneously receives and consumes the benefits provided by the Group and the Company. The normal credit term is 30 to 90 days upon delivery.

2.3.2b Communication and Integrated Services

The group and the Company provides connectivity services to customers. The group and the Company assesses connectivity services as a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The group and the Company recognises revenue from connectivity services over time, using an output method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group and the Company. The group and the Company determines that it is an agent in these agreements.

2.3.2c Managed Support Services

The group and the Company provides support services such as Software support, Hardware Support, Performance Monitoring, On-site Technical Support and Maintenance Services. The services represent a series of distinct services that are substantially the same and have the same pattern of transfer to the customer.

The group and the Company recognises revenue from managed support services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group and the Company.

2.3.2d Software

The group and the Company provides support services to customers. The group and the Company recognises revenue from software support services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group and the Company.

The group and the Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group and the Company's role is only to arrange for another entity to provide the goods or services, then the Group and the Company is an agent and will need to record revenue at the net amount that it retains for its agency services. The group and the Company determines that it is an agent in these agreements.

Identifying performance obligations

At contract inception, the Group and the Company assess the goods or services promised to a customer and identifies as a performance obligation each promise to transfer to the customer either:
(a) a good or service (or a bundle of goods or services) that is distinct; or
(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

In arriving at the performance obligations, the Group and the Company assessed the services as capable of being distinct and as distinct within the context of the contract after considering the following:

1. If the customer can benefit from the individual good or service on its own.
2. If the customer can use the good or service with other readily available resources
3. If multiple promised goods or services work together to deliver a combined output(s)
4. Whether the good or service is integrated with, highly interdependent on, highly interrelated with, or significantly modifying or customising, other promised goods or services in the contract

Variable consideration

If the consideration in a contract includes a variable amount, the Group and the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for services contain penalties which may give rise to a reduction in the amount receivable from the customer, hence, variable consideration.

Significant financing component

Generally, the Group and the Company receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Group and the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group and the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group and the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group and the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group and the Company performs under the contract.

2.3.4 Taxes

Current income tax

Current income tax and education tax for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the entities operate and generates taxable income.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income, respectively and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The group and the Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority or either the same taxable entities which intend either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.3.5. Property, plant and equipment

Property, plant and equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group and the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the components of each item of Property, plant and equipment as follows:

PPE Class	%
Buildings	2
Furniture and fittings	25
Office equipment	$33^{1/3}$
Communication equipment	25
Motor vehicles	25
Building improvement	25
Plant & machinery	25
Loose tools	25
Service option equipment	$33^{1/3}$
Land	Not depreciated
ATM	25

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

The residual values, useful lives and methods of depreciation of each item of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.3.6 Leases

Policy subsequent to 1 January 2019

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

The group and the Company as a lessee

The group and the Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The group and the Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The group and the Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Assets	Lease period
Guest houses	2 years
Office buildings	2-3 years

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.3.10 for Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

Refer to Note 26 for more details on the Group and the Company's lease liabilities.

iii) Short-term leases and leases of low-value assets

The group and the Company applies the short-term lease recognition exemption to its short-term leases of warehouses and guesthouses (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The group and the Company does not have any leased assets categorised as low-value assets (i.e. of a value of N2 million). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Leases

The group/ the Company as a lessee

Finance leases that transfer to the Group and the Company substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group and the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an operating expense in the profit or loss on a straight-line basis over the lease term.

2.3.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The software is amortised using a straight-line method over a period of 3 – 5 years.
As at 31 December 2023, the Group and the Company did not have any indefinite intangible assets. Intangible assets with finite useful lives are reviewed at the end of the reporting period.

Licenses

Licences represent the cost of an operating licence obtained from the Nigerian Communication Commission (NCC) for a period of 10 years. Upon expiration of the license terms, the Group and the Company may renew the licence with NCC. Licence fees are amortised over a period of 10 years.

2.3.8 Financial instruments (IFRS 9)

Financial instruments Recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

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

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

Trade receivables that do not contain a significant financing component or for which the Group and the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The group and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

ii) Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The group and the Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The group and the Company's financial assets at amortised cost includes trade receivables, cash and short-term deposits, intercompany receivable and equity instruments.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to irrevocably classify its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group and the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The group and the Company elected to irrevocably classify its listed equity investments under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group and the Company's Consolidated and Separate statement of financial position) when:

• The rights to receive cash flows from the asset have expired Or

• The group and the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the Group and the Company has transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When the Group and the Company has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

Impairment of financial assets

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

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

The group and the Company considers a financial asset in default when contractual payments are over 30 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group and the Company.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities measured at amortised cost, net of directly attributable transaction costs.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, financial liabilities measured at amortised cost are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

Derecognition

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

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated and separate statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.3.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:
- Raw materials: Purchase cost on a first in, first out basis.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.3.10 Impairment of non-financial assets

The group and the Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other available fair value indicators.

The group and the Company base its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group and the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group and the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

The following criteria are also applied in assessing impairment of specific assets:

2.3.11. Cash and cash equivalents

Cash and short-term deposits in the Consolidated and Separate statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less from the date of acquisition. For the purpose of the cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

2.3.12 Dividend Distributions

The group and the Company recognises dividends when the distribution is authorised and is no longer at the discretion of the Group and the Company.

2.3.13 Provisions

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group and the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

2.3.14. Employee Benefits

Employee benefits are all forms of benefits given in exchange for services rendered by employees. These are classified as:

a) Short-term employee benefits - benefits due to be settled within 12 months after the end of the period in which the employees rendered the related services;

b) Post-employment benefits are benefits payable after the completion of employment. Such plans (or funds) may be either defined contribution funds or defined benefit funds.

c) Termination benefits are employee benefits payable as a result of either the Group and the Company's decision to terminate an employee's employment before normal retirement date, or an employee's decision to accept voluntary redundancy in exchange for those benefits.

Short-term benefits

The cost of all short-term employee benefits, such as salaries, profit sharing arrangements, employee entitlements to leave pay, bonuses, medical aid and other contributions, are recognised during the period in which the employee renders the related service. The group and the Company recognises the expected cost of bonuses only when the Group and the Company has a present legal or constructive obligation to make such payment and a reliable estimate can be made. During the year, the Group and the Company contributed to employee benefits in the following categories: - remuneration in the form of salaries, wages and bonuses.

Post-employment Retirement Benefit Funds

In line with statutory pension/retirements laws, the Group and the Company and its employees contribute to statutory retirement benefits plans for the benefits of its qualifying staff. The Funds which are defined contribution plans are independently administered with no obligations on the Group and the Company other than the defined contribution as a percentage of employees' qualifying remunerations. Both employees' and the Group and the Company's share of the contributions are charged as staff cost in the administrative expenses in the statement of profit or loss when the employee renders the service.

Termination benefits

The group and the Company recognises termination benefits as a liability and an expense when it is demonstrably committed to either:

a) terminate the employment of an employee or group of employees before the normal retirement date; or

b) provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Termination benefits are recognised as expense in the period they arise. The group and the Company had no termination benefit commitments during the year.

2.3.15 Segment reporting

The group and the Company identifies segments as components of the Group and the Company that engage in business activities from which revenues are earned and expenses incurred. The segments' operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to each segment and assess its performance, and for which discrete financial information is available. The identification of operating segments is on the basis of internal reports that are regularly reviewed by the entity's Chief Operating Decision Maker in order to allocate resources to the segment and assess its performance. The group and the Company has identified the Managing Director/ Chief Executive Officer as the Chief Operating Decision Maker.

Measurement of segment information

The amount reported for each operating segment is based on the measure reported to the Chief Operating Decision Maker for the purposes of allocating resources to the segment and assessing its performance.

2.3.16 Fair value measurement

The group and the Company has financial instruments measured at fair value at each reporting date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability
Or
• In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group and the Company.

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

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

The group and the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated and separate financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
• Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group and the Company's consolidated and separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group and the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated and separate financial statements.

Revenue from contracts with customers

The group and the Company applied the following judgements. These judgements will significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of satisfaction of Sale of Products

The group and the Company concluded that revenue from sale of products to customers will be recognised at a point in time because control is transferred at a point in time.

The group and the Company has assessed that there is a direct relationship between the Group and the Company's measurement of the value of goods or services transferred to date, relative to the remaining goods or services promised under the contract.

Determining the timing of satisfaction of Rendering of Services

The group and the Company concluded that revenue from services is recognised over time as control is transferred to the customer, because the customer simultaneously receives and consumes the benefits provided by the Group and the Company.

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the provision managed support services and software support include penalties for downtime that give rise to variable consideration. In estimating the variable consideration, the Group and the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The group and the Company determined that the most likely amount method is the appropriate method to use in estimating the variable consideration for the provision managed support services and software support, given the large number of customer contracts that have similar characteristics.

Before including any amount of variable consideration in the transaction price, the Group and the Company considers whether the amount of variable consideration is constrained. The group and the Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Motor vehicle lease classification – The group/ the Company as lessee

The group and the Company has entered into motor vehicle lease arrangements. The group and the Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term constituting a major part of the economic life of the motor vehicles and the present value of the minimum lease payments amounting to substantially all of the fair value of the motor vehicles, that it retains all the significant risks and rewards of ownership of these motor vehicles and accounts for the contracts as finance leases.

Going concern

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

Estimates and assumptions

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

Financial Instruments

Provision for expected credit losses of trade receivables and contract assets

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The group and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group and the Company's trade and other receivables and contract assets is disclosed in Note 22.

Fair value measurement of financial instruments – Financial Assets

When the fair values of financial assets and financial liabilities recorded in the Consolidated and Separate statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 32 for further disclosures.

Fair value measurement – Non Financial Assets

Fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability; or in the absence of a principal market, in the most advantageous market for the asset or liability.

Taxes

Deferred tax assets are recognised for 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 the level of future taxable profits together with future tax planning strategies.

Goodwill impairment

The management determination of value in use involves estimate of future cash flows that the entity expects to derive from the use of the asset, expectations about possible variation in the amount or timing of those future cash flows; the time value of money, represented by the current market risk free rate of interest; the price of bearing the uncertainty inherent in the assets and other factors, such as illiquidity, that market participants would reflect in pricing the future cash flows the Group and the Company expects to derive from the use of the asset.

Re-assessment of useful lives and residual values

The group and the Company carried its property, plant and equipment (PPE) at cost in the consolidated and separate statement of financial position. The annual review of the useful lives and residual value of PPE result in the use of significant management judgements.

Discount rate used to determine the incremental borrowing rate

The group and the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the

Group and the Company's functional currency).

The group and the Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Group and the Company's stand-alone credit rating).

The group and the Company estimates the IBR using the following steps:
Step 1: Reference rate: This is generally a government bond reflecting risk free rate. Repayment profile was considered when aligning the term of the lease with the term for the source of the reference rate.
Step 2: Financing spread adjustment: Use of credit spreads from debt with the appropriate term by considering Group/ Company's stand-alone credit rating or similar Group/ Company credit rating.
Step 3: Lease specific adjustment: Use of market yield for the leased assets, as an additional data point and to sense-check the overall IBRs calculated.

4. New and revised IFRS Standards in issue but not yet effective (but allow early application) for the year ending 31 December 2022

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:
- Amendments to IFRS 3 Business Combinations — Reference to the Conceptual Framework
- Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets — Onerous Contracts — Cost of Fulfilling a Contract
- Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract
- Annual Improvements to IFRS Standards 2018 - 2020 — Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

4.1.a. Amendments to IFRS 3 Business Combinations — Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

4.1.b. Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use

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

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

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

4.1.c. Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets — Onerous Contracts — Cost of Fulfilling a Contract

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

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

"The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted."

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

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

The amendments specify that the cost of fulfilling a contract comprises the costs that relates directly to the contract. Cost that relates directly to a contract consists of both the incremental cost of fulfilling that contract. Examples would be direct labour or materials and allocation of other costs that relates directly to fulfilling the contract (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendment's. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other components of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendment in the future will have an impact on the Company's financial statements.

4.1.e. Annual Improvements to IFRS Standards 2018 - 2020 — Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The Annual Improvements include amendments to four Standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards

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

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 9 Financial Instruments

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

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements.
As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

4.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the accompanying disclosure, as well as the disclosure of contingent liability about these assumption and estimates that could result in outcome that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Management discusses with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates, and the application of these policies and estimates.

4.2.1 Estimates and assumptions

The key assumption concerning the future and other key sources of estimation uncertainly 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 period, are described below. The Group based its assumption and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4.3 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

4.3.a IFRS 17 Insurance contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

IFRS 17 will have no impact on the Group, as it does not issue insurance contract.

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

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

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

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The Directors of the company do not anticipate that the application of the amendments in the future will have an impact on the company's financial statements.

