



**Benso
Oil Palm
Plantation
PLC**



2023 ANNUAL REPORT AND FINANCIAL STATEMENTS





BOARD OF DIRECTORS



Dr. Alfred Mahamadu Braimah
(Chairman, Non-Executive Director)



Santosh Pillai
(Managing Director)



Mr Emmanuel Kojo Idun
(Non-Executive Director)



Ms Patience Afua Aduakwa
(Non-Executive Director)



Esine Okudzeto
(Non-Executive Director)



Perry Acheampong
(Non-Executive Director)



TABLE OF CONTENT

Notice of meeting	2
Corporate information	3
Corporate governance	4
Financial highlights	6
Chairman's report	7
Report of the Directors	13
Statement of directors' responsibilities in relation to the preparation of financial statements	17
Report of the Audit and Risk Committee	18
Report of The HR, Nomination and Ethics Committee	21
Independent Auditor's report	23
Financial statements:	
Statement of profit or loss and other comprehensive income	27
Statement of financial position	28
Statement of changes in equity	29
Statement of cash flows	30
Notes to the financial statements	31
Shareholders' information	67
Five-year financial summary	68



NOTICE ANNUAL GENERAL MEETING OF BENSO OIL PALM PLANTATION PLC

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the **Raybow Hotel, Beach Road, Takoradi on Friday, 24th May 2024 at 11.00 am** for the following purposes:

AGENDA

1. Opening
2. To receive and consider the report of the directors, the audited financial statements for the year ended 31st December 2023 and the report of the auditors thereon
3. To declare a dividend
4. To re-elect directors
5. To approve directors' fees
6. To authorize the Board to fix the fees of the Auditor

This notice is effective the 20th day of April 2024.

BY ORDER OF THE BOARD

DEHANDS SERVICES LTD


DEHANDS SERVICES LTD

COMPANY SECRETARY

Note

A member of the Company entitled to attend, and vote may appoint a proxy to attend and vote instead of him/her. A proxy need not be a member. The proxy form must be completed, sent via email to: registrars@nthc.com.gh or deposited at the registered office of the Company's Registrars, NTHC LTD, Martco House, D542/4, Okai-Mensah Link, Adabraka, P. O. Box Kia 9563, Airport - Accra not less than 48 hours before the meeting.

Registered Office: Adum Bansa Estate, P. O. Box 470, Takoradi.



CORPORATE INFORMATION

Registered office

Adum Bansa Estate, P.O. Box 470, Takoradi.

Dividend

If the payment of dividend recommended is approved, the payment will be made on the 28 June 2024 to the holders of shares whose names are registered in the Register of members at the close of day on the 22 May 2024.

Board of Directors

Dr. Alfred Mahamadu Braimah- Chairman, Santosh Pillai - Managing Director, Esine Okudzeto, Emmanuel Kojo Idun, Patience Afua Aduakwa, Perry Acheampong.

Company secretary

Dehands Services Limited

Board Audit and Risk Committee

Emmanuel Kojo Idun, Patience Afua Aduakwa and Perry Acheampong

Board HR, Nominations and Ethics Committee

Patience Afua Aduakwa, Emmanuel Kojo Idun and Esine Okudzeto

Auditor

Ernst & Young Chartered Accountants
60 Rangoon Lane, Cantonments City
Accra.
P.O. Box KA 16009, Airport, Accra, Ghana

Registrar's office

NTHC Limited, Martco House, D542/4, Okai-Mensah Link, Adabraka P.O. Box KIA 9563, Accra.



CORPORATE GOVERNANCE

Introduction

At Benso Oil Palm Plantation PLC (BOPP), we are unwavering in our commitment to robust corporate governance, recognizing it as the cornerstone of our long-term sustainability. We meticulously align our business objectives with the highest ethical standards, ensuring a harmonious relationship with the communities we operate within, our valued shareholders, and all stakeholders. This dedication manifests in the responsible conduct of our operations across all facets of the company.

BOPP prioritizes strict adherence to all legal and regulatory frameworks. We champion environmental sustainability by implementing industry-leading best practices that safeguard the environment and prioritize the well-being of our employees. Furthermore, we are a committed partner in the social and economic development of our host communities. To maximize shareholder value, BOPP implements a strategic approach that combines cost-effective operational practices with long-term growth initiatives. Our unwavering commitment to innovation ensures we remain at the forefront of the industry, leveraging cutting-edge technologies and fostering a culture of continuous improvement through our comprehensive employee development programs.

BOPP's unwavering commitment to transparency and accountability is demonstrably evident in our adherence to the highest standards of accounting practices. We maintain robust internal controls, as outlined in our director's responsibilities and financial statements. This unwavering dedication ensures the complete transparency of our financial reporting and the unwavering reliability of all financial information presented.

Board of Directors

Benso Oil Palm Plantation PLC (BOPP) is committed to the highest standards of corporate governance, with the ultimate responsibility resting full-time on Board of Directors. This board is comprised of one full-time executive director and five non-executive directors, ensuring a balance of experience and independent oversight. To effectively control and monitor the company's operations, the board has established three key committees: the Management Committee, the Audit and Risk Committee, and the HR, Nominations, and Ethics Committee. These committees, along with any additional sub-committees formed as needed, provide a dedicated focus on critical functions within the company..

Management Committee

BOPP's Management Committee functions as the operational backbone, convening monthly to assess company performance against annual plans. They delve into programs, strategies, and critical issues, assigning the ownership for achieving set goals. Their oversight encompasses world-class agronomic and sustainability practices, alongside financing strategies and robust human resource development programs, all aimed at driving operational excellence. Additionally, the committee identifies and assesses potential risks, assigning mitigation responsibilities across various company functions to safeguard against any adverse business impact. Importantly, key members of this committee also participate in Board and subcommittee meetings, fostering strong communication and alignment across BOPP's leadership structure.

Audit and Risk Committee

The Audit and Risk Committee, comprised of three independent non-executive directors with one serving as chairperson, plays a vital role in supporting the Board's oversight responsibilities. This committee focuses on key areas critical to the company's success: identifying and proactively



mitigating potential business risks, ensuring the integrity of financial reporting, verifying the effectiveness of internal controls, and overseeing overall compliance with legal and regulatory requirements.

HR, Nominations and Ethics Committee

The HR, Nominations and Ethics Committee, consisting of three independent non-executive directors with a designated chair, plays a critical role in ensuring responsible leadership and ethical conduct within BOPP. This committee oversees the nomination process, developing a robust succession plan for the Managing Director and other senior executives as guided by the Board. Furthermore, they champion ethical and responsible business practices throughout the company. Additionally, the committee recommends remuneration and related policies for Board approval.

Internal Controls

The company maintains a well-documented and rigorously reviewed internal control and risk management system (e.g., reviewed quarterly). This comprehensive system incorporates proactive internal controls that safeguard assets and mitigate potential risks facing the business. Furthermore, the Board of Directors has established a clear organizational structure with well-defined delegations of authority. The internal audit function of our parent company, Wilmar International, plays a key role by providing an objective assessment of the system's effectiveness.

Code of business principles and Anti-fraud Policy

BOPP prioritizes ethical conduct and fosters a culture of integrity. Our documented code of business principles guides all employees, setting clear standards of professionalism and integrity expected in daily operations. This code encompasses crucial areas like legal compliance, conflict of interest avoidance, responsible public engagement, product assurance, environmental sustainability, and financial reporting accuracy. Additionally, a robust corporate anti-fraud policy complements the code. This policy establishes controls to proactively prevent and detect fraud against the company. The Board remains committed to promoting consistent ethical behavior throughout the organization by providing clear guidelines and assigning responsibilities for implementing controls and conducting investigations.



FINANCIAL HIGHLIGHTS

(All amounts are in thousands of Ghana Cedis unless otherwise stated)

Year ended 31 December

	2023	2022	% Change
Revenue	351,611	340,496	3%
Profit before income tax	123,820	184,970	(33%)
Operating profit	110,318	173,979	(37%)
Income tax expense	21,007	24,616	(15%)
Profit for the year	102,813	160,354	(36%)
Interim and proposed dividend	46,098	72,186	(36%)
Retained earnings	289,883	266,731	9%
Capital expenditure	54,577	39,497	38%
Depreciation and amortization	10,714	7,092	51%
Total equity	291,360	268,731	9%
Earnings per share (GH¢)	2.9544	4.6079	(36%)
Total assets per share (GH¢)	10.6208	9.3313	14%
Interim and proposed dividend per share (GH¢)	1.3247	2.0743	(36%)



CHAIRMAN'S REPORT TO THE MEMBERS OF BENSO OIL PALM PLANTATION PLC

Distinguished Shareholders, Ladies and Gentlemen, the pleasure is mine to welcome all of you to this year's Annual General Meeting of Benso Oil Palm Plantation PLC and to present to you the Annual Report and Audited Financial Statements of your Company for the Financial Year ended 31 December 2023. Your Company's Financial Performance remained strong despite the global challenges of 2023. The Report covers the following:

- Global Macro-economic Environment
- Ghana's Macro-Economic Environment
- Financial and Operating Performance
- Dividend
- Board of Directors
- Safety, Health, Environment, Quality and Social responsibility
- The Path forward - 2024

Global Macro-economic environment

The global economy in 2023 presented a contrasting picture. The first half of the year saw improvement, particularly in the United States where strong domestic demand and a resilient labor market fueled growth despite tightening financial conditions. However, this positive trend was countered by a contraction in developed economies like Japan, the Eurozone, and the UK.

Emerging Market and Developing Economies (EMDEs) experienced moderate growth, primarily driven by China's rebound. Policy support and a resurgence in consumer spending in China helped offset the weakness in its property sector. Overall, Global Growth for 2023 was subdued at around 2.9 percent, weighed down by a sluggish manufacturing sector, the lingering effects of tight monetary policies, and weak external demand. Projections for 2024 suggest a slight dip to 2.8 percent.

Positive developments emerged on the inflation front. Global inflationary pressures have eased considerably, thanks in part to declining energy and food prices. While headline inflation remains above target in many advanced and emerging economies due to persistent core inflation, it is on a downward trajectory. Longer-term inflation expectations are anchored due to tighter central banks' policies and recent declines in inflation. The outlook predicts continued gradual disinflation as the effects of these policies filter through to core inflation.

Despite the pause in policy rate hikes by central banks in advanced economies, the lagged effects of previous tightening continue to influence global financing conditions. Longer-term bond yields retreated slightly as expectations about future interest rates shifted. Lending standards tightened, and bank credit growth slowed significantly. However, equity markets rebounded on the belief that central banks in advanced economies may have reached the peak of their tightening cycle. Portfolio flows to emerging markets also saw a strong resurgence in the latter part of 2023, driven by expectations of a near-term policy rate cut by the US Federal Reserve.

Ghana's Macro-Economic Environment

Distinguished Shareholders, Ladies and Gentlemen, the Ghanaian economy showed gradual signs



of recovery in 2023, although growth remained below potential. Real GDP expanded by 2.0% in the third quarter of 2023, driven by the services and agriculture sectors. This is a slight improvement compared to the 2.7% growth in the same period of 2022. Non-oil GDP growth moderated to 2.1% from 3.3% over the same comparative period

The Bank of Ghana (BoG) indicators point to a significant uptick in economic activity. Their Composite Index of Economic Activity (CIEA) rebounded to a two-year high of 9.6% in November 2023, compared to a contraction of 6.2% a year earlier. This improvement is reflected in increased domestic VAT collection, port activity, industrial electricity consumption, imports, and tourist arrivals.

Consumer and business confidence also improved in December 2023 surveys conducted by the BoG. Easing inflationary pressures led consumers to be more optimistic about the future economic situation. Businesses reported improved consumer demand, achieving short-term targets, and positive industry prospects. This aligns with the rising Purchasing Managers' Index (PMI), which reached 51.8 in December 2023 from 51.6 in the previous month.

Ghana experienced significant progress in reducing inflation throughout 2023. Strong policies, a stable exchange rate, and effective liquidity management all contributed to this disinflation process. Headline inflation dropped sharply to 23.2% in December 2023, down from a peak of 54.1% at the end of 2022. This decline was driven by both food and non-food prices. Food inflation decelerated sharply to 28.7% in December 2023 from 59.7% in December 2022, while non-food inflation also fell to 18.7% from 49.9% over the same comparative period. Core inflation has also eased significantly affirming broad decline in prices. The Bank's core inflation measure, excluding energy and utilities, also saw a significant reduction, falling from 53.2% to 24.2% in December 2023. Additionally, inflation expectations across various sectors have decreased.

The global market price of key commodities like Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) decreased in 2023. The world market price of crude palm oil (CPO) experienced a dip, decreasing from an average of US\$1,240 in 2022 to US\$943 in 2023, representing a 24% decrease. Similarly, palm kernel oil (PKO) was also traded at an average of US\$978 in 2023 from an average of US\$1,711 in 2022, representing 22% drop.

Financial and operating performance

Distinguished shareholders, your company's Board of Directors and Management are proud to present a year marked by resilience and continued growth. We implemented efficient policies and robust risk management systems, which have yielded positive results.

We achieved a 3% YoY revenue increase, driven by a 13% growth in sales volume. This accomplishment is particularly noteworthy considering the decline in CPO and PKO prices. However, the overall profit after tax reached GH¢102,813 million, representing 64.12% of the previous year's figure (GH¢160.354 million). This decrease reflects the impact of rising costs across various areas, including:

- Labour
- Engineering and factory spares
- Manufacturing overheads
- Industry-wide increase in the cost of Outside Purchased Fruit (OPF) - up 44% from GH¢1,079 to GH¢1,560 per metric tonne.

While operating profit decreased by 35.5% due to higher labour, OPF material, and production overhead costs, we are pleased to report improved operating efficiencies in agronomy and palm oil



mill management. Additionally, adhering to IFRS standards, gains from changes in the fair value of biological assets contributed GH¢1,369,000 (approximately 1.2%) to this year's operating profit.

Our total palm fruit volume processed grew by 16% compared to 2022, reaching 144,866 metric tons. This increase is primarily attributed to improved agronomic practices and favourable rainfall patterns impacting both our nucleus and outgrower plantations. However, a 36% reduction in crop yield from smallholder plantings occurred due to the replanting of 500 hectares out of a total concession of 1,650 hectares in 2021. We are committed to supporting our local economies of communities in our operational areas. Consequently, we purchased 56,112 metric tons of fresh fruit bunches at a total cost of GH¢88 million from smallholders and outgrower farmers in the catchment areas, particularly the Western and Central Regions of Ghana.

We are confident that our continued focus on efficiency, cost management, and responsible sourcing strategies will position us for future success.

Dividend

Our distinguished Shareholders, Ladies and Gentlemen, the Board of Directors, having reviewed the company's full-year performance in 2023, is pleased to recommend a final dividend of GH¢1.0073 per share for your approval at this Annual General Meeting (AGM).

This final dividend is in addition to the interim dividend of GH¢1.3247 per share declared earlier after reviewing the company's performance up to September 2023.

Combined, these dividends amount to a total payout of GH¢2.3319 per share for the year 2023. This represents a significant portion of the company's profit after tax (78.93%) and reflects a substantial increase (112%) in dividend per share payout compared to 2022.

Board of directors

On behalf of the Board, I am pleased to present to you, distinguished Shareholders, the members of your board following the last AGM:

Director	Title	Status	Date of Appointment/Resignation
Dr. Alfred Mahamadu Braimah	Chairman, Independent Non-Executive	Present	20/05/2022
Santosh Pillai	Managing Director, Executive	Present	25/03/2011
Emmanuel Kojo Idun	Independent Non-Executive	Present	20/05/2022
Patience Afua Aduakwa	Independent Non-Executive	Present	20/05/2022
Esine Okudzeto	Non-Executive Director	Present	18/11/2020
Perry Acheampong	Non-Executive Director	Present	23/02/2023

Safety, Health, Environment and Quality Standards

The Board and Management are dedicated to prioritizing Environment, Health, Safety, and Quality (EHSQ) within our company. We operate with a focus on safety and environmental responsibility, ensuring a secure environment for employees, their families, and our neighbouring communities.



We believe that all incidents and occupational illnesses are preventable. We consistently strive for zero incidents through ongoing efforts to improve our safety performance.

Comprehensive Safety Training: All employees receive safety training, delivered through both online and in-person sessions.

Regular EHS Audits and Monitoring: We conduct regular EHS inspections (GEMBA walks) and audits of high-risk work areas (Life Saving Rules audits) across various departments. These audits ensure compliance with safety protocols and proper use of personal protective equipment (PPE). Identified issues and recommendations are addressed and implemented.

Safety Awareness Initiatives: Throughout the year, we implemented various programs to foster EHS awareness, including:

- Behavior-based safety programs
- Contractor safety management
- Fire prevention and firefighting training
- Training on high-risk work, hazards
- Environmental awareness programs
- Week-long EHS awareness campaigns

Our unwavering commitment to safety protocols has yielded positive results:

- **Zero Serious Injuries or Fatalities (SIF):** We are proud to report no serious injuries or fatalities in 2023.
- **Low Lost Time Injury Rate (LTIR):** The Lost Time Injury Rate (LTIR) of 0.54 is significantly below the Group's target/limit of 1, demonstrating our effectiveness in preventing workplace injuries.
- **No Environmental Incidents:** We are committed to operating in an environmentally responsible manner and are pleased to report no environmental incidents in 2023.

Our commitment to EHSQ remains a core value, and we will continue to implement and strengthen these practices for the well-being of our employees, communities, consumers and the environment.

Social Responsibility

The company prioritizes positive impacts on communities and stakeholders. Our Corporate Social Responsibility (CSR) Policy ensures not only that our products, procedures, and processes meet international standards but also that we operate responsibly. The CSR policy focuses on four key areas: education, health, social infrastructure, and economic empowerment.

In 2023, we invested GH¢2.2 million in CSR initiatives, exceeding the previous year's GH¢1.6 million. These initiatives included building sanitation facilities, nurses' quarters, and a community center, as well as supporting schools and hospitals. We also provided scholarships to deserving students from surrounding communities and our employees' children.

Our commitment extends to smallholder and outgrower farmers. We spent GH¢88 million purchasing fruits from them in 2023, contributing to their livelihoods and the region's socio-economic well-being.



Awards

We are proud to retain our prestigious RSPO certification, solidifying our position as a model for sustainable oil palm plantation practices in Ghana and Africa. Additionally, our ranking of 9th in the Ghana Club 100 awards demonstrates our continued excellence.

The Adum Smallholder Oil Palm Plantation (ASHOPP) Project, initiated in 2019, began producing certified Fresh Fruit Bunches (FFB) in 2023. We have invested GH¢36 million in developing 1,049 hectares of oil palm plantations, with 633 hectares now reaching maturity.

Our success in implementing sustainable smallholder projects makes your company an attractive prospect for potential investors. The Outgrower Value Chain Fund (OVCF), a development partner, is considering financing similar projects for over 2,000 farmers in the next 3 years, with BOPP PLC as the technical partner. .

The Path Forward - 2024

Global Growth had remained relatively subdued in 2023, while the ease in global inflation had triggered a pause in monetary policy tightening across key economies. Global economic activity moderated somewhat in the year. Declining Energy and Food prices, together with tight monetary policy, have exerted downward pressures on headline inflation. Although major Central Banks have paused on their policy rate hikes due to declining inflation, global financing conditions remain tight as the past effects of the restrictive policies continue to keep borrowing costs high. The global outlook remains uncertain with geopolitical tensions and its potential spill over to the commodities markets acting as a major risk factor to most economies.

There are indications that the current macroeconomic framework being implemented with the support of the International Monetary Fund Extended Credit Facility (IMF ECF) programme is yielding positive results on the domestic economy. The macroeconomic fundamentals are expected to trend in the right direction. Both headline and core inflation are declining and projected to decelerate further, inflation expectations seem well-anchored, fiscal policy implementation is broadly in line with expectations, the current account balance is in surplus and will likely remain so in the near term, foreign exchange reserve build-up has been strong and should support a stable exchange rate outlook.

The benchmark key interest rate indicator – the 91-day treasury bill rate – also declined over the year in response to macroeconomic conditions.

Headline inflation declined sharply by more than 30 percentage points in the course of 2023. Several factors have supported the disinflation process, namely, the tightening monetary policy stance throughout 2023, favourable international crude oil prices which led to stable ex-pump prices and transportation costs, and relative stability in the

exchange rate. The latest forecast from the Ghana Statistical Service suggests that the disinflation process will continue, and headline inflation is expected to ease to around 13-17 percent by the end of 2024, before gradually trending back to within the medium-term target range of 6-10 percent by 2025. These forecasts notwithstanding, there are upside risks to the inflation outlook and there is need for strict implementation of the 2024 budget and a tight monetary policy stance to sustain the disinflation process.

2024 therefore presents significant challenges for businesses in the current economic dispensation. With the systems of Control and Risk Management in place with clear focus on cost, investment in modern Technology and Techniques to improve the efficiency of operations and increase in the volume of FFB purchases from Outgrowers competitively, the Board and Management continue



to build resilience to navigate through the economic downturn to ensure Profitability, Business Continuity and Sustainability.

Conclusion and acknowledgement

On behalf of the Board of Directors, I wish to express my sincere gratitude to all Shareholders of Benso Oil Palm Plantation PLC for your continued support and interest in the Company. I also extend my gratitude to the Management and Staff of our Company for their loyalty and tireless efforts during a very difficult year. My gratitude goes to my colleagues on the Board. Last but not the least it is worth mentioning our CPO and CPKO customers and Partners for their continuous patronage of our Products and contribution and the communities in which we operate for the social capital we enjoy, characterised by peaceful co-existence, love and a win-win approach to all initiatives.

Thank you for your attention.



REPORT OF DIRECTORS

TO THE MEMBERS OF BENSO OIL PALM PLANTATION PLC

In accordance with the Companies Act, 2019 (Act 992), the directors have the pleasure in submitting to the members of the Company their report together with the audited financial statements for the year ended 31 December 2023.

Parent company

The Company is a subsidiary of Wilmar Africa Limited, a company incorporated in Ghana. The ultimate holding company is Wilmar International Limited, a company incorporated in the Republic of Singapore and listed on the Singapore Stock Exchange.

Principal activities

The Company is engaged in the business of growing oil palm and the processing of palm fruits to produce palm oil and palm kernel oil. There was no change in the nature of the Company's business during the year under review.

Directors and Board changes

On behalf of the Board, I am pleased to present to you, distinguished Shareholders that there were no changes on the board after the last AGM.

NAME	NATIONALITY	PROFESSION	POSITION	OTHER DIRECTORSHIP	DATE OF APPOINTMENT
Santosh Kumar Vasu Pillai	Indian	Chief Executive Officer	Managing Director, Executive	Perennial Ghana Development Ltd, Wilmar Ghana Properties Ltd, Wilmar Africa Ltd, African Consumer Products (Ghana) Ltd, Ghana Specialty Fats Industries Ltd.	25/03/2011
Dr. Alfred Mahamadu Braimah	Ghanaian	International Public Servant/ Diplomat / Chartered Accountant	Chairman, Independent Non-Executive	None	20/05/2022
Emmanuel Kojo Idun	Ghanaian	Chartered Accountant	Independent Non-Executive Director	Seventh Avenue Properties Ltd, Enterprise Properties Ltd, First National Bank Ghana Ltd	20/05/2022



NAME	NATIONALITY	PROFESSION	POSITION	OTHER DIRECTORSHIP	DATE OF APPOINTMENT
Esine Okudzeto	Ghanaian	Lawyer	Non-Executive Director	Conship Logistics Ltd, SOA Development Institute Ltd, Consolidated Shipping Agencies Ltd, Temple S&P Ghana Sovereign Bond Index ETF PLC, Sena Chartered Secretaries Ltd	17/11/2020
Patience Afua Aduakwa	Ghanaian	Lawyer	Independent Non-Executive Director	Daddy Ash Company Ltd, Ignite Law Consult	20/05/2022
Perry Acheampong	Ghanaian	Corporate Executive	Non-Executive Director	None	23/02/2023

Financial results

The Company's profit for the year is GH¢102.080million.