4.3.c. Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

4.3.d. Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements — Disclosure of Accounting Policies

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

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

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

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

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

4.3.e. Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty.

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

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

-The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

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

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

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

4.3.f. Amendments to IAS 12 Income Taxes — Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

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

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

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

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

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

5. Financial risk management objectives and policies

"The group and the Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The group and the Company also holds financial assets measured at Fair value through other comprehensive income."

The group and the Company’s principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group and the Company’s operations and to provide guarantees to support its operations.

The group and the Company is exposed to market risk, credit risk and liquidity risk. The group and the Company’s senior management oversees the management of these risks. The group and the Company’s risk management is governed by the Board, through the Board Risk Management and Audit committee.

The board of directors reviews and agrees policies for managing each of these risks, which are summarised below:

5.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include: current loans and borrowings, deposits, financial instruments designated at fair value through OCI.

5.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group and the Company’s exposure to the risk of changes in market interest rates relates primarily to the Group and Company’s short-term debt obligations with floating interest rates. The group and the Company’s policy is to keep floating rate borrowings only under exceptional circumstances, where the risks are thoroughly considered and approved.

5.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group and the Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Group and the Company’s operating activities (when revenue or expense is denominated in a different currency from the Group and the Company’s functional currency) and the Group and the Company's net investments in foreign subsidiaries.

Management has established a policy requiring the Group and the Company to manage their foreign currency risk against their functional currency. To manage their foreign currency risk arising from future commercial transactions and recognized assets and liabilities, Companies in the Group ensure that significant transaction are contracted in the Group and the Company's functional currency. Foreign currency risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group and the Company's functional currency.

The group and the company is mostly affected by changes in USD rate than any other foreign currency. the table below shows the sensitivity analysis of the group and the Company's profit before tax based on changes in USD rate:

	Change in USD rate	Effect on profit before tax
		N'000
2023	**+5%**	**(50,488)**
	-5%	**50,488**
2022	**+5%**	(56,176)
	-5%	62,090

The Naira carrying amounts for the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
US Dollars	**(1,175,191)**	(3,138,185)	**1,203,237**	786,266

5.1.3 Equity price risk

The group and the Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The group and the Company manages the equity price risk by placing limits on individual and total equity instruments. The group and the Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was N25.008million (2022: N18.058 million). A decrease of 5% on the Nigerian Stock Exchange market index could have an impact of approximately N1.26 million (2022: N0.92 million) on the income or equity attributable to the Group and the Company, depending on whether the decline is significant or prolonged. An increase of 5% in the value of the listed securities would only impact equity but would not have an effect on profit or loss.

5.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group and the Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is monitored by the entity's Finance Department. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. CWG has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Entity to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Trading relationships
The Entity's trading relationship and counterparties comprise Banks, Oil & Gas, Manufacturing and Individuals. For these relationships, the Entity's credit risk department analyses publicly available information such as financial information and other external data to determine rate to be applied.

Trade receivables
Customer credit risk is managed by Business Development unit subject to the Entity's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for group of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group and the Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

The group and the Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the Company's trade receivables and contract assets using a provision matrix:

	Trade Receivables							
	Days past due							
	Contract assets	Current	1 - 30 days	31 - 60 days	61 - 90 days	91 - 365 days	>365 days	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
31 December 2023								
Expected credit loss rate	0.25%	0.25%	0.71%	1.94%	18.99%	81.11%	81.72%	
Estimated total gross carrying amount at default	1,196,410	122,999	23	2,013	37,473	9,549		172,056
Expected credit loss	2,167	223	0	97	3,598	872	1,813	6,380
Expected credit loss rate	0.0025	0.25%	0.71%	1.94%	18.99%	81.11%	81.72%	
Estimated total gross carrying	1,225,452	135	517,453	6,475	89,913	47,992	1,987	663,820
Expected credit loss	3064	0	3,651	125	17,074	33,202	1,624	55,676

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	2023 N'000	2022 N'000
At 1 January	**55,677**	20,953
Provision for expected credit loss	**-**	34,724
Write back during the year	**(49,075)**	
At 31 December	**6,602**	55,677

ECLs are calculated using a 'loss rate' method based on the probability of a receivable progressing through successive stage delinquency to write-off. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group and the Company's view of economic conditions over the expected lives of the receivables.

Expected credit loss measurement – Contract assets

	2023 N'000	2022 N'000
At 1 January	**3,216**	41,024
Addition in the year/ Unused amount reversed	**(1,049)**	(37,808)
At 31 December	**2,167**	**3,216**

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

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

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

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

The following outline the impact of scenario on the allowance:

	Inter-company receivables	Total
	N'000	N'000
31 December 2023		
Upside (10%)	1,530	1,530
Base (80%)	9,472	9,472
Downside (10%)	1,053	1,053
Total	12,055	12,055
31 December 2022		
Upside (10%)	658	658
Base (80%)	3,897	3,897
Downside (10%)	-	-
Total	4,555	4,555

Impairment allowance for financial assets under general approach In assessing the Group and the Company's internal rating process, the Group and the Company's customers and counter parties are assessed based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

• Any publicly available information on the Group and the Company's customers and counter parties from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond or press releases and articles.

• Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.

• Any other objectively supportable information on the quality and abilities of the client's management relevant for the Group and the Company's performance.

5.2.1 Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group and the Company's treasury department in accordance with the Group and the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counter party. Counterparty credit limits are reviewed by the Group and the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group and the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments.

5.2.2 Due from related parties

Credit risks from related parties' transaction are considered very low. This is because they are settled or offset against other transactions that can occur in the future.

5.3 Liquidity risk

The group and the Company monitor its risk of a shortage of funds using a liquidity planning tool. The group and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Group/ Company's overdrafts, Group/Company loans, debentures, and preference shares. The group and the Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. Approximately 10% of the Company's debt will mature in less than one year at 31 December 2023 (2022: 10%) based on the carrying value of borrowings reflected in the financial statements. The group and the Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The group and the Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group and the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group and the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The group and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. The group and the Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders. Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group and the Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group and the Company's reputation. Recent times have proven the credit markets situation could be such that it is difficult to generate capital to finance long-term growth of the Group and the Company. The group and the Company has a clear focus on financing long-term growth and to re-finance maturing debt obligation. Financing strategies are under continuous evaluation.

The table below shows the maturity analysis and has been prepared on an undiscounted cash flow:

	Carrying amount	Contrac-tual cash flows	On demand	Less than 3 months	3-12 months	1-5 years
	N'000	N'000	N'000	N'000	N'000	N'000
The Group						
At 31 December 2023						
Short-term borrowings	**2,056,705**	**2,056,705**	**-**	**2,056,705**	**-**	**-**
Bank overdraft	**346,926**	**346,926**	**346,926**	**-**	**-**	**-**
Trade and other payables	**10,436,143**	**10,436,143**	**-**	**-**	**10,436,143**	**-**
Contract liability	**2,156,861**	**2,156,861**	**-**	**-**	**2,156,861**	**-**
Lease liability	**8,703**	**8,703**	**-**	**-**	**8,703**	**-**
	15,005,338	**15,005,338**	**346,926**	**2,056,705**	**12,601,707**	**-**
At 31 December 2022						
Short-term borrowings	1,776,838	1,776,838	-	1,776,838	-	-
Bank overdraft	68,599	68,599	68,599	-	-	-
Trade and other payables	9,737,398	9,737,398	-	-	9,737,398	-
Contract liability	1,233,043	1,233,043			1,233,043	
Lease liability	19,741	19,741	-	-	54,371	20,110
	12,835,619	12,835,619	68,599	1,776,838	11,024,812	20,110

The Company

At 31 December 2023						
Short-term borrowings	**1,866,725**	**1,866,725**	**-**	**1,866,725**	**-**	**-**
Bank overdraft	**346,926**	**346,926**	**346,926**	**-**	**-**	**-**
Trade and other payables	**6,739,082**	**6,739,082**	**-**	**-**	**6,739,082**	**-**
Contract liability	**2,122,399**	**2,122,399**	**-**	**-**	**2,122,399**	**-**
Lease liability	**8,703**	**8,703**	**-**	**-**	**8,703**	**-**
	11,083,835	**11,083,835**	**346,926**	**1,866,725**	**8,870,184**	**-**
At 31 December 2022						
Short-term borrowings	1,619,834	1,619,834	-	1,619,834	-	-
Bank overdraft	68,598	68,598	68,598	-	-	-
Trade and other payables	8,349,080	8,349,080	-	-	8,349,080	-
Contract liability	1,220,597	1,220,597	-	-	1,220,597	-
Lease liability	19,741	19,741	-	-	27,626	20,110
	11,277,850	11,277,850	68,598	1,619,834	9,597,303	20,110

5.4 Capital Management

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

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

The Group and the Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group and the Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short term deposits. The Group and the Company's capital structure and gearing ratio is shown below:

	Group		Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
Trade and other payables	**10,436,143**	9,737,398	**6,739,082**	8,349,080
Short-term loans and borrowings	**2,403,631**	1,845,437	**2,213,651**	1,688,432
Less: cash and short-term deposits	**(1,794,678)**	(922,245)	**(1,142,294)**	(611,452)
Net debt	**11,045,096**	10,660,590	**7,810,439**	9,426,060
Equity	**2,243,642**	1,471,934	**1,968,231**	1,488,267
Total capital plus net debt	**13,288,738**	12,132,524	**9,778,670**	10,914,327
Gearing ratio	**83%**	88%	**80%**	86%

6. Segment information

6.1 Description of segments

For management purposes, the Group and the Company's organised into business units based on their products and services. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group Managing Director/ Chief Executive Officer reviews internal management reports on at least a quarterly basis. The following summary strategy describes the operations in each of the Group and the Company's reportable segments:

IT Infrastructure

The IT infrastructure segment, supplies, installs and supports Computer hardware, operating and middle ware systems, Automated Teller Machines "ATM" etc.

Communication and Integrated Services

Communication and integrated equipment segment specializes in VSAT and Fibre Connectivity, Metropolitan Area Networks, Wide Area Networks, Local Area Networks, and Systems Integration and provision of network communications support to clients.

Managed Support Services

The managed and support service segment provides internal and external clients managed /outsourcing services and provides related accessories for equipment and service maintenance.

Software

The Software segment provides services in software deployment, implementation and supports, systems analysis, design and implementation and smartcard applications. The segment also provides training to their clients on the systems offered and other off-the-shelf packages.

Platform

The platform segment simplify products and solutions as the foundation for growth and progress in e-commerce and society, the likes of BillsNPay, SMERP, UCP and Finedge.

6.2.1 Business segment - Group

	IT Infrastructure Services		Managed & Support services		Communications & Integrated		Software		Platform business		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000
Income:												
Revenue	**11,703,184**	4,821,049	**7,063,064**	5,153,611	**86,791**	62,550	**3,813,228**	3,440,388	**862,947**	729,139	**23,529,216**	14,206,737
Other operating income	**49,666**	19,063	**64,153**	24,938	**833**	272	**15,186**	17,902	**-**	3,060	**129,838**	65,235
Finance Income	**5,915**	1,788	**7,312**	2,696	**95**	35	**1,731**	638	**-**	394	**15,053**	5,551
Total revenue	**11,758,766**	4,841,900	**7,134,529**	5,181,245	**87,719**	62,857	**3,830,146**	3,458,928	**862,947**	732,593	**23,674,107**	14,277,523
Expenses:												
Cost of sales	**(10,363,976)**	(4,206,090)	**(5,313,999)**	(3,793,230)	**(50,961)**	(55,727)	**(2,958,920)**	(2,187,736)	**(93,422)**	(134,723)	**(18,781,278)**	(10,377,506)
Administrative expenses	**(1,403,148)**	(624,384)	**(1,237,636)**	(1,138,250)	**(8,180)**	(5,633)	**(401,940)**	(753,281)	**(443,854)**	(361,498)	**(3,494,758)**	(2,883,046)
Finance cost	**(27,972)**	(22,284)	**(56,154)**	(30,272)	**-**	-	**-**	(3,363)	**-**	-	**(84,126)**	(55,919)
Net exchange difference	**(62,555)**	(86,255)	**(119,474)**	(133,412)	**-**	-	**-**	-	**-**	-	**(182,029)**	(219,667)
Total expenses	**(11,857,652)**	(4,939,013)	**(6,727,263)**	(5,095,164)	**(59,141)**	(61,360)	**(3,360,860)**	(2,944,380)	**(537,276)**	(496,221)	**(22,542,191)**	(13,536,138)
Profit/(loss) before taxation	**(98,886)**	(97,113)	**407,266**	86,081	**28,579**	1,497	**469,285**	514,548	**325,671**	236,372	**1,131,916**	741,385
Income tax expenses	**(188,940)**	(89,785)	**(223,462)**	(95,979)	**(2,616)**	(1,165)	**(93,149)**	(64,074)	**(47,665)**	(13,579)	**(555,832)**	(264,582)
Profit/(loss) after taxation	**(322,348)**	(186,898)	**183,805**	(9,898)	**25,963**	332	**376,136**	450,474	**278,006**	222,793	**576,084**	476,803
Assets and liabilities:												
Total tangible assets	**132,035**	114,186	**425,016**	368,899	**1,146**	1,016	**51,114**	45,619	**7,885**	18,335	**617,196**	548,055
Right-of-use assets	**24,003**	10,962	**77,690**	35,479	**215**	98	**9,279**	4,238	**1,319**	604	**112,508**	51,381
Intangible assets	**-**	-	**-**	-	**-**	-	**-**	-	**62,210**	74,590	**62,210**	74,590
Investment in subsidiary	**59,990**	-	**-**	-	**-**	-	**-**	-	**-**	-	**59,990**	-
Financial assets at FVOCI	**85,011**	61,674	**61,674**	43,622	**43,622**	43,622	**43,622**	43,622	**43,622**	43,622	**277,552**	236,162
Deferred tax assets	**10,441**	1,093	**-**	-			**-**	-	**-**	-	**10,441**	1,093
Total Non-current assets	**311,480**	187,915	**564,380**	448,000	**44,983**	44,736	**104,016**	93,479	**115,037**	137,151	**1,139,897**	911,281
Current assets	**3,671,448**	3,008,448	**10,075,779**	8,290,059	**69,256**	20,999	**2,053,855**	1,657,685	**805,062**	644,559	**16,675,401**	13,621,750
Non-current liabilities	**(137,994)**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(137,994)**	-
Current liabilities	**(3,370,407)**	(2,817,185)	**(9,729,209)**	(8,309,610)	**(25,759)**	(22,259)	**(1,515,387)**	(1,228,859)	**(792,901)**	(683,186)	**(15,433,663)**	(13,061,099)
Net assets	**474,528**	379,178	**910,950**	428,449	**88,480**	43,476	**642,483**	522,305	**127,198**	98,524	**2,243,641**	1,471,932

6.2.1 Business segment - Company

	IT Infrastructure Services		Managed & Support services		Communications & Integrated		Software		Platform business		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000
Income:												
Revenue	**7,651,504**	3,194,903	**6,582,181**	4,820,082	**1,888**	62,550	**752,646**	1,203,456	**790,041**	639,221	**15,778,260**	9,920,212
Other operating income	**51,902**	13,894	**64,153**	20,956	**833**	272	**15,186**	4,961	**-**	3,059	**132,074**	43,142
Finance Income	**5,914**	1,788	**7,311**	2,696	**95**	35	**1,731**	638	**-**	394	**15,051**	5,551
Total revenue	**7,709,320**	3,210,585	**6,653,645**	4,843,734	**2,816**	62,857	**769,563**	1,209,055	**790,041**	642,674	**15,925,385**	9,968,905
Expenses:											**-**	
Cost of sales	**(6,959,413)**	(2,779,047)	**(4,962,690)**	(3,424,916)	**(1,178)**	(55,727)	**(421,511)**	(568,437)	**(59,566)**	(68,281)	**(12,404,358)**	(6,896,408)
Administrative expenses	**(1,025,725)**	(343,285)	**(1,191,984)**	(1,150,453)	**(289)**	(5,633)	**(117,378)**	(472,360)	**(123,096)**	(243,697)	**(2,458,471)**	(2,215,428)
Finance cost	**(22,286)**	(14,222)	**(47,359)**	(30,221)	**-**	-	**-**	-	**-**	-	**(69,645)**	(44,443)
Net exchange difference	**(39,290)**	(40,614)	**(83,489)**	(86,304)	**-**	-	**-**	-	**-**	-	**(122,779)**	(126,918)
Total expenses	**(8,046,714)**	(3,177,168)	**(6,285,522)**	(4,691,894)	**(1,467)**	(61,360)	**(538,889)**	(1,040,797)	**(182,662)**	(311,978)	**(15,055,253)**	(9,283,197)
Profit before taxation	**(337,394)**	33,417	**368,123**	151,840	**1,349**	1,497	**230,674**	168,258	**607,379**	330,696	**870,132**	685,708
Income tax expenses	**(95,399)**	(46,539)	**(143,880)**	(70,190)	**(1,867)**	(911)	**(34,059)**	(16,615)	**(21,007)**	(10,248)	**(296,212)**	(144,503)
Profit/(loss) after taxation	**(432,792)**	(13,122)	**224,243**	81,650	**(518)**	586	**196,616**	151,643	**586,372**	320,448	**573,920**	541,205
Assets and liabilities:												
Total tangible assets	**126,137**	113,432	**408,248**	367,127	**1,095**	1,016	**48,758**	43,847	**6,938**	6,239	**591,177**	531,661
Right-of-use assets	**72,090**	10,962	**35,479**	35,479	**98**	98	**4,238**	4,238	**602**	604	**112,509**	51,381
Intangible assets	**-**	-	**-**	-	**-**	-	**-**	-	**61,819**	74,095	**61,820**	74,095
Investment in subsidiary	**358,274**	298,284	**-**	-	**-**	-	**-**	-	**-**	-	**358,274**	298,284
Financial assets	**85,011**	61,676	**61,674**	43,622	**43,622**	43,622	**43,622**	43,622	**43,622**	43,622	**277,552**	236,164
Total Non-current assets	**641,513**	484,354	**505,402**	446,228	**44,815**	44,736	**96,618**	91,707	**112,982**	124,560	**1,401,331**	1,191,585
Current assets	**2,599,327.74**	2,241,079	**7,353,030.71**	8,032,571	**18,883.64**	22,898	**1,480,614.88**	800,555	**586,652.04**	702,834	**12,038,509**	11,799,937
Non-current liabilities	**(137,994)**		**-**	-	**-**	-	**-**	-	**-**	-	**(137,994)**	-
Current liabilities	**(2,488,375)**	(2,175,081)	**(7,140,562)**	(7,846,834)	**(18,918)**	(22,225)	**(1,102,809)**	(776,980)	**(582,951)**	(682,135)	**(11,333,615)**	(11,503,255)
Net assets	**614,472**	550,352	**717,870**	631,965	**44,780**	45,409	**474,424**	115,282	**116,683**	145,259	**1,968,231**	1,488,267

6.3 Segment reconciliation

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities.

	Group		Company	
	2023	2022	**2023**	2022
	N'000	**N'000**	**N'000**	**N'000**
Revenue				
Total revenue from reportable segments	**23,529,216**	14,206,737	**15,778,260**	9,920,212
Elimination of Inter-segment revenue	**-**	-	**-**	-
Total	**23,529,216**	14,206,737	**15,778,260**	9,920,212
Profit or Loss				
Profit before taxation	**1,131,916**	741,385	**870,132**	685,710
Elimination of Inter-segment profit or loss	**-**	-	**-**	-
Total	**1,131,916**	741,385	**870,132**	685,710
Assets				
Total assets of reportable segments	**17,815,299**	14,533,033	**13,439,840**	12,991,522
Elimination of Inter-segment assets	**-**	-	**-**	-
Total	**17,815,299**	14,533,033	**13,439,840**	12,991,522
Liabilities				
Total liabilities of reportable segments	**15,571,657**	13,061,099	**11,471,609**	11,503,255
Elimination of Inter-segment liabilities	**-**	-	**-**	-
Total	**15,571,657**	13,061,099	**11,471,609**	11,503,255

6.4 Segment reconciliation

CWG's business activities are concentrated in four geographic regions. Revenue generated from these four regions are as stated below:

	2023	2022
	N'000	**N'000**
Nigeria	**15,778,260**	9,920,212
Ghana	**4,129,235**	2,393,427
Uganda	**3,548,813**	1,799,841
Cameroon	**-**	3,339
FTHLAB	**72,907**	89,918
	23,529,216	14,206,737

6.5 Revenue made from major customers

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities.

	2023			2022		
	MTN	**UBA**	**FBN**	MTN	UBA	IBEDC
	N'000	**N'000**	**N'000**	N'000	N'000	N'000
The Group						
IT Infrastructure services	**7,448,528**	**5,552**	**162,549**	2,054,845	17,377	864,757
Communications & integrated	**-**	**-**	**85,710**	-	-	-
Software revenue	**648,197**	**85,078**	**178,471**	632,397	51,468	-
Managed & Support services	**3,881,931**	**503,985**	**310,801**	2,214,203	382,066	-
Platform business	**2,101**	**790,089**	**-**		689,696	-
	11,980,756	**1,384,704**	**737,531**	4,901,445	1,140,607	864,757
The Company						
IT Infrastructure services	**6,856,307**	**2,970**	**-**	1,575,968	12,488	864,757
Communications & integrated		**-**	**-**	-	-	-
Software revenue	**315,217**	**30,500**	**90,848**	428,106	36,982	-
Managed & Support services	**3,862,355**	**480,109**	**310,801**	2,189,896	366,331	-
Platform business	**2,101**	**787,939**	**-**		689,696	-
	11,035,980	**1,301,518**	**401,649**	4,193,970	1,105,498	864,757

7. Revenue

7.1 Revenue by sector

Set out below is the disaggregation of the Group and the Company's revenue from contracts with customers by sector.

	IT Infrastructure Services	Software	Communi-cations and Integrated Services	Managed Support Services	Platform business	Total
	N'000	N'000	N'000	N'000	N'000	N'000
The Group						
Segments:						
Type of goods or services						
31 December 2023						
Financial Services Institutions	**1,918,224**	**2,206,820**	**85,204**	**2,564,220**	**835,231**	**7,609,699**
Government	**1,528,920**	**297,575**	**-**	**62,485**	**21,688**	**1,910,669**
Emergent	**286,622**	**77,784**	**1,588**	**407,574**	**3,926**	**777,494**
Telecommunications	**7,584,411**	**1,231,049**	**-**	**4,027,095**	**2,102**	**12,844,657**
Utility	**385,007**	**-**	**-**	**1,690**	**-**	**386,697**
Total revenue from contracts with customers	**11,703,184**	**3,813,228**	**86,791**	**7,063,064**	**862,947**	**23,529,216**
Timing of revenue recognition						
31 December 2023						
Goods/Services transferred at a point in time	**11,703,184**	**3,812,972**	**86,791**			**15,602,948**
Services transferred over time		**256**		**7,063,064**	**862,947**	**7,926,267**
Total revenue from contracts with customers	**11,703,184**	**3,813,228**	**86,791**	**7,063,064**	**862,947**	**23,529,216**
Segments:						
Type of goods or services						
31 December 2022						
Financial Services Institutions	1,142,411	2,519,103	1,862	1,772,483	708,878	6,144,737
Government	129,973	48,007	-	61,566	13,238	252,785
Emergent	369,666	88,353	30,515	603,796	7,023	1,099,354
Telecommunications	2,301,537	784,925	30,173	2,715,765	-	5,832,400
Oil & gas	877,461	-	-	-	-	877,461
Total revenue from contracts with customers	4,821,049	3,440,388	62,550	5,153,611	729,139	14,206,737
Timing of revenue recognition						
31 December 2022						
Goods/Services transferred at a point in time	3,194,903	3,440,388	32,377	-	-	6,667,669
Services transferred over time	1,626,146		30,173	5,153,611	729,140	7,539,069
Total revenue from contracts with customers	4,821,049	3,440,388	62,550	5,153,611	729,139	14,206,738

	IT Infrastructure Services	Software	Communi-cations and Integrated Services	Managed Support Services	Platform business	Total
	N'000	N'000	N'000	N'000	N'000	N'000
The Company						
Segments:						
Type of goods or services						
31 December 2023						
Financial Services Institutions	**296,802**	**437,173**	**300**	**2,190,006**	**787,939**	**3,712,219**
Emergent	**113,388**	**256**	**1,588**	**382,966**	**-**	**498,198**
Telecommunications	**6,856,307**	**315,218**		**4,007,519**	**2,102**	**11,181,146**
Utility	**385,007**			**1,690**	**-**	**386,697**
Total revenue from contracts with customers	**7,651,504**	**752,646**	**1,888**	**6,582,181**	**790,041**	**15,778,260**
Timing of revenue recognition						
31 December 2023						
Goods/Services transferred at a point in time	**7,651,504**	**752,390**	**1,888**	**-**	**-**	**8,405,781**
Services transferred over time		**256**	**-**	**6,582,181**	**790,040**	**7,372,478**
Total revenue from contracts with customers	**7,651,504**	**752,646**	**1,888**	**6,582,181**	**790,041**	**15,778,259**
Segments:						
Type of goods or services						
31 December 2022						
Financial Services Institutions	372,417	745,928	1,862	1,600,829	618,960	3,339,996
Government	-	-	-	-	13,238	13,238
Emergent	369,057	29,422	30,515	528,512	7,023	964,529
Telecommunications	1,575,968	428,106	30,173	2,690,740	-	4,724,987
Oil & gas	877,461	-	-	-	-	877,461
Total revenue from contracts with customers	3,194,903	1,203,456	62,550	4,820,082	639,221	9,920,211
Timing of revenue recognition						
31 December 2022						
Goods/Services transferred at a point in time	3,194,903	1,174,034	32,377	-	-	4,401,314
Services transferred over time	-	29,422	30,173	4,820,081	639,221	5,518,897
Total revenue from contracts with customers	3,194,903	1,203,456	62,550	4,820,082	639,221	9,920,211

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. The group and the Company's trade receivables amount to N3.32 billion (2022 : N1.89 billion) and N172 Million (2022 : N670 million). In 2023, N16.9 million (2022 : N59.6 million) and N6.6 Million (2022 : N55.6 million) were recognised as provisions for expected credit losses on trade receivables for the Group and the Company.