Dividend

Our distinguished shareholders, ladies and gentlemen, the Board after reviewing the full year performance of the Company in 2023, shall be recommending a final dividend of GH¢1.0073 per share to be approved by Shareholders during this AGM. This is in addition to the interim dividend of GH¢1.3247 per share declared by the Board after reviewing the September year-to-date performance of the Company. Cumulatively, this brings the total dividend for the year 2023 to GH¢2.3319 per share and represents 78.93 percent of profit after tax and a 112 percent increase in dividend per share pay-out in 2023 over 2022.

Environment Social & Governance (ESG) Report

The past year presented a complex global landscape with economic crisis, geopolitical instability, and climate change posing significant challenges. Despite these hurdles, BOPP PLC remains firmly committed to sustainability across our entire value chain. We recognize that sustainability is a strategic imperative for building a resilient business that delivers long-term value to our stakeholders.

This annual report presents BOPP PLC's approach to Environmental, Social, and Governance (ESG) considerations for the 2023 financial year. It provides a general overview of our sustainability journey and progress towards our ESG goals.

Sustainability is fundamental to BOPP PLC's operations and strategies. This commitment is reflected in our 2023 net profit of GH¢102.080 million, demonstrating that strong financial performance can coexist with responsible business practices.

We subscribe to Wilmar's Sustainability Report and align our practices with globally recognized standards set by the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD). Our dedication to ESG transparency is further evidenced by our inclusion in the Dow Jones Sustainability World Index for 2022/23.



The Group level Board Sustainability Committee (BSC) provides leadership for our sustainability efforts. The BSC identifies ESG risks and opportunities, guiding the development and implementation of effective policies and practices. Furthermore, our Group's 2021 Human Rights Defender Policy emphasizes our social commitments and industry leadership in protecting human rights.

The Board has ultimate oversight, ensuring ESG-compliant policies are established and management provides regular progress updates. The Board Audit and Risk Committee review ESG risks and opportunities to verify adherence to our commitments. Environmental issues like climate change, forest restoration, and biodiversity conservation, environmental footprints, the production and use of renewable energy are reviewed by the Board, while the HR, Nominations and Ethics Committee focuses on social aspects like talent management, human rights, diversity, and employee well-being. Business ethics, compliance, and data security are continuously monitored by both the Board and Management.

Central to BOPP's sustainability strategy is our No Deforestation, No Peat, No Exploitation (NDPE) policy. This policy applies not only to our core operations but also to our entire supply chain, encompassing smallholder farmers, outgrowers, and third-party suppliers.

We view sustainability as an inseparable part of our business model. Sustainable practices are essential for our company's future and for creating shared value with consumers, shareholders, and all stakeholders. We are dedicated to achieving a responsible and sustainable palm oil supply chain that empowers rural communities and fosters inclusiveness and equal opportunity. This holistic approach ensures our business practices align with the highest social and environmental standards.

Corporate Social Responsibility (CSR)

At BOPP PLC, we are committed to operating in a way that benefits both our business and the communities we touch. Our Corporate Social Responsibility (CSR) policy goes beyond ensuring our products, procedures, and processes meet international standards. It's about conducting business responsibly and creating positive social impacts.

Our CSR policy focuses on four key areas:

- Education
- Health
- Social Infrastructure
- Economic Empowerment/Wealth Creation

In 2023, we invested GH¢2.2 million in CSR initiatives, exceeding the previous year's commitment of GH¢1.6 million.

These initiatives included:

- Building sanitation facilities, nurses' quarters and Community-Based Health Planning & Services (CHPS) facility, and a community center
- Supporting schools and hospitals through donations and infrastructure projects
- Providing scholarships to deserving students from surrounding communities and employees' children

We understand the importance of education, which is why we built schools within the plantation to serve both employees' children and nearby communities. Currently, more than 25% of the school's population comes from nearby communities.

BOPP PLC spent GH¢88 million in 2023 purchasing fruits from smallholder and outgrower farmers



in our catchment area. This investment not only supports our business needs but also contributes to the economic well-being of these farmers and the surrounding communities.

We are committed to being a responsible corporate citizen and believe that by working together, we can create a brighter future for all.

Directors' interests in contracts

During the year under review, no significant or material contract was entered into in which directors and officers of the company had an interest and which significantly or materially affected the business of the company. The directors had no interest in any third party or entity responsible for managing any of the business activities of the company.

Substantive interest in shares

According to the register of members as at December 31, 2023, no other shareholder apart from Wilmar Africa Limited had more than 5% of the issued stated capital of the Company. The number of shares held by directors are shown on the shareholder's information (page 67).

Holding company

BOPP Plc's ultimate holding company is Wilmar International Limited, a company incorporated in the Republic of Singapore and listed on the Singapore Stock Exchange.

Auditor

The Company's auditor, Ernst & Young, Chartered Accountants has express willingness continue to act in office as per Section 139 (5) of the Companies Act, 2019 (Act 992). The amount of audit fee payable for the financial year ended 31 December 2023 is GH¢503,000. .

BY ORDER OF THE BOARD

Emmanuel Kojo Idun

Director

Date: 25 April 2024

Santosh Pillai

Managing Director

Date: 25 April 2024



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards including the IAS29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and complied with the requirements of the Companies Act, 2019 (Act 992), the Ghana Stock Exchange Act of 1971 (ACT 384), the Securities and Exchange Commission (SEC) Governance Code for listed companies, 2020, and for such internal controls as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment at the company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern.

Emmanuel Kojo Idun
Director
Date: 25 April 2024

Santosh Pillai
Managing Director
Date: 25 April 2024



REPORT OF THE AUDIT AND RISK COMMITTEE

On behalf of the Board, I am pleased to present This report sets out the activities of the audit and risk committee during the financial year 2023 and is aimed at meeting the reporting requirements of the Securities and Exchange Commission governance code. The audit and risk committee charter, approved by the Board, guides the committee in its work.

Role and responsibilities of the audit and risk committee

The audit and risk committee assists the Board in discharging its oversight responsibilities in the broad areas of identifying, evaluating, and formulating policies to mitigate potential business risks; ensuring the integrity of financial reporting; and the effectiveness of internal controls; and compliance with legal and regulatory requirements. The committee are also responsible for ascertaining the standard of work performed by both the internal and external auditors as well as the independence and objectivity of external auditors, EY.

The Committees reports to the Board

The committee reports to the board at each Board meeting on the areas covered by its role and responsibilities, including bringing to the Boards attention any exceptions observed by the committee.

Membership of the committee and meetings held in 2023.

Five committee meeting were held in the year 2023. The membership of the committee and attendance for meetings held in 2023 are as follows:

Name	Meetings attended	Status
Emmanuel Idun	5/5	Chair
Patience Aduakwa	5/5	Member
Perry Acheampong	1/1	Member - Joined October 2023

At the October 2023 meeting, we welcomed Mr. Perry Acheampong to the committee, following his nomination and approval by the board. We are confident that his wide exposure and experience in the management of Plantations, will add valuable insights to the work of the committee.

The Financial Controller of BOPP PLC, attended each of the five meetings held in 2023. In two of the meetings held, the Wilmar Group Chief Internal Auditor addressed issues raised by the committee on the structure and operations of the audit team responsible for Ghana. In attendance at selected meetings were the head of Internal Audit, and the External Auditors, EY.

Focus of Committee in 2023

During 2023, the committee focused on meeting its responsibilities as enumerated in the risk and audit committee charter. In particular, the committee put emphasis on:

- A. Improving the controls, procedures, systems and reporting around the significant value and volume of related party transactions in BOPP and.
- B. Working with the Internal Audit team to map out very clearly, the committee's expectations of internal audit. This collaboration resulted in the drafting and approval by the committee of a revised internal audit function charter and approval by the Wilmar Group audit to increase the number of internal control assurance certifications to the committee to three, from the current one, following its annual audits.



Additionally, the Committee met its responsibilities by:

1. Reviewing through a challenge process, the businesses risk profile, particularly in view of the uncertain economic and financial climate.
2. Closely following up on actions taken on audit findings by both the internal and external audits
3. Monitoring the integrity of financial reporting, and following up on items requiring significant judgement, as well as the adequacy of policies and other accounting issues
4. Reviewing the quarterly financial statements and making recommendations for approval by the board.
5. Reviewing and approving the internal audit plans.

Activities of the Audit and Risk Committee

The following section, in points a – f, provide insights into the actual work undertaken by the committee during its meetings in 2023.

a. Risk Management

- I. Reviewed and approved the Enterprise risk profile.
- II. Considered and discussed the emerging risks related to the evolving economic and financial climate as well as how climate change has impacted the Plantations output, currently and into the future.
- III. Discussed risks related to a major out grower scheme to be implemented in 2024.

b. Financial Reporting

- I. At each meeting, the committee satisfied itself that the Financial Statements reflected the performance of the business and brought to the attention of the whole board any exceptions which could impact on the business.
- II. Reviewed related party transactions to ensure conformance to the company's policies and accepted governance principles.
- III. Ensured accounting and financial policies were appropriate.
- IV. Reviewed quarterly financial statements and recommended board approvals prior to publication.
- V. Reviewed adequacy of resourcing for the finance function.

c. External Auditors

- I. Reviewed and discussed with External Auditors, EY, the audit plan, and programme prior to the commencement of audit.
- II. Discussed and sought clarifications on the key areas of audit focus.
- III. Reviewed resources and tools allocated to execute audit plan to ensure adequacy in meeting objectives and programmed timings.
- IV. Confirmed the independence and objectivity of both the audit firm, and the resource team allocated to the BOPP audit.



d. Internal Audit

- I. Reviewed and approved the internal audit plan.
- II. Followed up to ensure that findings and recommendations on prior audits had been implemented.
- III. Reviewed adequacy of current audit scoping and reporting to ensure this aligns to the scope of the audit committee charter, and that this effectively supports the committee's work.

e. Legal and regulatory compliance

- I. At each of its meetings, the committee sought and obtained positive assurances of compliance to both legal and regulatory frameworks, applicable to BOPP.

f. Other

- I. Reviewed of a tax health check audit commissioned by the Company.
- II. Reviewed outcome of tax audit conducted by the Ghana Revenue Authority.



REPORT OF THE HR, NOMINATION AND ETHICS COMMITTEE

Ladies and Gentlemen, I am pleased to present this report which sets out the activities of HR, Nomination and Ethics Committee (HrNEC) during the financial year 2023 which is aimed at complying with the reporting requirements of the Securities and Exchange Commission governance code.

Role and responsibilities of the HR Nomination and Ethics committee

The HrNEC is responsible for the operation of the nominating policy and for developing a succession plan. The HrNEC is also responsible for the operation of the nominating policy and for developing a succession plan for the Managing Director and other senior executive officers as determined by the Board. The committee also ensures that the business operates ethically and socially responsibly. The HR, Nomination and Ethics committee also has the responsibility of recommending a remuneration policy to the Board of Directors. The Board invites the committee to propose policies that apply to other staff and reports to the Board accordingly.

The committee reports to the Board at each Board meeting on the areas covered by its role and responsibilities, including bringing to the Board's attention any exceptions observed by the committee.

Membership of the committee and meetings held in 2023.

The membership of the committee and attendance for meetings held in 2023 are as follows:

Name	Meetings attended	Status
Patience Afua Aduakwa	4/4	Chairperson
Emmanuel Kojo Idun	4/4	Member
Esine Okudzeto	4/4	Member

The current membership of the committee consists of two independent non-executive directors and one non-executive Director. The constitution of Committee membership was done in October 2022 to meet the SEC rotation requirements.

The committee held four (4) meetings during the 2023 financial year. In attendance at each of the four (4) meetings was the BOPP General Manager.

Focus of Committee in 2023

During 2023, the Committee focused on meeting its responsibilities as enumerated in the HRNEC charter as follows:

- (i) adopting a procedure that includes the appointment of Directors and shall assess candidates thoroughly and fairly.
- (ii) considering for appointment only persons of calibre, who have the necessary skills and expertise to exercise independent judgement on issues that are necessary to promote the company's objectives and performance in its area of business.
- (iii) recommending an induction programme to the Board and a programme of training.
- (iv) reviewing annually whether any further training shall be supplied to Board members and make recommendations accordingly.



(v) reviewing the required mix, skills, expertise, and gender balance required by the Board, the extent to which the elected Directors meet the required mix, skills; the need for training for Directors and make recommendations; and reviewing the extent to which elected Directors reflect the broad shareholding structure.

(vi) The Committee shall recommend the remuneration of the Directors and such members of the senior management as the Board may determine in its terms of reference.

Activities of the HR, Nomination and Ethics Committee

Insight into the work undertaken by the committee during its meeting in 2023.

- i. Update of the HR, Nomination and Ethics Committee Charter.
- ii. Updated the Directors' Conflict of Interest Policy and submitted it for Board approval.
- iii. Considered the proposal on increase in the Directors' fees from Management and recommend it for approval by the Board and Shareholders at the annual general meeting.
- iv. Recommended and supervised the role out of an ESG Training Programme for Board members and the senior management team.
- v. Recommended Board Evaluation and supervised the conduct of the evaluation
- vi. Oversight of the whistle blowing reporting lines on quarterly basis
- vii. Considered and recommended a gender policy for approval by the Board
- viii. Recommended the implementation of succession plan for the Board and Senior Management
- ix. Made recommendations for the amicable settlement of a potentially litigious matter between the company and a contractor.

Finally, since it started work, the Committee has been very diligent in the execution of its mandate and promises to continue to ensure that your company remains a good corporate citizen/entity in the years ahead.



Ernst & Young Chartered Accountants
60 Rangoon Lane
Cantonments City, Accra, Ghana
P. O. Box KA 16009
Airport Accra, Ghana

Tel: +233 302 772001
+233 302 772091
ey.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BENSO OIL PALM PLANTATION PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Benso Oil Palm Plantation PLC (the “company”) which comprise the statement of financial position as at 31 December 2023 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of Benso Oil Palm Plantation Plc as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and the requirements of the Companies Act, 2019 (Act 992).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International 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 Ghana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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



INDEPENDENT AUDITOR'S REPORT (CONT.)

The Key Audit Matters applies to the audit of the financial statements

Key Audit Matter	How the matter was addressed in the audit
<p>Biological asset valuation</p> <p>The company uses a fair value model to determine the valuation of its biological assets. The valuation of the biological assets involves complex and subjective judgements about the expected palm oil yield, long term crude palm oil price and discount rate. As at 31 December 2023, biological assets were valued at GH¢10.9 million (2022: GH¢9.5 million).</p> <p>The expected palm oil yield, long term crude palm oil price, inflation rate and discount rate have been identified as a source of estimation uncertainty. The significant accounting policy and critical judgments relating to the valuation are outlined in Note 2.12 and Note 3. The fair value disclosures of biological assets are outlined in Note 25.</p>	<p>We reviewed the Model used by management to ensure it was in accordance with the requirements of IAS 41 "Agriculture". We tested management's ability to forecast by comparing the palm oil yield used in the prior year valuation to the actual yields in the current year. We checked that the Model used was consistent with prior year.</p> <p>We tested the underlying assumptions applied in determining the discount rate and long-term crude palm oil price used in the cash flow model taking into consideration available data from independent sources.</p> <p>We tested the mathematical accuracy of the Model and inspected the data inputs into the model relating to plantation size, number of trees and actual yield.</p> <p>We checked the presentation and disclosure of Management's valuation in the financial statements to assess their reasonableness.</p>

Other information

The Directors are responsible for the other information. The other information comprises the information included in 70-page document titled "Benso Oil Palm Plantation Plc, 2023 Annual report and financial statements". Other report does not include the financial statements and our Auditor's report thereon.

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

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

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

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 2019 (Act 992), and for such internal control as the Directors determines is necessary



INDEPENDENT AUDITOR'S REPORT (CONT.)

to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing Benso Oil Palm Plantation Plc 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 Benso Oil Palm Plantation Plc or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Benso Oil Palm Plantation Plc internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Benso Oil Palm Plantation Plc 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 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 Benso Oil Palm Plantation Plc to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



INDEPENDENT AUDITOR'S REPORT (CONT.)

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

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

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

Report on other legal and regulatory requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account have been kept by Benso Oil Palm Plantation Plc, so far as appears from our examination of those books;
- iii. The statement of financial position and the statement of comprehensive income (statement of profit or loss and other comprehensive income) of Benso Oil Palm Plantation Plc are in agreement with the underlying books of account;
- iv. In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and give a true and fair view of the state of affairs of Benso Oil Palm Plantation Plc at the end of the financial year and of the profit or loss for the financial year then ended; and
- v. We are independent of Benso Oil Palm Plantation Plc pursuant to Section 143 of the Companies Act, 2019 (Act 992).

The Engagement Partner on the audit resulting in this independent Auditor's report is Kwadjo Yeboah (ICAG/P/1627).

Ernst & Young (ICAG/F/2024/126)
Chartered Accountants
Accra, Ghana

Date: 29 April 2024



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana Cedis)

Year ended 31 December

	Note	2023	2022
Revenue from contract with customers	4	351,611	340,496
Cost of sales	5	(220,401)	(157,865)
Net gains from changes in fair value of biological assets	25	1,370	1,619
Gross profit		132,580	184,250
Administrative expenses	6	(31,843)	(23,345)
Interest expense on leases	19	(384)	(380)
Other income	8	9,965	13,454
Operating profit		110,318	173,979
Finance income	9	13,502	10,991
Profit before income tax		123,820	184,970
Income tax expense	10	(21,007)	(24,616)
Profit for the year		102,813	160,354
Other comprehensive (Loss)/income net of tax		(733)	59
Total comprehensive income for the year		102,080	160,413
Basic and diluted earnings per share (GH¢)	27	2.9544	4.6079

The notes on pages 31 to 66 are an integral part of these financial statements.



STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands of Ghana Cedis)

As at 31 December

	Note	2023	2022
Assets			
Non-current assets		184,823	127,286
Intangible assets	16	136	208
Property, plant and equipment and right of use assets	15	136,833	95,446
Biological assets	25	10,895	9,525
Long term receivables	18	36,959	22,107
Current assets		184,352	197,444
Inventories	17	27,877	30,635
Amounts due from related parties	24	58,890	99,642
Current income tax assets	10(a)	653	-
Other financial assets at amortized costs	20	11,390	19,428
Cash and cash equivalents	23	85,542	47,739
Total assets		<u>369,175</u>	<u>324,730</u>
Liabilities			
Current liabilities		61,933	44,818
Trade and other accounts payable	21	27,508	23,939
Employee benefit obligations	31	728	1,099
Current income tax liabilities	10(a)	-	229
Amounts due to related parties	24	21,443	8,638
Lease liability	19	1,287	380
Dividend payable	12	10,967	10,533
Non-current liabilities		15,359	11,181
Deferred income tax liabilities	11	3,070	2,703
Lease liability	19	1,208	2,051
Employee benefit obligations	31	11,081	6,427
Equity		291,883	268,731
Stated capital	13	2,000	2,000
Retained earnings		289,883	266,731
Total liabilities and equity		<u>369,175</u>	<u>324,730</u>

The financial statements on pages 27 to 66 were approved and authorised for issue by the Board of Directors on and were signed on its behalf by:

Emmanuel Kojo Idun
Director
25 April 2024

Santosh Pillai
Managing Director
25 April 2024



STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana Cedis)

Year ended 31 December 2023	Stated capital	Retained earnings	Total
As at 1 January 2023	<u>2000</u>	<u>266,731</u>	<u>268,731</u>
Profit for the year	-	102,813	102,813
Other comprehensive loss	-	(733)	(733)
Total comprehensive income	-	<u>102,080</u>	<u>102,080</u>
Total before transactions with owners	2,000	368,811	370,811
Transactions with owners			
Dividend declared for 2022	-	(32,830)	(32,830)
Interim dividend declared in 2023	-	(46,098)	(46,098)
As at 31 December 2023	<u>2,000</u>	<u>289,883</u>	<u>291,883</u>

Year ended 31 December 2022	Stated capital	Retained earnings	Total
As at 1 January 2022	<u>2,000</u>	<u>182,639</u>	<u>184,639</u>
Profit for the year	-	160,354	160,354
Other comprehensive income	-	59	59
Total comprehensive income	-	<u>160,413</u>	<u>160,413</u>
Total before transactions with owners	2,000	343,052	345,052
Transactions with owners			
Dividend declared for 2021	-	(36,969)	(36,969)
Interim dividend declared in 2022	-	(39,352)	(39,352)
As at 31 December 2022	<u>2,000</u>	<u>266,731</u>	<u>268,731</u>

The notes on pages 31 to 66 are an integral part of these financial statements.



STATEMENT OF CASH FLOWS

(All amounts are in thousands of Ghana Cedis)

Year ended 31 December

	Note	2023	2022
Operating activities			
Cash generated from operations	22	188,223	148,678
Interest received	9	13,502	10,991
Tax paid	10a	(21,417)	(33,193)
Net cashflows generated from operating activities		<u>180,310</u>	126,476
Investing activities			
Purchase of property, plant and equipment	15a	(54,577)	(39,711)
Addition in respect of long-term receivables	18	(17,149)	(10,696)
Repayment in respect of long-term receivables	18	2,297	286
Proceeds from sale of property, plant and equipment	15a	2,794	1,132
Net cashflows used in investing activities		<u>(66,635)</u>	(48,989)
Financing activities			
Payment of employee benefit obligation (Note 31)		(2,174)	(1,274)
Payment of lease liabilities	19	(320)	(320)
Dividend paid to shareholders	12	(78,494)	(67,021)
Net cashflows used in financing activities		<u>(80,988)</u>	(68,615)
Net increase in cash and cash equivalents		32,685	8,872
Cash and cash equivalents as at 1 January		47,739	32,996
Effect of exchange rate changes on cash and cash equivalents		<u>5,118</u>	5,871
Cash and cash equivalents as at 31 December	23	<u>85,542</u>	47,739

The notes on pages 31 to 66 are an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

1. General information

Benso Oil Palm Plantation PLC is incorporated and domiciled in Ghana under the Companies Act, 2019. (Act 992) as a public limited liability company and listed on the Ghana Stock Exchange. The address of its registered office is Adum Bansa Estate, P. O. Box 470, Takoradi. The principal activities of the Company is to grow oil palm and produce palm oil and palm kernel oil.

2. Summary of material accounting information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) including the IAS29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana. The financial statements have been prepared on a historical cost basis, except for biological assets that have been measured at fair value.

IAS 29 Hyperinflation Assessment

In 2023, Ghana's cumulative inflation rate over 3-years exceeded 100% which triggered the quantitative hyperinflation criteria in IAS 29. The Institute of Chartered Accountants Ghana (ICAG) performed this assessment using the various criteria in IAS29 and concluded in its directive issued in January 2024 that IAS 29 will not be applicable for the December 2023 financial reporting period. This conclusion has been applied in the preparation of these financial statements.

The financial statements are presented in Ghanaian Cedis and all values are rounded to the nearest thousand (GH¢'000), except when otherwise indicated.

The company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The preparation of financial statements in conformity with IFRS including the IAS29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Company's financial statements are disclosed in Note 3.