Contract assets are initially recognised for revenue earned from services as receipt of consideration is conditional on successful completion of services. Upon completion of services and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities include short and long-term advances received with respect to contracts. The outstanding balances of these accounts increased in 2023. The increase in contract liabilities in 2023 was mainly due to some MTN and some other customer contract.

7.1.1.Performance obligations

Information about the Group and the Company's performance obligations are summarised below:

Performance Obligations	When payment is typically due	How standalone selling price is typically determined
IT Infrastructure Services - Sale of goods	At the beginning of the contract period	Observable in transactions without multiple performance obligations
- Rendering of support services	Within 90 days of services being performed	Observable in transactions without multiple performance obligations
Software - Rendering of support services	Within 90 days of services being performed	Observable in transactions without multiple performance obligations
Communications and Integrated Services - Rendering of connectivity services	Within 90 days of services being performed	Observable in transactions without multiple performance obligations
Managed Support Services - Rendering of connectivity services	Within 90 days of services being performed	Observable in transactions without multiple performance obligations

7.2 Revenue from contracts with customers is made up of:

	Group		Company	
	2023	2022	**2023**	2022
	N'000	**N'000**	**N'000**	**N'000**
IT Infrastructure services	**11,703,184**	4,821,049	**7,651,504**	3,194,903
Communications & integrated services	**86,791**	62,550	**1,888**	62,550
Managed & support services	**7,063,064**	5,153,611	**6,582,181**	4,820,082
Software revenue	**3,813,228**	3,440,388	**752,646**	1,203,456
Platform business	**862,947**	729,139	**790,041**	639,221
	23,529,216	14,206,737	**15,778,260**	9,920,212

8. Cost of sales

OEM and other cost	**18,781,278**	10,377,506	**12,404,358**	6,896,406
	18,781,278	10,377,506	**12,404,358**	6,896,406

Cost of sales is made up of:

IT Infrastructure services	**10,363,976**	4,206,090	**6,959,413**	2,779,047
Communications and integrated services	**50,961**	55,727	**1,178**	55,727
Managed support services	**5,313,999**	3,793,230	**4,962,690**	3,424,916
Software	**2,958,920**	2,187,736	**421,511**	568,437
Platform business	**93,422**	134,723	**59,566**	68,281
Total	**18,781,278**	10,377,506	**124,404,358**	6,896,408

9. Other income

Sundry income	**72,046**	60,591	**71,910**	37,892
Profit on disposal of PPE	**10,040**	4,644	**10,040**	5,250
Writeback of ECL on Trade receivables	**46,703**	**-**	**49,075**	-
Writeback of ECL on contract assets	**1,049**	**-**	**1,049**	-
	129,838	65,235	**132,074**	43,142

	Group		Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000

10. Administrative expenses

Staff costs (Note 10.1)	**1,906,464**	1,463,843	**1,219,626**	1,057,024
Directors fee and remuneration	**81,797**	62,117	**37,658**	32,650
Repairs and maintenance	**30,198**	19,594	**27,436**	15,246
Dep-property, plant and equipment	**170,959**	141,262	**160,881**	137,536
Dep-right-of-Use Asset	**48,635**	53,868	**48,635**	49,563
Amortisation of intangible assets	**12,378**	80,088	**12,275**	80,067
Advertisement and sales promotion	**103,233**	92,823	**42,340**	62,437
Sales Commission and Investor relations	**169,386**	98,816	**158,045**	74,817
Professional and accountancy fee	**145,118**	189,288	**119,213**	184,733
Audit fee	**40,050**	29,402	**14,000**	12,000
Bank charges	**76,542**	40,707	**43,711**	25,912
Transport and travelling	**164,001**	52,613	**89,388**	37,437
Accommodation and entertainment	**14,798**	6,493	**13,579**	4,634
Rent and rates	**56,382**	29,087	**3,817**	4,591
Insurance	**23,936**	19,057	**17,249**	16,677
Printing, postage and telephone	**24,605**	22,799	**14,783**	13,228
Internet and other subscriptions	**39,733**	27,458	**37,092**	27,458
Electricity and diesels	**30,768**	44,848	**28,506**	42,545
License and registration fees	**86,066**	85,042	**82,884**	58,505
Cleaning and security	**21,432**	16,900	**19,119**	15,401
ECL Provisions - Receivables(Note 21.3)	**-**	57,963		34,724
ECL Provisions - Contract assets (Note 21.4)	**-**	569		569
ECL Provisions - Related Parties (Note 21.6)	**-**	-	**85,043**	593
ECL Provisions - Financial asset (Note 19.2)	**34**	218	**34**	218
Corporate social responsibility	**1,996**	1,088	**1,996**	1,088
Motor vehicle expense	**13,408**	6,429	**13,408**	6,380
Sundry expenses	**232,839**	240,674	**167,753**	219,395
	3,494,758	2,883,046	**2,458,471**	2,215,428

10.1.Staff costs

Salary, wages and allowances	**1,640,469**	1,180,787	**1,025,188**	800,994
Contribution to pension scheme (Note 25.1.1)	**78,404**	98,360	**46,987**	88,589
Training, recruitment and other education	**63,286**	50,452	**47,277**	44,907
Medical expenses	**47,820**	33,595	**34,158**	24,594
Other personnel expenses	**76,485**	100,649	**66,016**	97,940
	1,906,464	1,463,843	**1,219,626**	1,057,024

10.2. The increase in group audit fees is largely due to translation of subsidiaries local currencies to the reporting currency.

10.3. SUNDRY EXPENSES

Sundry Expenses include: Obsolete inventory N65m, Additional withholding tax due to change in Tax law N29.6m and office supplies & general expenses N9m

10.4 Provision of non-audit services

The Firm did not provide any non-audit services to CWG PLC during the period under review.

	Group		Company	
	2023	2022	**2023**	2022
	N'000	**N'000**	**N'000**	**N'000**
11. Exchange loss				
Exchange loss	**182,029**	219,667	**122,779**	126,918
	182,029	219,667	**122,779**	126,918
12. Finance cost				
Exchange loss	**182,029**	219,667	**122,779**	126,918
Interest on lease (Note 26.2)	**8,938**	7,014	**8,938**	7,014
Exchange loss	**182,029**	219,667	**122,779**	126,918
	84,126	55,919	**69,645**	44,443
13. Finance income				
Exchange loss	**182,029**	219,667	**122,779**	126,918
Exchange loss	**182,029**	219,667	**122,779**	126,918

14. Taxation

The Group and the Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

	Group		Company	
14.1 Income tax expense	**2023 N'000**	2022 **N'000**	**2023 N'000**	2022 **N'000**
Income tax	**241,057**	178,276	**112,864**	113,103
Education tax	**33,859**	27,076	**33,859**	23,482
Information technology	**9,159**	6,857	**9,159**	6,857
Police trust fund	**46**	34	**46**	14
NASENI Levy	**2,290**	1,714	**2,290**	1,047
Under provision in previous year	**132,015**	47,700	**-**	-
	418,426	261,657	**158,218**	144,503
Deferred tax (credit)/charge (Note 14.5)	**137,406**	2,925	137,994	-
Income tax expense reported in profit or loss	**555,832**	264,582	**296,212**	144,503

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
14.2 Reconciliation of tax charge Profit before taxation	**1,131,916**	741,385	**870,132**	685,710
Tax at Nigeria statutory income tax 30%	**339,575**	222,416	**261,040**	205,713
Income exempt from tax	**(101,712)**		**(101,712)**	-
Non-deductible expenses	**(339,040)**	(32,659)	**(339,040)**	(33,258)
Expenses that are not deductible in determining taxable profit	**218,275**	189,456	**165,523**	188,778
Impact of tax losses not recognised	**-**	(21,521)	**-**	(21,521)
Deferred tax charge	**298,063**		**298,063**	
Deferred tax asset movement	**(587)**	-	**-**	-
Effect of tax adjustments (minimum tax, dividend tax, petroleum trust fund levy, information tax levy	**193,430**	8,605	**63,922**	7,918
NASENI levy	**2,290**	-	**2,290**	-
Education tax	**33,859**	27,076	**33,859**	23,482
Capital allowance	**(225,727)**	(187,858)	**(225,727)**	(187,858)
	418,426	205,515	**158,218**	183,254
Adjustments recognized in the current period in relation to the deferred tax of prior periods	**137,406**	2,925	**137,994**	-
Effective tax charge	**555,832**	208,440	**296,212**	183,254
Effective tax rate	**49%**	28%	**34%**	27%

The tax rate used for 2023 & 2022 reconciliations above is the corporate tax rate of 30% & 3% (for tertiary education tax) payable by corporate entities in Nigeria on taxable profits under tax law in the country.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
14.3 Income tax receivable				
At 1 January	**16,399**	47,897	-	-
Income tax charge	**85,573**	(19,329)	-	-
Under provision	**39,951**	-	-	-
Tax paid during the year	**(102,692)**	(12,169)	-	-
Translation adjustment	**-**	-	-	-
At 31 December	**39,231**	16,399	**-**	-

14.4 Income Tax payable

At 1 January	**225,480**	130,851	**225,405**	175,699
Income tax charge	**555,832**	264,582	**296,212**	144,503
Over provision	**22,476**	-	**-**	-
Tax paid during the year	**(201,523)**	(66,809)	**(163,540)**	(28,826)
WHT credit note utilised	**(108,297)**	(65,971)	**(108,297)**	(65,971)
Translation adjustment	**(65,643)**	(37,173)	**-**	-
At 31 December	**428,325**	225,480	**249,780**	225,405

14.5 Deferred tax balances

14.5.1 Deferred tax assets

The following is the analysis of the deferred tax assets and liability presented in the consolidated and separate statements of financial position:

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
Deferred tax assets	**10,441**	1,093	**-**	-
Deferred tax liabilities (Note 14.5.2)	**137,994**	-	**137,994**	**-**
Deferred tax assets/(liabilities)	**148,435**	1,093	**137,994**	**-**

	Group			Company		
	At 1 January balance N'000	Recognised in profit or loss N'000	At 31 December balance N'000	At 1 January balance N'000	Recognised in profit or loss N'000	At 31 December balance N'000
2023						
Deferred tax assets in relation to:						
Accelerated depreciation for tax purpose	**2,098**	**-**	**2,098**	**-**	**-**	**-**
Short-term timing differences		**8,343**	**8,343**	**-**	**-**	**-**
Translation adjustment	**-**	**717**	**-**	**-**	**-**	**-**
	2,098	**9,060**	**10,441**	**-**	**-**	**-**
Deferred tax liabilities in relation to:						
Property, plant and equipment	**-**	**(137,994)**	**(137,994)**	-	**(137,994)**	(137,994)
Translation adjustment	**-**	**-**	**-**	-	**-**	-
	-	**(137,994)**	**(137,994)**	-	**(137,994)**	(137,994)

The deferred tax asset for the Company was not recognised by the Group and the Company during the year based on prudency as there are unabsorbed losses, the balance not recognised in the Group and the Company's books is N149.6 million (2022: N149.6 million). The deferred tax recognised by the Group relates to deferred tax liabilities recognised in the books of two of its subsidiaries – CWG Uganda and CWG Ghana as at 31 December 2023.

	Group		Company	
	2023	2022	**2023**	2022
	N'000	**N'000**	**N'000**	**N'000**
15. Basic earnings per share				
Profit after taxation	**576,084**	**476,803**	**573,920**	**541,207**
Number of shares				
Weighted average number of shares for basic earning per share	**2,524,826**	2,524,826	**2,524,826**	2,524,826
Weighted average number of shares for diluted earnings per share	**2,524,826**	2,524,826	**2,524,826**	2,524,826
Earnings per share (kobo)				
- Basic	**22.82**	18.88	**22.73**	21.44
- Diluted	**22.82**	18.88	**22.73**	21.44

16.a. Property, plant and equipment

The Group

	Land N'000	Buildings & building improvements N'000	Plant & Machinery N'000	Furniture & fittings N'000	Office Equipment N'000	Motor vehicle N'000	Loose Tools N'000	Communication equipment N'000	ATM N'000	Capital WIP N'000	Total N'000
Cost											
At 1 January 2022	**111,395**	**176,973**	**100,630**	**107,406**	**215,882**	**77,808**	**825**	**1,326,440**	**14,949**		**2,132,308**
Additions	-	-	4,617	4,001	59,760	584	542	167,962	2,220	-	239,686
Disposal	-	-	(2,110)	-	-	-4,657	-	-	-	-	(6,767)
Transfer (Note 16.b.ii)	-	-	-	-	6,792	-	-	-	-	-	6,792
Translation adjustment	-	-	-2,679	-4,860	-15,826	-5,333	-825	67	-0	-	(29,457)
At 31 December 2022	**111,395**	**176,973**	**100,458**	**106,547**	**266,608**	**68,402**	**542**	**1,494,469**	**17,169**	**-**	**2,342,563**
At 1 January 2023	**111,395**	**176,973**	**100,458**	**106,547**	**266,608**	**68,402**	**542**	**1,494,469**	**17,169**	**-**	**2,342,563**
Additions	-	35,326	10,261	50,743	41,015	7,741	542	74,948	-	20,593	241,170
Disposal	-	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	(0)	884	9,760	22,827	10,296	(161)	22,218	-	-	65,824
At 31 December 2023	**111,395**	**212,299**	**111,603**	**167,050**	**330,450**	**86,439**	**923**	**1,591,635**	**17,169**	**20,593**	**2,649,556**
Accumulated depreciation											
At 1 January 2022	**-**	**80,417**	**79,985**	**94,445**	**161,602**	**63,277**	**-**	**1,188,340**	**12,343**	**-**	**1,680,409**
Charge for the year	-	5,017	6,506	6,733	38,612	4,900	66	77,745	1,683	-	141,262
Disposal	-	-	(2,110)	-	-95	-4,657	-	-	-	-	(6,862)
Transfer (Note 16.b.ii)	-	-	-	-	991	-	-	-	-	-	991
Translation adjustment	-	(1)	-2,423	-4,993	-9,190	-5,051	301	66	(1)	-	(21,292)
At 31 December 2022	**-**	**85,433**	**81,958**	**96,185**	**191,920**	**58,469**	**367**	**1,266,151**	**14,025**	**-**	**1,794,508**
At 1 January 2023	**-**	**85,433**	**81,958**	**96,185**	**191,920**	**58,469**	**367**	**1,266,151**	**14,025**	**-**	**1,794,508**
Charge for the year	-	7,779	7,153	6,108	51,253	5,793	177	91,050	1,646	-	170,959
Disposal	-	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	844	16,121	17,373	10,033	304	22,218	-	-	66,893
At 31 December 2023	**-**	**93,212**	**89,955**	**118,414**	**260,546**	**74,295**	**848**	**1,379,419**	**15,671**	**-**	**2,032,360**
Carrying amount:											
At 31 December 2023	**111,395**	**119,087**	**21,648**	**48,636**	**69,904**	**12,144**	**-**	**212,216**	**1,498**	**20,593**	**617,196**
At 31 December 2022	111,395	91,540	18,500	10,362	74,688	9,933	-	228,318	3,144	-	548,055

I.- There was no interest capitalised as part of Property, Plant and Equipment (PPE) during the year. The net carrying amount of leased assets as at 31 December 2023 is Nil (2022: Nil). Also, there was no existence or restrictions on the title to the Group and the Company's PPE. No contractual commitment on any of the Group and the Company's PPE.

16.a. Property, plant and equipment

The Company

	Land	Buildings & building improvements	Plant & Machinery	Furniture & Fittings	Office Equipment	Motor Vehicles	Communication Equipment	ATM	Capital work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost										
At 1 January 2022	**111,395**	**176,973**	**96,693**	**88,271**	**179,665**	**54,902**	**1,303,715**	**14,949**		**2,026,563**
Additions	-	-	4,617	3,914	44,622	584	167,483	2,220		223,440
Disposal	-	-	(2,110)	-	-	-	-	-	-	(2,110)
At 31 December 2022	**111,395**	**176,973**	**99,200**	**92,185**	**224,287**	**55,486**	**1,471,198**	**17,169**	**-**	**2,247,894**
At 1 January 2023	**111,395**	**176,973**	**99,200**	**92,185**	**224,287**	**55,486**	**1,471,198**	**17,169**	**-**	**2,247,894**
Additions	**-**	**35,326**	**10,261**	**40,680**	**38,586**	**-**	**74,948**	**-**	**20,593**	**220,395**
Disposal	**-**			**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 December 2023	**111,395**	**212,299**	**109,461**	**132,864**	**262,873**	**55,486**	**1,546,146**	**17,169**	**20,593**	**2,468,290**
Accumulated depreciation										
At 1 January 2022	**-**	**80,417**	**76,315**	**75,671**	**129,743**	**41,278**	**1,165,136**	**12,342**		**1,580,902**
Charge for the year	-	5,017	6,457	6,222	35,660	4,752	77,745	1,683	-	137,536
Disposal	-	-	(2,110)	-	(95)	-	-	-	-	(2,205)
At 31 December 2022	**-**	**85,434**	**80,662**	**81,893**	**165,308**	**46,030**	**1,242,881**	**14,025**	**-**	**1,716,233**
At 1 January 2023	**-**	**85,434**	**80,662**	**81,893**	**165,308**	**46,030**	**1,242,881**	**14,025**	**-**	**1,716,233**
Charge for the year		**7,779**	**7,153**	**8,816**	**39,871**	**4,566**	**91,049**	**1,646**		**160,880**
Disposal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 December 2023	**-**	**93,213**	**87,815**	**90,709**	**205,179**	**50,596**	**1,333,930**	**15,671**	**-**	**1,877,113**
Carrying amount:										
At 31 December 2023	**111,395**	**119,086**	**21,646**	**42,155**	**57,694**	**4,890**	**212,216**	**1,498**	**20,593**	**591,177**
At 31 December 2022	111,395	91,539	18,538	10,292	58,979	9,456	228,317	3,144	-	531,661

I.- There was no interest capitalised as part of Property, Plant and Equipment (PPE) during the year. The net carrying amount of leased assets as at 31 December 2023 is Nil (2022: Nil). Also, there was no existence or restrictions on the title to the Group and the Company's PPE. No contractual commitment on any of the Group and the Company's PPE.

iii.- This represents a transfer of N895,000 to FTHLAB LIMITED during the year. The transfer was already factored into the Charge of the Year computation.

	The Group			The Company		
	Software	Licences	Total	Software	Licences	Total
	N'000	N'000	N'000	N'000	N'000	N'000
17. Intangible asset						
Cost:						
At 1 January 2022	569,093	28,277	597,370	569,093	28,277	597,370
Additions in the year	2,656	69,387	72,043	2,140	69,387	71,527
At 31 December 2022	**571,749**	**97,664**	**669,413**	**571,233**	**97,664**	**668,897**
At 1 January 2023	**571,749**	**97,664**	**669,413**	**571,233**	**97,664**	**668,897**
Additions in the year	-	-	-	-		-
At 31 December 2023	**571,749**	**97,664**	**669,413**	**571,233**	**97,664**	**668,897**
Amortisation and impairment						
At 1 January 2022	488,881	25,854	514,735	488,881	25,854	514,735
Charge for the year	76,352	3,736	80,088	76,331	3,736	80,067
At 31 December 2022	**565,233**	**29,590**	**594,823**	**565,212**	**29,590**	**594,802**
At 1 January 2023	**565,233**	**29,590**	**594,823**	**565,212**	**29,590**	**594,802**
Charge for the year	**5,175**	**7,205**	**12,380**	**5,070**	**7,205**	**12,275**
At 31 December 2023	**570,408**	**36,795**	**607,203**	**570,282**	**36,795**	**607,077**
Carrying amount:						
At 31 December 2023	**1,341**	**60,869**	**62,210**	**951**	**60,869**	**61,820**
At 31 December 2022	6,516	68,074	74,590	6,021	68,074	74,095

The intangible assets are in respect of software for Vericash project with a net book value of N61.8 million (2022: N74 million). The software is deemed to have a finite useful life and thus amortised over a period of 3 - 5 years.

The subsidiaries are set up to carry out the supply, installation, integration, maintenance and support of hardware, software, consultancy, and communications and managed services in Ghana, Uganda and Cameroun

18. Investment in subsidiaries

	% Holding	Group 2023 N'000	Group 2022 N'000	Company 2023 N'000	Company 2022 N'000
CWG Cameroun	100	**-**	-	**883**	883
CWG Ghana	100	**-**	-	**272,098**	272,098
CWG Uganda	100	**-**	-	**303**	303
FTHLAB	100	**-**	-	**25,000**	25,000
CWG Global Services FZ-LLC (Note 18.1)	100	**59,990**	-	**59,990**	-
		59,990	**-**	**358,274**	298,284

Note 18.1 CWG Global Services FZ-LLC relates to a new subsidiary the company incorporated in Dubai in 2023. The amount stated above refers to the initial cost the company expends on CWG Dubai. As at the year end, CWG Global Services FZ-LLC has not started operation, thus, was not part of the subsidiaries

18.2 Interest in subsidiaries

The summarised financial information of CWG Limited Ghana, CWG Limited Uganda, CWG Limited Cameroon, and FTHLAB Limited are provided below. This information is based on amounts before inter-company eliminations.

	CWG Ghana		CWG Uganda		CWG Cameroon		FTHLAB	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000	**N'000**	N'000	**N'000**	N'000
Summary of statement of profit or loss and other comprehensive income:								
Revenue	**4,129,235**	2,393,427	**3,548,813**	1,799,841	**-**	3,339	**72,907**	89,918
Cost of sales	**(3,330,167)**	(1,912,151)	**(3,012,899)**	(1,500,227)	**-**	(2,279)	**(33,856)**	(66,442)
Gross Profit	**799,069**	481,276	**535,914**	299,614	**-**	1,060	**39,052**	23,476
Administrative expenses	**(394,094)**	(296,997)	**(381,669)**	(198,519)	**(25,282)**	(53,617)	**(322,653)**	(119,073)
Other operating income	**135**	22,644	**-**	-	**-**	(551)	**-**	-
Exchange gain/(loss)	**(48,889)**	(92,748)	**(10,363)**	-	**-**	-	**-**	-
Finance cost	**-**	-	**(14,481)**	(11,476)	**-**	-	**-**	-
Profit before taxation	**356,220**	114,175	**129,402**	89,619	**(25,282)**	(53,108)	**(283,601)**	(95,597)
Income tax expense	**(221,697)**	(76,244)	**(37,925)**	(43,762)	**-**	(73)	**-**	-
Profit/(loss) for the year	**134,524**	37,931	**91,476**	45,857	**(25,282)**	(53,181)	**(283,601)**	(95,597)
Other comprehensive (loss)/ income	**34,988**	(7,856)	**29,559**	29,945	**(8,613)**	(1,161)	**-**	-
Total comprehensive income/(loss)	**169,512**	30,075	**121,035**	75,802	**(33,895)**	(54,342)	**(283,601)**	(95,597)
Attributable to:								
Equity holders of parent	**169,512**	30,075	**121,035**	75,802	**(33,895)**	(54,342)	**(283,601)**	(95,597)
Summary of statement of financial position:								
Inventories and cash and short-term deposits	**221,989**	124,263	**501,206**	185,137	**733**	890	**32,189**	500
Trade and other receivables and prepayment	**4,404,339**	1,485,576	**237,285**	342,646	**64,037**	33,282	**8,029**	-
Property, plant and equipment	**3,247**	4,392	**6,881**	-	**1,167**	399	**14,726**	11,601
Right-of-use assets	**-**	-	**-**	-	**-**	-	**-**	-
Intangible assets	**-**	-	**-**	-	**-**	-	**391**	495
Income tax receivable	**12,705**	1,895	**-**	-	**-**	-	**-**	-
Deferred tax (liabilities)/assets	**1,906**	695	**8,535**	398	**-**	-	**-**	-
Trade and other payables and contract liabilities	**(3,435,372)**	(1,222,078)	**(365,029)**	(326,569)	**(466,212)**	(220,171)	**(409,534)**	(83,192)
Interest-bearing loans and borrowings	**-**	-	**(178,817)**	(157,004)	**(11,163)**	-	**-**	-
Income tax payable	**(178,322)**	-	**-**	-	**1**	(75)	**-**	-
Total equity	**1,030,491**	394,743	**210,061**	44,608	**(411,435)**	(185,675)	**(354,198)**	(70,596)

	Group		Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
19. Financial assets				
Measured at FVOCI (Note 19.1)	**25,088**	18,052	**25,088**	18,052
Measured at amortised costs (Note 19.2)	**252,464**	218,112	**252,464**	218,112
	277,552	236,164	**277,552**	236,164
19.1. Measured at FVOCI				
At 1 January	**18,052**	11,365	**18,052**	11,365
Additions during the year	**-**	-	**-**	-
Disposal during the year	**-**	-	**-**	-
Fair value	**7,036**	6,687	**7,036**	6,687
At 31 December	**25,088**	18,052	**25,088**	18,052

19.1.1 The Group and the Company recognise gain/(loss) on financial assets measured at FVOCI within the other comprehensive income. The fair value of the equity instrument is N25 million as at 31 December 2023 (2022: N18million).