2.2 New and amended standards adopted by the Company

The Company has adopted the following new standards, including any consequential amendments of other standards, for the annual reporting period commencing 1 January 2023:

IFRS 17 - Insurance contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them,



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. IFRS 17 introduces new accounting requirement for banking products with insurance features that may affect the determination of which instruments or which components thereof will be in the scope of IFRS 9 or IFRS 17.

Loan contracts that meet the definition of insurance but limit the compensation for insured events to the amount otherwise required to settle the policyholder's obligation created by the contract: Issuers of such loans – e.g. a loan with waiver on death – have an option to apply IFRS 9 or IFRS 17. The election would be made at a portfolio level and would be irrevocable. IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Definition of Accounting Estimates - Amendments to IAS 8

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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

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

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

accounting nor taxable profit.

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

The amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023.

The amendments had no impact on the company financial statements as the Company is not in scope of the Pillar Two model rules.

2.2.1 New and amended standards and interpretations 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 financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

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

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

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

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

Lease Liability in a Sale and Leaseback - Amendments to IFRS 16

On 22 September 2022, the International Accounting Standards Board (the IASB or Board)



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

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

A sale and leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and the leaseback of the same asset by the seller-lessee. The amendment is intended to improve the requirements for sale and leaseback transactions in IFRS 16. It does not change the accounting for leases unrelated to sale and leaseback transactions. The amendment applies retrospectively to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. The amendments are not expected to have an impact of the company.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments:

Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted but will need to be disclosed. The amendments are not expected to have a material impact on the company's financial statements.

Lack of exchangeability -Amendment to IAS 21

In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use:

- an observable exchange rate without adjustment; or
- another estimation technique.

New disclosures

Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

- the estimation process; and
- risks to the company because the currency is not exchangeable.

The Company do not expect the amendments to have a significant impact on its financial statements.

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

Amendments to IFRS 10 and IAS 28- Sale or contribution of assets between an investor and its associate or joint venture

The amendments address the conflict between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures when accounting for the sale or contribution of a subsidiary to a joint venture or associate (resulting in the loss of control of the subsidiary). The effective date of the amendment is to be determined by the IASB.

2.3 Property, plant and equipment

Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably. If these conditions are not met, the cost of the item is recognized as an expense when incurred.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated to write off the value of assets on a straight-line basis over the expected useful lives of the assets concerned. Depreciation commences when assets are available for use. The principal annual rates used are:

Roads, bridges, buildings and houses.	2.5%
Motor Vehicles - light passenger and lorries	25.0%
Motor Vehicles - heavy roadmaking equipment, tractors and trailers.	16.7%
Plant and machinery.	7.0%
Mature Oil Palm Trees.	4.5%
Computers.	20.0%
Furniture, fittings and office equipment.	25.0%

Oil palm trees are classified as immature until the produce can be commercially harvested. At that point they are reclassified, and depreciation commences. Immature palm oil trees are measured at accumulated cost. Oil Palm Trees are derecognised after expiry of its useful life when no future economic benefits are expected from the trees. A gain or loss on disposal is recognised as the difference between the disposal proceeds and the carrying amount of the trees at the date of disposal. This gain or loss is included in the statement of profit or loss.

Other items of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

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

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets if; there is the technical feasibility to complete the software product for use; there is an ability to use the product; the software product will generate probable future economic benefits; and the expenditure attributable to the software development costs can be measured reliably.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Computer software development costs recognised as intangible assets are amortised over their estimated useful life not exceeding three years.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method.

The cost of finished goods and work in progress comprises the fair value less estimated point-of-sale costs of agricultural produce at the point of harvest, the cost of raw materials and direct labour, and other direct costs and related production overheads. It excludes borrowing cost.

Net realizable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses.

The fair value less estimated point-of-sale costs of harvested fresh palm fruits is determined based on the market prices of the final product, taking into account conversion costs.

2.5 Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. They are generally due to settlement within 45 days and therefore are all classified as current. Trade receivables are recognised initially at the consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.6 Other financial assets at amortised cost

The company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Non-trade receivables from related parties have been assessed for impairment under the general approach. Impairment under this approach is assessed based on changes in credit risk since initial recognition using the past due criterion. Financial assets classified as stage 1 have their Expected



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Credit Loss measured as a proportion of their lifetime Expected Credit Loss that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their Expected Credit Loss measured on a lifetime basis.

2.7 Trade payable

Trade payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8 Financial instruments

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 Company's business model for managing them. 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.

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

The 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. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated- e.g. Whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

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 Company commits to purchase or sell the asset.

i. Subsequent measurement

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

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

Financial assets at amortised cost

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 comprehensive income when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include accounts receivables.

Financial assets at fair value through OCI

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Upon initial recognition, the Company can elect to classify irrevocably 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 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 Company has not designated any financial assets as fair value through OCI.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Company had not irrevocably elected



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established. Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Derecognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all financial assets at amortised cost. For accounts receivable at amortised cost, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full.

ECLs on financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate counterparties, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

Financial assets written off are still subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include accounts payable and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing financial liabilities 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 taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, 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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

2.9 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

2.11 Revenue from contracts with customers

The company derives revenue from the transfer of goods at a point in time. The company processes and sells crude palm oil and crude palm kernel oil. Tonnage to be sold for the year are agreed in a contract for the main customer Wilmar International Limited. Sales are recognised when control of the goods has transferred, being when the goods are delivered to the customer.

Delivering occurs with the products have been shipped to the specific location, the risks of loss have been transferred to the customer and the customer has accepted the products in accordance with the sales contract. Oil produced for sale but held at the request of the customer is invoiced in the month the oil is ready for dispatch. The customer accepts liability for oil held at the company's premises at their request. Revenue is recognised based on the price terms in the contract. No element of financing is deemed present as the sales are made with a credit term of 45 days.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

2.12 Biological assets

Biological assets are measured at fair values less estimated costs to sell. Palm oil trees are bearer plants and are therefore presented and accounted for as property, plant and equipment.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

However, the fresh fruit bunches (FFB) growing on the trees are accounted for as biological assets until the point of harvest. Harvested FFB are transferred to inventory at fair value less costs to sell when harvested. Any gains or losses arising on subsequent changes in fair values less estimated cost to sell are recognised in profit or loss in the year in which they arise.

All costs of upkeep and maintenance of biological assets are recognised in profit or loss under cost of production in the period in which they are incurred.

2.13 Stated capital

Ordinary shares are classified as “stated capital” in equity. All shares were issued at no par value.

2.14 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Ghana cedis, which is the Company’s functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Ghana Cedis using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income.

2.15 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are included as part of trade and other accounts payable in the balance financial position.

(b) Post employment obligations

The Company operates both defined benefit and defined contribution plans for its employees. The Company contributes to a national pension scheme (Social Security Fund) as well as a provident fund scheme.

A defined contribution plan is a pension scheme under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The fixed rate contribution by employer is 13% and employee is 5.5% both calculated on the employees’ basic salaries.

The Company’s contributions to the defined contribution schemes are recognised as an



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

employee benefit expense when they fall due. The Company has no further payment obligations once the contributions have been paid.

Defined benefit obligation (DBO)

The company operates a defined benefit plan for employees under a collective bargaining agreement and conditions of service. The level of benefits provided under the defined agreement and conditions depends on the employees' length of services and their salary at the time of retirement. The company also has a death in service obligation where certain payments to next -of -kin and provides other items upon the death of a serving employee. Again, BOPP makes payments and donations to an employee on the death of the employee's registered dependents; spouse, children and biological parents. Employees who have served the company for at least and retire on medical grounds, i.e become incapacitated and not fit to work in the opinion of the company's doctor are entitled to payments of benefits dependent on the employee's years of credited service effective January 1, 1991. With the exception of inflationary risk, the company's legal or constructive obligation is limited to the amount due when the employee is on retirement or at the next levels of long service award.

Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement liability. Gains and losses resulting from remeasurements of the net defined benefit liability are included in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

(c) Bonus

(i) The Company recognises a liability and an expense for bonuses taking into consideration the profit attributable to the Company's shareholders. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) Other long-term employee benefit obligations

Retirement benefits

The Company pays superannuation awards to members on retirement. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for Defined Benefit Pension Plans. Gains and losses resulting from remeasurements of the net retirement benefit liability are included in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Long service awards

To recognise and reward members of staff for continuous and dedicated service, the Company makes awards to all employees. Employees are rewarded for 10, 15, 20, 25, 30, 35 and 40 years of service. Liabilities for long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Gains and losses resulting from remeasurements of the long-term service awards liability are included in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Death in service scheme

The company makes payments to next -of -kins and provides other items upon the death of a serving employee. The company also makes payments and donations to an employee on the death of the employee's registered dependents; spouse, children and biological parents.

Retirement on medical grounds of ill health

Employees who retire on medical grounds, i.e. become incapacitated and not fit to work in the opinion of the company's doctor are entitled to payments of benefit in multiples of month's basic pay dependent on the employee's years of credited service effective January 1, 1991. The benefits are 25% of a month's basic pay for senior staff and three months' pay for Junior staff for each year of service from January 1, 1991. The said employee must have served the company for at least a year in the case of a junior staff.

2.16 Leases

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 in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. 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 Company recognises right-of-use assets at the commencement date of the lease. 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.

ii) Lease liabilities

At the commencement date of the lease, 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 variable lease payments that depend on an index or a rate.

In calculating the present value of lease payments, 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.

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

The Company applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to consider to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

2.17 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Committee that makes strategic decisions.

2.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company,
- by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares."

2.21 Long term accounts receivable

The company entered into an agreement with the Chiefs and people of Trebuom and communities in the catchment area for the development of 633 hectares of land. Similar arrangements for the development of smallholder and outgrower schemes in the BOPP Catchment Area (BCAP) totalling 1,195 hectares were made. The company will fund the development of the plantation and the costs will be recovered from the fruits to be supplied from the plantation once developed. The agreement is for a period of 25 years.

It has been determined that the lease component relating to the land for no consideration will not have an accounting impact. The costs of developing the external plantations akin to lease developments will be reimbursed by the community by off-setting proceeds from the sale of the fruits to the company at market value.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

2.22 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Ghana cedis unless otherwise stated.

3. Critical accounting estimates and judgements

The preparation of the Company's financial statements requires Directors to make judgements, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

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 disclosed below.

(i) Accounting and measuring of biological assets

The fair value of growing oil palm fresh fruit bunches (FFB) is determined using a discounted cash flow model based on the expected palm oil yield, the market price for crude palm oil and palm kernel oil. The selling price of the oil can only be estimated and the actual yield will not be known until it is completely processed and sold. Estimates and judgements in determining the fair value of the FFB growing on palm trees include the volume and stages of maturity of FFB at balance sheet date, palm oil yield, the long-term crude palm oil price, palm kernel oil price and the discount rates after allowing for harvesting costs, contributory asset changes for the land and palm trees owned by the entity and other costs yet to be incurred in getting the fruit bunches to maturity. Assumptions impacting biological assets are given in more detail in Note 25.

(ii) Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost include the discount rate, future salary increases, and mortality rates. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 31.

(iii) Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

4. Revenue from contracts with customers

The company derives revenue from the transfer of goods at a point in time in the following major product lines and customers. Sales are shown at net of value added taxes.

	2023	2022
By Type:		
Sale of crude palm oil	318,799	305,028
Sale of palm kernel oil	30,786	35,468
Palm kernel expeller /cake	<u>2,026</u>	-
	<u>351,611</u>	<u>340,496</u>
By Customer:		
Related parties (Note 24)		
Wilmar Africa Limited	315,591	289,524
Wilmar Trading PTE	-	20,797
African Consumer Products Limited	19,172	14,596
Total related parties	334,763	324,917
Third parties		
Wayne Dunn & Associates Ltd	-	89
Francis Haikins	-	851
Estate shop and Others	2,890	527
Halley Ome Nigeria Ltd	<u>13,958</u>	<u>14,112</u>
Total third parties	<u>16,848</u>	<u>15,579</u>
Total revenue	351,611	340,496

5. Cost of sales

	2023	2022
Cost of sales include:		
Small holder/out-grower material purchase costs	87,509	52,681
Fertilizer costs	23,725	20,117
Depreciation (Note 15a)	10,411	6,706
Staff Costs (Note 7)	29,755	26,599
Harvesting costs	15,466	10,018
Power energy	1,729	1,072
Spares and inventory consumed	9,803	5,630
Factory servicing and overheads	5,546	3,214
Freight and transport	-	2,933



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

	2023	2022
Palm oil processing	3,849	879
Palm kernel and tolling costs	7,359	9,091
Plantation upkeep and overhead	<u>25,249</u>	<u>18,925</u>
	<u>220,401</u>	<u>157,865</u>

6. Administrative expenses

	2023	2022
Registrar and related expenses	262	105
Depreciation of property, plant and equipment (Note 15a)	183	139
Depreciation of right-of-use-assets (Note 15b)	48	241
Amortization (Note 16)	72	6
Staff costs (Note 7)	12,783	8,415
Listing fees	30	30
Directors' remuneration	410	1,516
*Auditor's remuneration	503	397
Service fees	1,881	2,617
Insurance cost	461	416
Bank charges	147	224
Professional expenses	1,447	950
Community development expenses	2,201	1,662
Donations	1,152	540
Food and entertainment	1,060	652
Medical expenses	2,011	1,427
Repairs and maintenance	1,357	364
Security	308	264
IT and communication	1,913	229
Transport expenses	2,587	1,391
Stationery, Utilities, training and sundries	<u>1,027</u>	<u>1,760</u>
	<u>31,843</u>	<u>23,345</u>

*The Auditor's remuneration includes levies.

The average number of persons employed by the company during the year was 481 (2022: 507). The Company contributes to a three-tier defined contribution plan. The employee pays 5.5% and the company pays 13% making a total of 18.5%. The company transfers 13.5% to the first tier, 5% to a privately managed and mandatory second tier for lump sum benefit. The third tier is a provident fund scheme to which the company contributes between 7.5% - 15% of staff basic salary with the employee contributing between 5% - 8%.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

7. Staff costs

	2023	2022
Salaries, wages, bonuses and other allowances	33,153	27,049
Service and interest cost - defined benefit (Note 31e)	5,619	5,005
Contribution to pension schemes	<u>3,766</u>	<u>2,960</u>
	<u>42,538</u>	<u>35,014</u>

7b. Analysis of staff costs

	2023	2022
Cost of sales	29,755	26,599
Administration expenses	<u>12,783</u>	<u>8,415</u>
	<u>42,538</u>	<u>35,014</u>

8. Other Income

	2023	2022
Gain/(loss) on disposal of property, plant and equipment	248	(250)
Sludge oil sales	3,693	1,092
Sundry income	1,507	938
Foreign exchange gains realised	<u>4,517</u>	<u>11,674</u>
	<u>9,965</u>	<u>13,454</u>

Sundry income represents sale of scraps, sales of hire of pruning equipment.

9. Finance Income

	2023	2022
Interest income on current account	1,254	209
Interest income on intercompany receivables	<u>12,248</u>	<u>10,782</u>
	<u>13,502</u>	<u>10,991</u>

10. Income tax expense

	2023	2022
Current income tax charge	17,443	24,947
Adjustments for current tax of prior periods	771	-
Growth and sustainability levy	2,321	-
Deferred income tax charge relating to origination and reversal of temporal differences (Note 11)	<u>472</u>	<u>(331)</u>
	<u>21,007</u>	<u>24,616</u>

The tax on the company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2023	2022
Profit before income tax	123,820	185,868
Tax calculated at the statutory income tax of 12.5%	15,478	23,234



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

	2023	2022
Tax effects of:		
Adjustment in respect of prior years	771	-
Income subject to final tax - 2.5%	2,321	-
Interest income subject to final tax - 25%	3,753	2,982
Expenses items not deductible items for tax purposes	(1,316)	(1,600)
Income tax expense	21,007	24,616

The current income tax charge is in respect of provision for the year's corporate tax and returns from monies held in fixed deposits. The Company is taxed at 12.5%, being an agro processing business operating outside a regional capital. The effective tax rate is 17% (2022:13%).

10a. Current Income tax expense

	At start of year	Charge for the year	Payments	At end of year
Year ended 31 December 2023				
2023	229	20,535	(21,417)	(653)
	229	20,535	(21,417)	(653)
Year ended 31 December 2022				
2022	8,475	24,947	(33,193)	229
	8,475	24,947	(33,193)	229

11. Deferred income tax

Deferred income tax assets and liabilities and deferred income tax charge in the income statement, are attributable to the following items:

	Balance at start of year	Charge to profit or loss	Charged to OCI	Balance at end of year
Year ended 31 December 2023				
Accelerated capital deductions - qualifying assets	2,885	982	-	3,867
Revaluation of Biological Assets to fair value	1,190	172	-	1,362
Employee benefits and bonuses	(1,372)	(682)		(2,054)
Remeasurement of employee benefit	-	-	(105)	(105)
	2,703	472	(105)	3,070
Year ended 31 December 2022				
Accelerated capital deductions - qualifying assets	2,843	42	-	2,885
Revaluation of Biological Assets to fair value	988	202	-	1,190
Employee benefits and bonuses	(797)	(575)	-	(1,372)
	3,034	(331)	-	2,703



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

12. Dividend payable

	2023	2022
At 1 January	10,533	1,233
Dividend declared in 2022 for 2021 financial year (DPS: GH¢ 1.0623)	-	36,969
Interim dividend declared in 2022 for 2022 financial year (DPS: GH¢1.1308)	-	39,352
Final dividend declared in 2023 for 2022 financial year (DPS: GH¢ 0.9434)	32,830	-
Interim dividend declared in 2023 for 2023 financial year (DPS: GH¢1.3247)	46,100	-
Payment during the year	(78,496)	(67,021)
At 31 December	<u>10,967</u>	<u>10,533</u>

Payment of dividend is subject to the deduction of withholding taxes at the rate of 8%. At the next Annual General Meeting, the directors will propose a final dividend for the year ended 31 December 2023 of GH¢1.0073 per share (2022: GH¢0.9434) amounting to GH¢35,054,000 (2022: GH¢32,830,000).

13. Stated capital

	2023		2022	
	No. of ordinary shares of no par value	Proceeds	No. of ordinary shares of no par value	Proceeds
		GH¢		GH¢
Authorized shares issued	<u>50,000,000</u>		<u>50,000,000</u>	
For cash consideration	322,000	3	322,000	3
Transfer from income surplus account in accordance with Section 70 and 71 of the Companies Act, 2019 (Act 992) by a special resolution.	34,478,000	1,997	34,478,000	1,997
Issued ordinary shares at 31 December	<u>34,800,000</u>	<u>2,000</u>	<u>34,800,000</u>	<u>2,000</u>

There is no unpaid liability on any shares and there are no calls or instalments unpaid. There are no treasury shares. There was no movement in stated capital during the year.

14. Actuarial gains/losses

This relates to gains /(losses) arising from remeasurement of employee's defined benefits scheme of (GH¢838,000) (2022: GH¢58,858 gain).



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

15a. Property, plant and equipment and right of use assets

	Mature Oil Palm Trees	Immature Oil Palm Trees	Capital work-in-progress	Right-of-use Leasehold Land	Roads and Bridges	Buildings and Housing	Motor Vehicles Plant and Machinery	Computers, Furniture and Fittings and Equipment	Total
Cost									
As at 1 January 2023	26,219	2,890	22,402	11,573	1,213	16,074	47,310	3,114	130,795
Additions	-	2,493	52,084	-	-	-	-	-	54,577
Disposals	-	(2,546)	-	-	-	-	(4,334)	(161)	(7,041)
Transfers/reclassifications	-	-	(47,155)	-	-	1,622	44,940	593	-
As at 31 December 2023	26,219	2,837	27,331	11,573	1,213	17,696	87,916	3,546	178,331
Depreciation									
As at 1 January 2023	9,554			502	195	3,229	20,394	1,475	35,349
Charge for the year	1,188			240	265	443	7,708	798	10,642
Disposals	-	-	-	-	-	-	(4,332)	(161)	(4,493)
As at 31 December 2023	10,742	-	-	742	460	3,672	23,770	2,112	41,498
Net book value as at 31 December 2023	15,477	2,837	27,331	10,831	753	14,024	64,146	1,434	136,833
Cost									
As at 1 January 2022	26,219	2,886	4,021	11,573	1,213	8,613	37,490	3,011	95,026
Additions	-	1,137	38,389	-	-	-	-	185	39,711
Disposals		(1,133)	-	-	-	(83)	(2,111)	(401)	(3,728)
Transfers/reclassifications	-	-	(20,008)	-	-	7,544	11,931	319	(214)*
As at 31 December 2022	26,219	2,890	22,402	11,573	1,213	16,074	47,310	3,114	130,795
Depreciation									
As at 1 January 2022	8,362	-	-	261	18	2,993	17,816	1,159	30,609
Charge for the year	1,192	-	-	241	177	286	4,473	717	7,086
Disposals	-	-	-	-	-	(50)	(1,895)	(401)	(2,346)
As at 31 December 2022	9,554	-	-	502	195	3,229	20,394	1,475	35,349
Net book value as at 31 December 2022	16,665	2,890	22,402	11,071	1,018	12,845	26,916	1,639	95,446

Capitalised item in Work in Progress was expensed after the transfers of assets from the WIP

The Right of Use (RoU) assets have been separately presented with comparative information in Note 15b.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

15a. Property, plant and equipment and right of use assets (continued)

There are no restrictions on any title, or property, plant and equipment pledged as security for liability. There were no borrowing costs during the year (2022: Nil). There are no commitments for the acquisition of Property, Plant and Equipment during the year (2022: Nil).

	2023	2022
(Gain)/Loss on disposal of property, plant and equipment		
Gross book value	7,719	3,728
Accumulated depreciation	<u>(5,171)</u>	<u>(2,346)</u>
	-	
Net book amount	2,548	1,382
Sales proceeds	<u>(2,794)</u>	<u>(1,132)</u>
(Gain)/loss on disposal of plant and equipment	(246)	250

Depreciation charged for the year is split into cost of sales and administrative expenses as follows.

	2023	2022
Cost of sales	10,411	6,706
Administrative expenses	231	380
Total depreciation charged	10,642	7,086

15b. Right of use assets - Leasehold land (Note 15a)

	2023	2022
Cost		
At 1 January	11,573	11,573
Additions	<u>-</u>	<u>-</u>
At 31 December	11,573	11,573
Depreciation		
At 1 January	502	261
Charge for the year	<u>240</u>	<u>241</u>
At 31 December	742	502
Carrying as at 31 December	10,831	11,071



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

16 Intangible assets

	2023	2022
Cost		
At 1 January	214	-
Transfer from capital work in progress	-	214
At 31 December	<u>214</u>	<u>214</u>
Amortization		
At 1 January	6	-
Charge for the year	72	6
At 31 December	78	6
Carrying amount		
At 31 December	<u>136</u>	<u>208</u>

The intangible assets are software purchased for the new weighbridge constructed.

17. Inventories

	2023	2022
Palm oil	298	375
Palm kernel	40	690
Palm kernel cake	42	-
Palm kernel oil	946	150
Non-trade stock	<u>26,551</u>	<u>29,420</u>
	<u>27,877</u>	<u>30,635</u>

Non- trade stock items relate to engineering spares, fertilizers and agro-chemicals, and other stock items used on the plantation.

No reversal of any written down inventory was made in the year. There were also no inventories pledged as security for liabilities as at 31 December 2023 (2022: Nil).