	Group		Company	
	2023	2022	**2023**	2022
	N'000	N'000	**N'000**	N'000
19.2. Measured at Amortised costs				
Gross investment	**252,717**	218,330	**252,717**	218,330
Less: impairment	**(253)**	(218)	**(253)**	**(218)**
Net carrying amount	**252,464**	**218,112**	**252,464**	**218,112**

19.2.1. This represents an investment in Cordros liquidity management with an 15% interest rate to be matured on January 31,2024.

	Level 1 N'000	Level 2 N'000	Level 3 N'000
At 31 December 2023			
Financial assets :			
Measured at FVOCI	**25,088**	**-**	-
Measured at Amortised cost	**252,464**	**-**	**-**
At 31 December 2022			
Financial assets :			
Measured at FVOCI	18,364	**-**	-
Measured at Amortised cost	218,112	-	-

20. Inventories

	Group 2023 N'000	Group 2022 N'000	Company 2023 N'000	Company 2022 N'000
ATM and other inventory items	**516,495**	486,352	**444,450**	486,352
Work in progress	**2,106,888**	782,156	**2,075,198**	782,156
Total inventories	**2,623,383**	1,268,508	**2,519,648**	1,268,508

20.1. Inventories value of N2.520 billion (2022: N1.269 billion) were carried at lower of cost and net realisable value. No amount was charged to the statement of profit or loss and other comprehensive income in respect of written-down value of inventories to net realizable value (2022: Nil). During the year 31 December 2023, NIL (2022: Nil) was recognised as an expense for inventories and WIP carried at net realisable value. This is recognised in cost of sales.

21. Trade and other receivable

	Group 2023 N'000	Group 2022 N'000	Company 2023 N'000	Company 2022 N'000
Trade receivable (Note 21.1)	**3,322,067**	1,887,354	**172,056**	669,511
Expected credit losses (Note 21.2)	**(16,987)**	(59,605)	**(6,603)**	(55,677)
	3,305,080	1,827,749	**165,453**	613,834
Contract assets (Note 21.3)	**1,194,244**	1,391,885	**1,194,243**	1,222,236
Other receivables (Note 21.5)	-	1,276,171	**-**	1,245,803
Receivable from related parties (Note 21.6)	**-**	**-**	**732,154**	264,547
Withholding tax receivables	**6,545,181**	4,731,877	**5,797,149**	4,564,586
Value added tax receivables	**640,760**	869,678	**-**	715,920
	11,685,265	10,097,360	**7,888,999**	8,626,926

21.1 Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. The carrying value of these items approximates their fair value.

21.2. Expected credit loss- Trade receivable

	Group 2023 N'000	Group 2022 N'000	Company 2023 N'000	Company 2022 N'000
At 1 January	**59,605**	126,889	**55,677**	20,953
Additional/(write back) in the year (Note 10)	**(46,703)**	57,963	**(49,075)**	34,724
Translation adjustment	**4,085**	(125,247)	-	-
At 31 December	**16,987**	59,605	**6,603**	55,677

At 31 December 2023, there was an additional of Nil (2022: N34.7 million), and a writeback of N49m in the ECL provisions on trade receivables. The computation is in line with the requirements of IFRS 9.

21.3. Contract assets

Contract assets relates to unbilled revenue at the end of the year. In line with the application of the standard on impairment of financial instruments, the below represents contract assets balances as at reporting date.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
Contract assets - gross	**1,196,411**	1,395,101	**1,196,410**	1,225,452
Expected credit losses (Note 21.4)	**(2,167)**	(3,216)	**(2,167)**	(3,216)
	1,194,244	1,391,885	**1,194,243**	1,222,236

21.4 Expected credit losses - Contract assets

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
At 1 January	**3,216**	6,230	**3,216**	6,230
Additional/(write back) in the year (Note 10)	**(1,049)**	569	**(1,049)**	569
Translation adjustment	**-**	(3,583)	-	-
At 31 December	**2,167**	3,216	**2,167**	3,216

At 31 December 2023, there was an additional charge of Nil (2022: N569 million) in the ECL provisions on trade receivables. The computation is in line with the requirements of IFRS 9.

21.5. Other receivables consist largely of debit balances in trade creditors.

21.6 Receivable from and payable to related parties

The aggregate value of transactions and outstanding balances relating to these entities were as follows:

Related Parties	Nature of Transactions	Relationship	2023		2022	
			Receivable from related parties N'000	Payable to related parties N'000	Receivable from related parties N'000	Payable to related parties N'000
CWG Ghana	Advances and vendor payment	Subsidiary	**20,352**	**-**	**-**	91,143
CWG Uganda	Advances and vendor payment	Subsidiary	**104,373**	-	53,802	-
CWG Cameroun	Advances and payment of salaries	Subsidiary	**333,788**	-	132,614	-
CWG Dubai	Advances	Subsidiary	**-**		-	-
FIFTHLAB	Advances and payment of salaries	Subsidiary	**363,745**	-	83,192	-
ECL on Intercompany receivables			**(90,104)**	-	(5,061)	-
Net amounts receivable from related parties			**732,154**	**-**	264,547	91,143

Terms and conditions of transactions with related parties

Transactions to and from related parties are made at terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables.

22. Prepayments

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
Project costs	**304,970**	1,224,792	**304,970**	1,216,545
Staff advances	**64,897**	39,764	**64,033**	40,222
Other prepayments	**162,977**	52,682	**118,565**	36,284
	532,844	1,317,238	**487,568**	1,293,051

22.1 Other prepayments are mainly attributable to prepaid equity contribution for staff cars, insurance and other prepaid charges during the year. The advances are expected to be paid within one year. The carrying value of these items approximates their fair values due to short term nature of the transactions.

22.2 Project costs

This represents cost of various ongoing projects which have not been completely delivered as at year end

23. Cash and cash equivalents

For the purposes of the consolidated statements of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts and restricted cash. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statements of cash flows can be reconciled to the related items in the consolidated statements of financial position.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
Cash in hand	**9,240**	7,781	**7,985**	6,493
Cash at bank	**1,647,022**	705,060	**995,893**	395,555
Short term deposits	**25**	6,179	**25**	6,179
Restricted Cash	**138,391**	203,225	**138,391**	203,225
Impairment on bank balances	**-**	-	**-**	-
Gross cash and bank balances	**1,794,678**	922,245	**1,142,294**	611,452
Cash and bank balances as per statement of financial position	**1,794,678**	922,245	**1,142,294**	611,452
23.1 Bank overdrafts (Note 27)	**(346,926)**	(68,599)	**(346,926)**	(68,598)
Cash and bank balances as per statement of cash flows	**1,447,751**	853,646	**795,368**	542,854

24.1 Authorised, issued and fully paid:

2,524,826,359 ordinary shares of 50 kobo each	**1,262,413**	1,262,413	**1,262,413**	1,262,413

24.2 Retained earnings

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
At 1 January	**323,608**	(153,195)	**215,193**	(326,014)
Profit or Loss for the year	**576,084**	476,803	**573,920**	541,207
Dividend	**(100,993)**	-	**(100,993)**	-
At 31 December	**798,698**	323,608	**688,121**	215,193

Following the Board meeting held on the 25 March 2024, it was resolved that a final dividend of N0.16 (sixteen Kobo) per ordinary share of 50 kobo each (403,972,217.44) be approved and paid subject to deduction of appropriate withholding tax (2022: N0.04 per share totalling N100,993,054).

The Group and the Company's retained earnings comprise of the Group and the Company's retained earnings net of distribution made to equity holders.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
24.3 Fair value reserve				
At 1 January	**10,661**	10,972	**10,661**	10,972
Recognised during the year	**7,036**	(311)	**7,036**	(311)
At 31 December	**17,697**	10,661	**17,697**	10,661

The reserve comprises the cumulative net change in the fair value of the Group and the Company's financial assets measured at FVOCI.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
24.4 Foreign translation reserve				
At 1 January	**(124,748)**	(62,504)	-	-
Translation gain for the year	**289,582**	(62,244)	-	-
At 31 December	**164,834**	(124,748)	-	-

The translation reserve comprises all currency exchange differences arising from the translation of the financial statements of non-naira denominated operations into the presentation currency of the Group and the Parent Company.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
25. Trade & other payables				
Trade payables	**5,083,659**	4,711,118	**3,132,628**	3,730,505
Payable to related party (Note 21.6)	**-**	-	**-**	91,143
Accrued expenses	**1,043,874**	1,016,011	**900,647**	840,557
Other payables (Note 25.1)	**4,308,610**	4,010,269	**2,705,807**	3,686,875
	10,436,143	9,737,398	**6,739,082**	8,349,080

The accruals relate to provision for pension, Pay-As-You Earned, Industrial Training Funds (ITF) and accruals for cost of goods sold.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
25.1. Other Payables				
Withholding Tax Payable	**370,779**	334,366	**342,779**	333,940
VAT Payable (Note 25.1)	**3,929,009**	3,668,339	**2,354,213**	3,345,373
Unclaimed Dividend	**7,686**	7,496	**7,686**	7,495
Sundry Creditors	**1,136**	68	**1,129**	67
	4,308,610	4,010,269	**2,705,807**	3,686,875

25.1 Reclassification of VAT Payable

For presentation purposes, VAT Receivable (Note 21) is usually reclassified to VAT Payable.
The outstanding VAT Liability is then recorded as a net-off of VAT Payable and VAT Receivable.

Terms and conditions of the above Trade and Other Payables:
* Trade payables are non-interest bearing and are normally settled on 45-day terms
* Other payables are non-interest bearing and have an average term of six months

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
25.1.1 Movement in pension payables				
At 1 January	**243,930**	218,252	**239,608**	215,750
Charge for the year (Note 10.1)	**78,404**	98,360	**46,987**	88,589
Remitted in the year	**(31,196)**	(72,682)	**(8,196)**	(64,731)
Translation adjustment	**35,141**	-	**-**	-
At 31 December	**326,279**	243,930	**278,399**	239,608

25.2. Terms and conditions of the above Trade and other payables:

* Trade payables are non-interest bearing and are normally settled on 45-day terms
* Other payables are non-interest bearing and have an average term of six months

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
26. Lease liability				
Lease under IFRS 16 (Note 26.1)	**8,703**	19,741	**8,703**	19,741
	8,703	19,741	**8,703**	19,741

26.1. Analysis by tenor

Current portion	**8,703**	19,741	**8,703**
Non-current portion	**-**	-	**-**
	8,703	19,741	**8,703**

26.2 Movement in lease liability

At 1 January	**19,741**	74,481	**19,741**	45,193
Additions during the year	**5,741**	19,598	**5,741**	19,598
Accretion of interest (Note 12)	**8,938**	7,014	**8,938**	7,014
Repayment of principal during the year	**(16,779)**	(61,730)	**(16,779)**	(45,050)
Repayment of interest during the year	**(8,938)**	(7,014)	**(8,938)**	(7,014)
Translation adjustment	**-**	(12,608)	**-**	-
At 31 December	**8,703**	19,741	**8,703**	19,741

26.3. Group/Company as a Lessee

The group and the Company has lease contracts for rented office buildings, guesthouses, warehouses, motor vehicles for key management staff and generators for the Group and the Company's operations. Leases of rented office buildings generally have lease terms between 2 and 3 years, while guest houses has 1 to 2 years lease term. The group and the Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension options, which are further discussed below.