18. Long term receivables

	2023	2022
Balance at start	22,107	11,696
Additions	17,149	10,697
Repayments	<u>(2,297)</u>	<u>(286)</u>
Balance at close	<u>36,959</u>	<u>22,107</u>

The significant increase in long term accounts receivable is attributable to additional costs incurred on the development of external plantations during the year.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

19. Lease liability

	2023		2022	
	Non-current	Current	Non-current	Current
Opening liability	2,051	380	2,238	133
Additions	-	-	-	-
Transfers	(1,053)	1,053	(396)	396
Payment for the year	-	(320)	-	(320)
Interest accrued	<u>210</u>	<u>174</u>	<u>209</u>	<u>171</u>
Closing Liability	<u>1,208</u>	<u>1,287</u>	<u>2,051</u>	<u>380</u>

The lease liability is as a result of a right of use of land for a period of 50 years for its oil palm plantation. The weighted average remaining lease in 2023 is 45 years (2022: 46) with a cost of capital of 18.5% (2022: 18.5%).

20. Other financial assets at amortized costs

	2023	2022
Amount due from officers	1,694	302
Amounts due from smallholder farmers	-	179
Other receivables	<u>9,696</u>	<u>18,947</u>
	<u>11,390</u>	<u>19,428</u>

Majority of the amounts due as of the financial statements report date in April 2024 have been recovered. As a result of this, No expected credit loss was computed.

Other receivables relate to receivables from non-trade debtors.

21. Trade and other accounts payable

	2023	2022
Trade accounts payable	3,558	312
VAT payable	1,649	2,994
Audit fees payable	150	113
Accrued salaries and bonuses	6,126	5,682
Sundry payables and accrued liabilities	<u>16,025</u>	<u>14,838</u>
	<u>27,508</u>	<u>23,939</u>

Sundry payables relate to amounts due no- trade creditors. Accrued liabilities relates to accrued utility bills, freight charges and, withholding taxes payable.

Accounts payable are non-interest bearing.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

22. Cash generated from operations

	2023	2022
Reconciliation of profit before income tax to cash generated from operations		
Profit before income tax	123,820	184,970
Adjustments for:		
Depreciation of property, plant and equipment (Note 15a)	10,401	6,845
Depreciation - Right-of-use-assets (note 15b)	240	241
Amortisation - intangible asset (Note 16)	72	6
Changes in fair value of biological asset (Note 25)	(1,370)	(1,619)
Exchange gain on cash and cash equivalent	(5,118)	(5,871)
Accrued interest on lease liability	384	380
Employee benefits obligations (Note 7 & 31)	5,619	5,005
(Gain)/loss on disposal of property, plant and equipment (Note 15)	(246)	250
Interest income (Note 9)	(13,502)	(10,991)
Changes in working capital		
Changes in inventories	2,758	(17,387)
Changes in other financial assets at amortized cost	8,035	(9,787)
Changes in accounts payable	3,569	6,784
Changes in amount due from related parties	40,758	(16,423)
Changes in amount due to related parties	12,805	6,275
Cash generated from operations	<u>188,225</u>	<u>148,678</u>

23. Cash and cash equivalents

	2023	2022
Cash in hand	2	17
Cash at bank	85,540	47,722
	<u>85,542</u>	<u>47,739</u>



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

24. Related party transactions

Wilmar Africa Limited, incorporated in Ghana owns 76.63% of the Company's issued ordinary shares. The ultimate parent company is Wilmar International, incorporated in Singapore. There are other companies that are related to the Company through common control. There is a cash pooling agreement between the Company and Wilmar Africa Limited where sales made to Wilmar are paid within thirty days, after which interest is accrued. Sales to Wilmar Africa Limited during the year was based on world market prices. All other transactions were made on normal commercial terms and conditions.

Sales and purchases of goods and services	2023	2022
Sales of goods to related parties (Note 4)	334,763	324,917
Sales of goods to related parties Palm kernel shell Wilmar Africa Ltd	641	140
Sales of goods to related parties Palm kernel shell Ghana Specialty	363	258
Purchases of management goods from Wilmar Africa Limited	3,716	957
Purchases of management services from Wilmar Global Services	911	565
Purchases of goods from Minsec	18,952	14,960
Purchase of goods from African Consumer Product (Ghana) Limited	1,801	857
Purchase of services from Wilmar Ghana Properties Ltd	1,052	-
Purchases of services from Wilmar International Limited	1,587	1,279
Reimbursements from Wilmar Africa Ltd	345	2,852
Reimbursements from Biase Plantation Ltd	8	1,143
Reimbursements to Wilmar Africa Ltd	-	2,397
Purchases of services from Alam Palm Plantation	970	509
Wilmar Plantations Sdn Bhd Engineering spares	89	-
Reimbursements to Wilmar Plantations Sdn Bhd	310	-
Purchase of goods from PGEO Edible Oils Sdn Bhd	2,452	2,437
Purchase of goods from PT Wilmar Consultancy SDN BHD Engineering spares	48	-
Reimbursements to PT Wilmar Consultancy SDN BHD	3	-
Purchases of goods and services from PPB Oil Palm Berhad	-	2,464
Reimbursements from Wilmar Trading Pte LTD	1,249	-
Reimbursements to PPB Oil Palm Berhad	-	85
Interest income from Wilmar Africa Limited	12,248	10,782

The following transactions were carried out with related parties:

Purchases of services from entities controlled by key management personnel

The company acquired the following goods and services from entities that are controlled by



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

members of the company's key management personnel:

Outstanding balances arising from sale/purchase of goods/services:

Amounts due from related parties	2023	2022
Wilmar Africa Limited	55,866	96,519
Ghana Specialty	361	18
Minsec Engineering Services Sdn Bhd	1,740	-
Wilmar Trading Asia Pte Ltd	123	-
Biase Plantation Ltd	8	-
African Consumer Product (Ghana) Limited	792	3,105
	58,890	99,642

All local accounts receivable and payable are due in 45 days after sales. Interest at the Bank of Ghana rate is charged on all aging accounts receivable. As at the financial statements report date in April 2024, majority of the outstanding amounts have been received hence no expected credit loss is computed on the outstanding amount.

As at 31 December 2023, there were no impairment provision related to these outstanding amounts (2022: Nil),

Amounts due to related parties	2023	2022
Wilmar Africa Limited	2,927	2,610
Wilmar PGEO Edible Oil SDN BHD	2,087	-
Alan Palm Plantation	889	113
PPB Oil Palms Berhad	-	-
African Consumer Product (Ghana) Limited	301	315
Wilmar Global Business Services	927	219
Minsec Engineering Services	10,153	4,188
Wilmar Plantations Sdn Bhd	400	-
PT Wilmar Consultancy Services	3	-
Wilmar Ghana Properties Ltd	1,135	-
Wilmar International Limited	2,621	1,193
	21,443	8,638
Key management personnel compensation		
Short term employee benefits	≡	1,516
Of which:		
Executive Directors	-	1,267
Non-executive Directors	410	249
	410	1,516

Key management personnel include one (1) executive director and five (5) non-executive directors. As at close of 31 December 2023, the company has one Executive director (2022: three (3) and nine (9) non-executive directors. There were no short-term employee benefits including pension contribution for the Executive Director(s) (2022: GH¢140,000).



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

25. Biological Assets

(a) Fair value hierarchy

This note explains the judgements and estimates made in determining the fair values of the biological assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its biological assets into the three levels below. An explanation of each level is provided below.

			2023	2022
At 1 January			9,525	7,906
Change in fair value due to biological transformation			(16)	(28)
Changes in fair value due to price changes			1,386	1,647
At 31 December			<u>10,895</u>	<u>9,525</u>
The following table presents the Company's biological assets that are measured at fair value at 31 December 2023 and 31 December 2022.				
	Level 1	Level 2	Level 3	Total
Oil Palm FFB on trees				
At 31 December 2023	-	-	10,895	10,895
At 31 December 2022	-	-	9,525	9,525

The Company's biological assets are measured at fair value and are all classified under level 3 of the fair value hierarchy (valuation not based on observable market data). There are no items in level 1 (valuation based on quoted prices) or level 2 (valuation based on observable market data) and there were no transfers between levels.

(b) Analysis of oil palm production

The Company harvested 88,754 tonnes (2022: 75,673 tonnes) of fresh fruit bunches (FFB) and sold 28,064 metric tonnes of palm oil (2022: 25,405 metric tonnes) during the year.

(c) Valuation of inputs and relationships to fair value

The fair value of biological assets has been determined based on valuations by the directors using discounted cash flows of the underlying biological assets.

The fair value of the biological assets at year-end was GH¢ 10,895,000 (2022: GH¢9,525,000).

The following table summarizes the quantitative information about the key unobservable inputs used in the fair value measurements of the palm fruit bunches on the trees:



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Unobservable inputs	Range of inputs (Probability - Weighted average)		Relationship of unobservable inputs to fair value
	2023	2022	
Palm oil fruit yield - Tonnes per hectare	<u>Range -12.45-20.10</u> The average yield per hectare used for the valuation was 17.89 tonnes per hectare.	<u>Range -12.45-20.10</u> The average yield per hectare used for the valuation was 16.66 tonnes per hectare.	The higher the palm oil yield, the higher the fair value.
Fresh fruit bunches (FFB) Price	<u>Range - GH¢1582 - GH¢1,703</u> The average price of FFB used for the valuation was GH¢1,741 per tonne.	<u>Range - GH¢846.21 - GH¢1,200</u> The average price of FFB used for the valuation was GH¢1,158 per tonne.	The higher the market price, the higher the fair value.
Discount rate	<u>Range - 32.49% - 40.14%</u> The discount rate used for the valuation was 36.49%.	<u>Range - 27.84% - 42.92%</u> The discount rate used for the valuation was 39.00%.	The higher the discount rate, the lower the fair value.

The main level 3 inputs used by the company are derived and evaluated as follows:

Palm plantation covers a total of 4,738 hectares with an average of 131 palm trees per hectare.

- * Palm oil yield is determined based on the age of the plantation, historical yields, climate-induced variations such as severe weather events, plant losses and new areas coming into production.
- * Crude palm oil prices and palm kernel oil prices are quoted prices from the world market.
- * Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(d) Financial risk management strategies for biological assets:

The company is exposed to risks arising from environmental and climatic changes, commodity prices and financing risks. The company has in place relevant agricultural practices to mitigate against diseases. The company has environmental policies and procedures in place to comply with environmental and other laws.

The company is exposed to risks arising from fluctuations in the price and volume of palm oil. The company has contracts in place for supply of palm oil to its main customer. The company actively manages the working capital requirements to meet the cash flow requirements.

There are no restrictions on any title, or biological assets pledged as security for liability. Details of commitments for the development and acquisition of biological assets have been disclosed in Note 29.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

26. Financial instruments and treasury risk management

Financial risk management

The Company's activities expose it to financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rates risk, credit risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, Foreign exchange risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include cash and bank balances.

Foreign exchange risk

Foreign exchange risk may arise from future commercial transactions, recognised assets and liabilities. All sales are denominated in the Company's functional currency. As at 31 December 2023, if the Ghana Cedi had weakened/strengthened by 10% against the US dollar and all other variables held constant. The recalculated post tax profit for the year will have been GH¢3,113,000 (2022: GH¢3,353,000) lower/higher as a result of foreign exchange gains/losses on translation of US dollar-denominated cash and cash equivalents. The company has environmental policies and procedures in place to comply with environmental and other Laws.

Price risk

The Company is not exposed to equity securities price risk because it has no investments in equity securities. The Company is not exposed to commodity price risk. This is because the Company does not have commodity purchase contracts that meet the definition of a financial instrument under IFRS 9.

Interest rate risk

Interest rate risk arises from borrowings. The Company does not hold any loan subject to cash flow and fair value interest rate risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to credit risk are primarily bank balances and trade receivables. Trade accounts receivable are mainly derived from sales to customers.

(i) Risk management

Credit risk is managed by the finance manager. For banks and financial institutions, the company does business with only reputable parties registered with bank of Ghana.