The group and the Company also has certain leases of office building, guesthouses and warehouses with lease terms of less than 12 months. The Group and the Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

The Group	Guest Houses N'000	Office Building N'000	Plant & Machinery N'000	Motor Vehicle N'000	Total N'000
Cost					
At 1 January 2022	30,675	194,945	58,960	33,759	318,339
Addition	2,748	29,157	-	-	31,905
Retirement	(26,068)	(74,105)	-	-	(100,173)
Translation adjustment	-	(51,332)		-	(51,332)
At 31 December 2022	7,355	98,665	58,960	33,759	198,739
At 1 January 2023	**7,355**	**98,665**	**58,960**	**33,759**	**198,739**
Additions	**-**	**109,762**	**-**	**-**	**109,762**
At 31 December 2023	**7,355**	**208,427**	**58,960**	**33,759**	**308,500**
Accumulated depreciation					
At 1 January 2022	(5,966)	127,765	51,234	56,052	229,085
Charge for the year	2,304	39,012	4,879	7,627	53,822
Retirement	(26,068)	(74,105)	-	-	(100,173)
Translation adjustment	32,413	(35,370)	-	(32,419)	(35,376)
At 31 December 2022	2,683	57,302	56,113	31,260	147,358
At 1 January 2023	**2,683**	**57,302**	**56,113**	**31,260**	**147,358**
Charge for the year	**3,789**	**39,500**	**2,847**	**2,499**	**48,635**
At 31 December 2023	**6,472**	**96,802**	**58,960**	**33,759**	**195,993**
Carrying value:					
At 31 December 2023	**883**	**111,625**	**-**	**-**	**112,508**
At 31 December 2022	4,672	41,363	2,847	2,499	51,381

The Company	Guest Houses N'000	Office Building N'000	Plant & Machinery N'000	Motor Vehicle N'000	Total N'000
Cost					
At 1 January 2022	30,675	143,612	58,960	33,759	267,006
Additions	2,748	29,157	-	-	31,905
Retirement	(26,068)	(74,105)	-	-	(100,173)
At 31 December 2022	7,355	98,664	58,960	33,759	198,738
At 1 January 2023	**7,355**	**98,664**	**58,960**	**33,759**	**198,738**
Additions	**-**	**109,762**	**-**	**-**	**109,762**
At 31 December 2023	**7,355**	**208,426**	**58,960**	**33,759**	**308,500**
Accumulated depreciation					
At 1 January 2022	26,448	96,700	51,234	23,633	198,015
Charge for the year	2,304	34,753	4,879	7,627	49,563
Retirement	(26,068)	(74,105)	-	-	(100,173)
At 31 December 2022	2,684	57,348	56,113	31,260	147,357
At 1 January 2022	**2,684**	**57,348**	**56,113**	**31,260**	**147,357**
Charge for the year	**3,789**	**39,500**	**2,847**	**2,499**	**48,635**
At 31 December 2023	**6,473**	**96,848**	**58,960**	**33,759**	**195,992**
Carrying amount:					
At 31 December 2023	**882**	**111,578**	**-**	**-**	**112,508**
At 31 December 2022	4,671	41,316	2,847	2,499	51,381

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000

27. Short-term interest-bearing loans and borrowings

Interest-bearing loans and borrowings (Note 27.1)	**2,056,705**	1,776,838	**1,866,725**	1,619,834
Bank overdrafts (Note 27.1.5)	**346,926**	68,599	**346,926**	68,598
	2,403,631	1,845,437	**2,213,651**	1,688,432

27.1 Interest-bearing loans and borrowings

Stanbic Bank Uganda (Note 27.1.1)	**189,980**	157,004	**-**	-
Stanbic IBTC Nigeria (Note 27.1.2)	**1,533,073**	586,656	**1,533,073**	586,656
Globus Bank Nigeria (Note 27.1.3)	**156,483**	1,033,178	**156,483**	1,033,178
First Bank Nigeria (Note 27.1.4)	**177,168**	-	**177,168**	-
	2,056,705	1,776,838	**1,866,725**	1,619,834

27.2 Movement in Interest-bearing loans and borrowings

At 1 January	**1,776,838**	151,370	**1,619,834**	85,742
Additions during the year	**2,934,453**	3,158,571	**2,228,475**	3,001,604
Interest accrued (Note 12)	**28,267**	16,502	**13,786**	5,026
Repayment of loan principal during the year	**(2,810,483)**	(1,547,432)	**(1,981,584)**	(1,467,512)
Repayment of interest during the year	**(28,267)**	(16,502)	**(13,786)**	(5,026)
Translation adjustment	**155,897**	14,329	**-**	-
At 31 December	**2,056,705**	1,776,838	**1,866,725**	1,619,834

27.1.1 Stanbic Bank Uganda

The amount represents utilized amount of the Bank Guarantee facility of USD657,067.49 by Stanbic IBTC Bank to CWG Uganda. The purpose of the facility is to enable the company to execute and deliver on contract awarded to the organization. The facility is for a period of 12 months, and it is renewable, every year.

27.1.2.Stanbic IBTC Nigeria

This amount represents part drawdown from N5billion General-Short Term Banking Finance (GSTBF) from Stanbic bank to CWG. The N5billion covers Trade Finance Facility, Letter of Credit, import finance facility and Overdraft.

27.1.3.Globus Bank Nigeria

This represents Letter of Credit facility of $304,500 from Globus bank, and the facility is a 120-day tenure with a post negotiation rate of 9% per annum

27.1.4.First Bank of Nigeria

The amount represents Letter of credit facility of $344,695.19 , out of which S172,000.00 have been settled within the year and a balance of $172,695.19 as at year end. The facility is a 90-day tenure with a post negotiation rate of 8% per annum.

27.1.5.Bank overdraft

This represents the amount utilized from the N200 million overdraft lines extended by Stanbic IBTC Bank and Globus Bank, respectively. The interest rate on these overdraft facilities is set at 21% per annum.

	Group		Company	
	2023 N'000	2022 N'000	**2023 N'000**	2022 N'000
28. Contract liability				
At 1 January	**1,233,043**	279,179	**1,220,597**	1,220,597
Arising during the year	**14,407,839**	-	**14,407,839**	6,806,977
Released to profit or loss	**(13,484,021)**	953,864	**(13,506,037)**	(6,806,977)
Translation adjustment	**-**	-	**-**	-
At 31 December	**2,156,861**	1,233,043	**2,122,399**	1,220,597

29. Emoluments of directors and employees

Directors' emoluments comprise:

Fees	**18,500**	6,377	**18,500**	18,000
Other remunerations	**90,375**	47,242	**90,375**	91,704
	108,875	**53,619**	**108,875**	**109,704**
Highest paid director	**90,375**	47,242	**90,375**	91,704

The directors' emolument are included in staff costs and directors' remuneration in the administrative expenses.

The average number of persons employed by the Group and Company during the year, including Directors, was as follows:

	Number	Number	**Number**	Number
Technical	**285**	288	**274**	277
Non-technical	**86**	95	**65**	72
	371	383	**339**	349

The numbers of Directors whose gross emoluments are within the bands stated below were:

N		N	**Number**	Number	**Number**	Number
2,000,001	-	3,000,000	**-**	5	**-**	5
Above	-	3,000,000	**9**	4	**9**	4
			9	9	**9**	9

Executive Directors	**3**	1	**3**	1
Non-Executive Directors	**6**	5	**6**	5
	9	6	**9**	6

29.1 Staff Costs - Salaries and allowances:	**N'000**	N'000	**N'000**	N'000
Wages, Salaries, allowances	**1,640,469**	1,237,664	**1,025,188**	877,740
Pension costs	**78,404**	98,360	**46,987**	88,589
Other personnel benefits- Welfare	**214,347**	71,855	**174,207**	47,327
	1,906,464	1,463,843	**1,219,626**	1,057,024

The numbers of Employees whose gross emoluments are within the bands stated below were:

			Group		**Company**	
			2023	2022	**2023**	2022
N		**N**	**Number**	Number	**Number**	Number
Up to	-	1,000,000	**69**	120	**69**	114
1,000,001	-	2,000,000	**113**	104	**112**	100
2,000,001	-	3,000,000	**39**	33	**36**	25
Above	-	3,000,000	**150**	126	**122**	110
			371	383	**339**	349

	N'000	N'000	**N'000**	N'000
29.2 Transactions with key management personnel				
Compensation of key management personnel of the Group and the Company				
Short-term employment benefits	**90,375**	91,704	**90,375**	91,704
Fees paid for meetings attended			**-**	-
Total compensation paid to key management personnel	**90,375**	91,704	**90,375**	91,704

30. Commitments and contingencies

The Group and the Company has various lease contracts that have not yet commenced as at 31 December 2023.

	2023		2022	
	Minimum payments **N'000**	Present value of payments N'000	Minimum payments **N'000**	Present value of payments N'000
Within one year	**8,703**	8,703	**19,741**	19,741
After one year but not more than five years	**-**	-	**-**	-
Total minimum lease payments	**8,703**	8,703	**19,741**	19,741
Less: Amount representing finance charge	**-**	-	**-**	-
Present value of minimum lease payments	**8,703**	8,703	**19,741**	19,741

31. Events after the reporting year

There were no significant events after the reporting date that could affect the reported amount of assets and liabilities as of the reporting date

32. Comparative figures

Where necessary, comparative figures have been reclassified to ensure proper disclosure and uniformity with current year's presentation. These re-classifications have no net impact on these financial statements.

Other National Disclosures

CWG PLC Annual Report and Accounts

CONSOLIDATED STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2023

	Group				Company			
	2023 N'000	**%**	2022 N'000	%	**2023 N'000**	**%**	2022 N'000	%
Revenue	23,529,216		14,206,737		**15,778,260**		9,920,212	
Other income	129,838		65,235		**132,074**		43,142	
	23,659,054		14,271,972		**15,910,334**		9,963,354	
Bought-in-material:	**(20,304,576)**		(11,735,607)		**(13,529,140)**		(7,909,011)	
Value added	**3,354,478**	**100**	2,536,365	100	**2,381,194**	**100**	2,054,343	100
Applied as follows:-								
To pay employees								
- Wages, salaries and other staff costs	**1,906,464**	**57**	1,463,843	58	**1,219,626**	**51**	1,057,024	51
To pay government								
- Corporate tax	**555,832**	**17**	264,582	10	**296,212**	**12**	144,503	7
To pay provider of capital								
- Interest expense and similar charges	**84,126**	**3**	55,919	2	**69,645**	**3**	44,443	2
To provide for replacement of assets dividend to shareholders and development of business:								
- Depreciation and amortization	**231,972**	**7**	275,218	11	**221,791**	**9**	267,166	13
Profit for the year	**576,084**	**17**	476,803	19	**573,920**	**24**	541,207	26
Value added	**3,354,478**	**100**	2,536,365	100	**2,381,194**	**100**	2,054,343	100

Value added represents the additional wealth which the company has been able to create by its own and its employees effort. The statements shows the allocation of that wealth among the employees, capital providers, Government and that retained for creation of more wealth.

FINANCIAL SUMMARY – GROUP

31 DECEMBER

	2023 N'000	2022 N'000	2021 N'000	2020 N'000	2019 N'000
Statement of financial position					
Assets employed					
Non current assets	**1,139,898**	911,283	646,386	687,716	883,501
Current assets	**16,675,401**	13,621,750	8,527,766	7,364,639	7,458,710
Total assets	**17,815,299**	14,533,033	9,174,152	8,052,355	8,342,211
Liabilities					
Creditors within one year	**15,433,663**	13,061,099	8,096,356	7,469,939	8,111,538
Creditors due after one year	**137,994**	-	20,110	22,208	38,753
Total liabilities	**15,571,657**	13,061,099	8,116,466	7,492,147	8,150,291
Capital employed					
Issued share capital	**1,262,413**	1,262,413	1,262,413	1,262,413	1,262,413
Share premium	**-**	-	-	1,852,748	1,852,748
Accumulated losses	**798,698**	323,608	(153,195)	(2,455,582)	(2,898,736)
Fair value reserve of financial assets at FVOCI	**17,697**	10,661	10,972	3,974	6,162
Foreign translation reserve	**164,834**	(124,748)	(62,504)	(103,345)	(30,667)
Total equity and liabilities	**17,815,299**	14,533,033	9,174,152	8,052,355	8,342,211

Statement of profit or loss account and other comprehensive income

	2023 N'000	2022 N'000	2021 N'000	2020 N'000	2019 N'000
Revenue	**23,529,216**	14,206,737	11,708,774	11,715,818	9,566,537
Direct costs	**(18,781,278)**	(10,377,506)	(8,795,196)	(9,080,002)	(7,241,345)
Gross profit	**4,747,938**	3,829,231	2,913,578	2,635,816	2,325,192
Other income	**129,838**	65,235	143,874	132,550	1,139,175
Administrative expenses	**(3,494,758)**	(2,883,046)	(2,215,018)	(2,099,710)	(2,533,078)
Exchange loss/ (gain)	**(182,029)**	(219,667)	(186,865)	(24,615)	(224,551)
Finance costs	**(84,126)**	(55,919)	(48,542)	(97,283)	(73,121)
Finance income	**15,053**	5,551	9,398	504	391
Profit on ordinary activities before tax	**1,131,916**	741,385	616,425	547,262	634,008
Income tax expense	**(555,832)**	(264,582)	(166,786)	(104,109)	(561,266)
Profit after taxation	**576,084**	476,803	449,639	443,153	72,742
Earning per share - basic (kobo)	**0.23**	0.19	0.18	0.18	0.03
Net Asset per share (kobo)	**7.06**	5.76	3.63	3.19	3.30

FINANCIAL SUMMARY - COMPANY

31 DECEMBER

	2023 N'000	2022 N'000	2021 N'000	2020 N'000	2019 N'000
Assets employed					
Non current assets	**1,401,331**	1,191,585	888,935	948,055	1,127,177
Current assets	**12,038,509**	11,799,937	7,367,789	6,345,404	6,292,849
Total assets	**13,439,840**	12,991,522	8,256,724	7,293,459	7,420,025
Liabilities					
Creditors within one year	**11,333,615**	11,503,255	7,289,243	6,652,727	7,056,935
Creditors due after one year	**137,994**	-	20,110	20,110	35,978
Total liabilities	**11,471,609**	11,503,255	7,309,353	6,672,837	7,092,913
Capital employed					
Issued share capital	**1,262,413**	1,262,413	1,262,413	1,262,413	1,262,413
Share premium	**-**	-	-	1,852,748	1,852,748
Accumulated losses	**688,121**	215,193	(326,014)	(2,498,513)	(2,794,210)
Fair value reserve of financial assets at FVOCI	**17,697**	10,661	10,972	3,974	6,162
Foreign translation reserve	**-**	-	-	-	0
Total equity and liabilities	**13,439,840**	12,991,522	8,256,724	7,293,459	7,420,026

Statement of profit or loss account and other comprehensive income

	2023 N'000	2022 N'000	2021 N'000	2020 N'000	2019 N'000
Revenue	**15,778,260**	9,920,212	8,528,461	8,692,532	7,090,060
Direct costs	**(12,404,358)**	(6,896,406)	(6,260,213)	(6,638,481)	(5,215,724)
Gross profit	**3,373,902**	3,023,806	2,268,248	2,054,051	1,874,336
Other income	**132,074**	43,142	103,093	37,853	1,097,461
Administrative expenses	**(2,458,471)**	(2,215,428)	(1,732,862)	(1,652,834)	(2,074,194)
Exchange (loss)/gain	**(122,779)**	(126,918)	(189,024)	(32,340)	(245,864)
Finance costs	**(69,645)**	(44,443)	(37,961)	(77,290)	(60,830)
Finance income	**15,051**	5,551	9,398	504	391
Profit on ordinary activities					
Profit before taxation	**870,132**	685,710	420,892	329,944	591,300
Income tax expense	**(296,212)**	(144,503)	(101,141)	(34,247)	(547,868)
Profit after taxation	**573,920**	541,207	319,751	295,697	43,432
Earnings per share - basic (kobo)	**0.23**	0.21	0.13	0.12	0.02

E-Dividend Mandate Activation Form.

CORDROS REGISTRARS

Please complete all section of this form to make it eligible for processing and return to the address below.

The Registrar,
Cordros Registrars Limited
21, Norman Wiliams Street, Ikoyi, Lagos

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me\us from my/our holdings in all the companies ticked at the right hand column be credited directly to my /our bank detailed below:

Affix Recent Passport Photograph

USE GUM ONLY
NO STAPLE PINS
(to be stamped by your banker)

ONLY CLEARING BANKS ARE ACCEPTABLE

Bank Verification Number (BVN)

Account Number

Bank Name

Account Opening Date` / /

SHAREHOLDER ACCOUNT INFORMATION

Gender: Male Female

Date of Birth / /

* Surname/Company's Name

* Other Names

Phone Number 1

Phone Number 2

Email Address

Address

CSCS Clearing House Number (CHN)

C.

Name of Stockbroking Firm

Please list the company(ies) where you have shareholdings

SN	Company Name	Share Holder Number
1.	AIICO EUROBOND FUND	
2.	AVA INFRASTRUCTURE FUND	
3.	CAPITAL HOTELS PLC	
4.	CWG PLC	
5.	C&I LEASING PLC	
6.	CAPITAL TRUST HALAL FIXED INCOME FUND	
7.	CORDROS HALAL FIXED INCOME FUND	
8.	CORDROS FIXED INCOME FUND	
9.	CORDROS MILESTONE FUND	
10.	CORDROS DOLLAR FUND	
11.	MECURE INDUSTRIES PLC	
12.	UTICA CAPITAL LIMITED	

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

I/We also agree and consent that Cordros Registrars Limited may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding informations out in this form and/or otherwise provided by me/us or possessed by Cordros Registrars for administration of my/our shareholding and matters related thereto.

Name	
Signature	Date

Name (Joint/ Company Signatories)	
Signature	Date

Company Seal (if applicable)

CORDROS REGISTRARS LIMITED
21, Norman Williams Street, Ikoyi, P.O. Box 75590 Victoria Island, Lagos, Nigeria.
E: contactcentre@cordros.com **M:** 07002673767 **W:** www.cordros.com

E-Data Update Form.

CORDROS REGISTRARS

Please complete all section of this form to make it eligible for processing and return to the address below. * = Compulsory fields

PERSONAL INFORMATION

* Surname/Company's Name

* Other Names

Gender: Male Female Date of Birth / /

Phone Number 1

Phone Number 2

Email Address

Alternate Email Address

Address

Old Address (If Any)

Nationality

Occupation

Next of Kin Name

Next of Kin Relationship

Next of Kin Phone Number

Bank Verification Number (BVN)

Bank Account Number

Bank Name

CSCS Clearing House Number (CHN)

C

Name of Stockbroking Firm

Please list the company(ies) where you have shareholdings

SN	Company Name	Share Holder Number
1.	AIICO EUROBOND FUND	
2.	AVA INFRASTRUCTURE FUND	
3.	CAPITAL HOTELS PLC	
4.	CWG PLC	
5.	C&I LEASING PLC	
6.	CAPITAL TRUST HALAL FIXED INCOME FUND	
7.	CORDROS HALAL FIXED INCOME FUND	
8.	CORDROS FIXED INCOME FUND	
9.	CORDROS MILESTONE FUND	
10.	CORDROS DOLLAR FUND	
11.	MECURE INDUSTRIES PLC	
12.	UTICA CAPITAL LIMITED	

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

I/We also agree and consent that Cordros Registrars Limited may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding informations out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Name		Name (Joint/ Company Signatories)		Company Seal (if applicable)
Signature	Date	Signature	Date	

CORDROS REGISTRARS LIMITED
21, Norman Williams Street, Ikoyi, P.O. Box 75590 Victoria Island, Lagos, Nigeria.
E: contactcentre@cordros.com **M:** 07002673767 **W:** www.cordros.com

Proxy Form.

19TH ANNUAL GENERAL MEETING OF CWG PLC TO BE HELD AT THE JEWEL AEIDA, PLOT 105B HAKEEM DICKSON LINK ROAD LEKKI PHASE 1, LAGOS ON FRIDAY 26TH APRIL 2024 AT 10.00 AM PROMPT

I/We________________________being a member/members of CWG PLC hereby appoint. ____________________________or failing him, the selected proxy on the list below *(please select a proxy from the list provided below)* as my/our proxy to vote for me/us at the General Meeting of the Company to be held on 26th April, 2024 and at any adjournment thereof.

Shareholder's Signature______________Dated this_______day of_______2024.

To be effective, the Form of Proxy should be duly stamped by the Commissioner for Stamp Duties and signed before posting it to the address shown overleaf not later than 48 hours before the time for holding the meeting.

The Proxy Form should not be completed and sent to the address overleaf if the member will be attending the Meeting.

Please indicate with an "x" in the appropriate square how you wish your votes to be cast on the resolution set out below. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

#	ORDINARY BUSINESS	FOR	AGAINST	ABSTAIN
1	To lay before the Members, the Report of the Directors', the Audited Statements of Financial Position of the Company, together with the Statement of Comprehensive Income for the year ended 31st December 2023 and the Reports of the Auditors and the Audit Committee thereon			
2	To declare a dividend.			
3	To re-appoint PKF Professional Services as the Auditors of the Company and authorize the Directors to fix their remuneration.			
4	To disclose the remuneration of the Managers of the Company.			
5	To elect members of the Statutory Audit Committee			
	SPECIAL BUSINESS			`
6	To approve the remuneration of the Directors for the financial year 2024			

FOR COMPANY'S USE ONLY

Full Name and Address of Shareholder
Number of Shares held:

Admission Form

Please Admit

______________________________ to the Annual General Meeting of CWG Plc. to be held at The Jewel Aeida, Plot 105B Hakeem Dickson Link Road Lekki Phase 1, Lagos, 10:00am on Friday 26th April 2024.

Signature of the person attending

____

Notes:

1. **Proxy**: Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. For the appointment of the proxy to be valid, a Proxy Form must be completed and deposited at the office of the Company's Registrar, Cordros Registrars, 70 Norman Willaims Street Ikoyi Lagos not later than 48 hours before the time fixed for the meeting. A blank Proxy Form is attached to the Annual Report and may also be downloaded from the Company's website at www.cwg-plc.com
2. **Stamping of Proxy:** The Company has made arrangement at its cost, for the stamping of the duly completed and signed Proxy Forms submitted to the Company's Registrars within the stipulated time.
3. **Online Streaming Of AGM**: Online Streaming Of AGM: The AGM will be streamed live online. This will enable Shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the AGM online live streaming will be made available on the Company's YouTube Channel at https://www.youtube.com/cwgafrica?uid=FLAvVjxEmBru49o_NIlukQ.
4. **Closure of Register**: The Register of Members shall be closed from 18th April 2023 to 23rd April 2024, (both days inclusive) for the purpose of updating the Register of Members.
5. **Dividend**: If the final dividend recommended by the Directors is approved, dividend will be paid on Friday, 26th April 2024 to shareholders whose names are registered in the Register of Members as at the close of business on 17th April 2024.
6. **E-Dividend**: Notice is hereby given to all shareholders to open bank accounts, stockbroking accounts and CSCS accounts for the purpose of dividend payment. Detachable application forms for the e-dividend is attached to the Annual Report to enable all shareholders furnish particulars of their bank accounts to the Registrar as soon as possible. The e-dividend form is also available on the website of our Registrar: www. cordrosregistrars.com
7. **Nomination of Statutory Audit Committee Members**: In accordance with Section 404(6) of the Companies and Allied Matters Act Cap C20, Laws of the Federal Republic of Nigeria, 2020, any member may nominate a shareholder as a member of the Statutory Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the Annual General Meeting. Such notice of nominations should be sent via email to info@dcsl.com.ng or tkembi@dcsl.com.ng
8. **Rights of Security Holders to Ask Questions**: In compliance with Rule 19.12(c) of the Nigerian Exchange Limited's Rulebook, a member and other Security Holders of the Company have a right to ask questions not only at the Annual General Meeting, but also in writing prior to the Meeting, and such questions must be submitted at least one week before the meeting.

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DCSL Corporate Services Limited
(Company Secretaries)

2023 ANNUAL REPORT AND ACCOUNTS

CWG

Head Office
Block 54A, Plot 10, Off Rufus Giwa Street,
Off Adebayo Doherty Road,
Off Admiralty Way,
Lekki Phase 1, Lagos.
012809800
info@cwg-plc.com

CWG Abuja
4th Floor Yobe Investment House, CBD.
Plot 1033, Ralph Shodeinde Street,
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Nigeria.
09062741969
info@cwg-plc.com

CWG Ghana Limited
B2A/2, Agostino Neto Close, off Agostino
Neto Road, Airport Residential Area,
Accra, Ghana
P.O. Box: KD 247 Kanda, Ghana
+233 50 133 5833
ghana.salesmen@cwg-plc.com

CWG Port Harcourt
40 Sani-Abacha Road GRA Phase 3,
Port Harcourt Rivers State
012809800
info.@cwg-plc.com

CWG Cameroon Limited
3rd floor –Door 9, Ecobank Building
Bonamoussadi
P.O. Box: 1316 Douala –Cameroon
+237 71844761
233-696057449
info.cwgcameroon@cwg-plc.com

CWG Uganda Limited
Plot 5, Clement Hill Road,
Nakasero, Kampala Uganda.
P.O BOX 72098
256393202011
+256774245169
info.uganda@cwg-plc.com

CWG Dubai
FZ LLC - T1-FF-8E RAKEZ
Amenity Center Al Hamra
Industrial Zone-FZ RAK,
United Arab Emirates

Fifthlab
7 Joshua Ebun Ojo Close, Off
Rufus Giwa Street, Lekki Phase
1, Lagos

CWG