Risk control assesses the credit quality of the customer, taking into consideration its financial position and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by the board. The compliance with credit limits is regularly monitored by line management. The Company has significant concentrations of credit risk with its main customer, however, there has been defaults in the past and no future credit losses are expected.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

The company has three types of financial asset that are subject to the expected credit loss model trade receivables for sales of inventory, and other financial assets at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, there was no identified impairment loss.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade accounts receivable.

The expected loss rates are based on the payment profiles of sales over a period of 24 month before 31 December 2023 or 1 January 2024 and the corresponding historical credit losses experienced within this period.

Due to the nature of the commodities sold by the Company and its trading partners, macroeconomic indicators are not expected to significantly affect the ability of the customers to settle the receivables. The company sells 90% of its products to its major customer, Wilmar Africa Ltd on credit and within 45 days repayment period. The aging profile of this customer indicates that there are no impaired receivables over a period of 90 days and all receivables paid as at the time of signing the financials. All other trade customers have paid for their outstanding and shows a zero balance as at 31st December 2023. (2022: Nil).

The table below shows the company's maximum exposure to credit risk by class of financial instrument:

	2023	2022
Cash and cash equivalents (Note 23)	85,542	47,739
Amount due from related parties (Note 24)	58,890	99,642
Other financial assets at amortized cost (Note 20)	11,390	19,428
	<u>155,822</u>	<u>166,809</u>

Other financial liabilities at amortized cost

Other financial assets and liabilities at amortised cost include amounts due from officers, amounts due from smallholder farmers, other accounts receivable and receivables from related parties, trade and other accounts payable.

The carrying amounts of these assets and liabilities are a reasonable approximation of their fair value, because of their short-term nature. The carrying amount of all financial assets and liabilities equals their fair value amount, as the impact of discounting is not significant.

	2023	2022
Financial liabilities		
Trade and other payables (excluding VAT) (Note 21)	27,508	20,945
Amounts due to related parties (Note 24)	21,443	8,638
Lease liability (current and non-current) (Note 19)	2,494	2,431
	<u>51,445</u>	<u>32,014</u>



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash reserves and calling on short-term borrowing and funding from related parties. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow.

The table below analyses the Company's financial liabilities that will be settled on a net basis based on the remaining period at the reporting date to the contractual maturity. The amounts disclosed in the table below are the contractual undiscounted cash flows, all amounts will be settled by the end of the year.

	Carrying amount	6 months or less	6 to 12 months	After 12 months	Total contractual cash flows
Year ended 31 December 2023					
Accounts payable (excluding VAT)	27,508	27,508	-	-	27,508
Amount due to related parties	21,443	21,443	-	-	21,443
Lease liability	<u>2,494</u>	<u>-</u>	<u>320</u>	<u>14,420</u>	<u>14,720</u>
	<u>51,445</u>	<u>48,951</u>	<u>320</u>	<u>14,420</u>	<u>63,671</u>
Year ended 31 December 2022					
Accounts payable (excluding VAT)	20,945	20,945	-	-	20,945
Amount due to related parties	8,638	8,638	-	-	8,638
Lease liability	<u>2,431</u>	<u>-</u>	<u>320</u>	<u>14,720</u>	<u>15,040</u>
	<u>32,014</u>	<u>29,583</u>	<u>320</u>	<u>14,720</u>	<u>44,623</u>

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce cost of capital. In order to maintain or adjust the capital structure, the Company may limit the amount of dividend paid to shareholders, issue new shares, or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as the net debt divided by the total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position plus net debt.

At year end the Company had no borrowings. (2022: Nil).



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Dividends

	2023	2022
Final dividend for the year ended 31 December 2022 of GH¢0.9434 (2021: GH¢1.0623) per fully paid share paid out of retained earnings	32,830	36,969
During 2023, an interim dividend of GH¢1.3247 (2022: 1.1308) per fully paid share paid out of retained earnings	46,098	39,352
In addition to the above dividend, since year end, the Directors have proposed the payment of a final dividend of GH¢1.0073 per fully paid ordinary share (2022: GH¢0.9435).	35,054	32,833

27. Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2023	2022
Profit for the year attributable to ordinary equity holders (GH¢000)	102,813	160,354
Weighted average number of ordinary shares ('000)	<u>34,800</u>	<u>34,800</u>
Basic earnings per share (Ghana pesewas)	<u>2.9544</u>	<u>4.6079</u>

There were no potentially dilutive shares outstanding at 31 December 2023 or at 31 December 2022. Diluted earnings per share are therefore the same as basic earnings per share.

28. Segment reporting

The directors consider that there is only one business segment and that all its trading is conducted in Ghana. The main product of the Company is crude palm oil. The company sold 98% of its goods to its related parties - Wilmar Africa Limited, the parent company and African Consumer Products Limited.

29. Commitment and contingent liabilities

The company entered into an agreement with the Chiefs and people of Trebuom and other communities within the catchment zone for the development of 1,000 hectares of land. The company will fund the development of the plantation and the costs will be recovered from the fruits to be supplied from the plantation once developed. A total of 825 hectares have been developed with 633ha in the mature phase. The agreement is for a period of 25 years within which proceeds from the sale of the fruits to the company would be used to off-set the development costs incurred. The costs incurred at year end was GH¢36,958,936 (2022: GH¢22,106,908).

30. Provisions

As at 31 December 2023, there was no pending legal suit for which a provision has to be made.



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31. Employee benefit obligation

The company operates an unfunded annualised employee benefit plan for its employees based on the length of service and at the time of retirement. With the exception of inflationary risk, the company's legal or constructive obligation is limited to the amount due when the employee is on retirement or at the next level of long service award. Under the annualised defined benefit plan, the obligation for each year is determined using the projected unit credit method. The most recent valuation was performed at year end by management with assistance from Global Actuarial Partners and the expense recognised in the current period in relation to these obligations was GH¢6.457 million (2022: GH¢5.005 million).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(a) Present value of retirement obligation	2023	2022
Obligation as start of year	3,794	3,512
Interest cost charge to profit and loss	1,369	1,035
Service cost charge to profit and loss	173	131
Benefits paid	(976)	(825)
Actuarial Loss/(gain)	<u>838</u>	<u>(59)</u>
Obligation at close of year	<u>5,198</u>	<u>3,794</u>

The weighted average duration of the defined benefit obligation is 14.80 years (2022: 14.89 years). There were no remeasurement gains or losses as there were no plan assets during the year. (2022: Nil). There was also no change in demographic assumptions during the year. (2022: Nil).

(b) Present value of long service, death & disability awards	2023	2022
Obligation as start of year	3,732	342
Interest cost charged to profit and loss	1,771	1,002
Service cost charged to profit and loss	402	184
Benefits paid	(1,198)	(449)
Remeasurement losses/(gains)	<u>1,904</u>	<u>2,653</u>
Obligation at close of year	<u>6,611</u>	<u>3,732</u>

(b) Significant estimates with actuarial assumptions and sensitivity	2023	2022
Discount rate	22.1%	39.00%
Inflationary adjustment	15%	22.00%

(c) Sensitivity analysis

Below is the sensitivity analysis of the significant actuarial assumptions adopted in determining the employee benefit obligations at year end 31 December 2023



NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

		Defined benefit obligation	Long service, death & disability	Defined benefit obligation	Long service awards
		2023	2022	2023	2022
Discount rate	+2% (2023: +5%)	4,723	6,163	3,331	3,345
	- 2% (2022: -5%)	5,784	7,311	4,613	4,370
	+ 2% (2023: +10%)	5,711	6,969	4,222	4,145
Inflation	-2% (2022: -10%)	4,761	6,450	3,454	3,391

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the employee benefit obligations to significant actuarial assumptions the same method (present value of the respective obligation at the end of the reporting period) has been applied as when calculating the employee benefit liability recognised in the statement of financial position.

Classification	2023	2022
The charge to statement of profit and loss and other comprehensive income has been split as follows:		
Interest cost charged to profit and loss	3,140	2,037
Service cost charged to profit and loss	575	315
Remeasurement loss charged to profit or loss	1,904	2,653
	5,619	5,005
Operating expenses	2,461	1,282
Cost of sales	3,158	3,723
Other Comprehensive loss	838	59
	6,457	5,064
The obligation in the statement of financial position has been classified as follows:		
Current	728	1,099
Non-current	11,081	6,427
	11,809	7,526

(f) Risk exposure

The most significant risk faced by the company is inflationary risk. A significant proportion of the company's employee benefit obligations are linked to salary inflation and higher inflation will lead to higher liabilities.

32. Events after the reporting date

There were no events after the reporting period, which could have had a material effect on the state of affairs of the Company as at 31 December 2023 and on the results for the year then ended which have not been adequately provided for and/or disclosed.



SHAREHOLDERS' INFORMATION

Shareholding distribution as at 31 December 2023

Holding	No. of shareholders	No. of shares	Holders %
1-1,000	7,959	2,102,799	6.04
1,001-5,000	395	731,565	2.10
5,001-10,000	51	371,408	1.07
Over 10,000	55	31,594,228	90.79
	8,460	34,800,000	100.00

Directors' shareholding

The Director named below held the following number of shares in the Company as at 31 December 2023:

	Number of shares
Ms Esine Okudzeto	240

20 Largest shareholders as at 31 December 2023

	Shareholders	Number of shares	% Holding
1	WILMAR AFRICA LIMITED,	26,665,507	76.63
2	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	1,500,000	4.31
3	SCGN / ENTERPRISE LIFE ASS. CO. POLICY HOLDERS	888,110	2.55
4	ADUM BANSO STOOL	279,831	0.80
5	AFEDO, MOSES KWASI	241,000	0.69
6	STD NOMS TVL PTY/METLIFE GOLD PLAN FUND MICAC	183,200	0.53
7	NTHC LTD ITF- GOVERNMENT OF GHANA	149,254	0.43
8	BREMPOG KWANDOH NANA	139,915	0.40
9	OTENG-GYASI, ANTHONY	139,120	0.40
10	SCGN/DATABANK BALANCED FUND LIMITED	123,400	0.35
11	SCGN/GHANA MEDICAL ASSOCIATION FUND	120,745	0.35
12	MIHL/GOLD FUND UNIT TRUST	109,353	0.31
13	HFCN/ GLICO PENSIONS RE: CORNERSTONE CAPITAL ADVIS	102,958	0.30
14	GLICO GENERAL INSURANCE CO. LTD	101,400	0.29
15	STATE INSURANCE COMPANY PROVIDENT FUND ACCOUNT	86,096	0.25
16	STAR ASSURANCE COMPANY	70,180	0.20
17	ANIM-ADDO, KOJO	60,622	0.17
18	REPUBLIC EQUITY TRUST	37,879	0.11
19	MANI, MATTHEW	30,493	0.09
20	UBGC/NEWMONT GHANA EMPLOYEES PROVIDENT FUND SCHEME	28,000	0.08
	TOTAL	31,057,063	89.24
	OTHERS	3,742,937	10.76
	GRAND TOTAL	34,800,000	100.00



Five-year financial summary

(All amounts are in thousands of Ghana Cedis)

	2023	2022	2021	2020	2019
Results					
Revenue	<u>351,611</u>	<u>340,496</u>	<u>214,174</u>	<u>123,817</u>	<u>95,620</u>
Profit before income tax	123,820	184,970	104,778	29,389	13,075
Income tax expense	(21,007)	(24,616)	(12,355)	(4,692)	(3,422)
Other comprehensive (Loss)/income net of tax	(733)	59	(9)	-	-
Profit for the year	<u>102,080</u>	<u>160,413</u>	<u>92,414</u>	<u>24,697</u>	<u>9,653</u>
Financial position					
Intangible Assets	136	208	-	-	-
Property, plant and equipment and ROU asset	136,833	95,446	64,417	57,909	49,471
Biological assets	10,895	9,525	7,906	5,221	5,137
Long term accounts receivable	36,959	22,107	11,696	6,554	959
Cash and cash equivalents	85,542	47,739	32,996	22,832	10,618
Other current assets	<u>98,810</u>	<u>149,704</u>	<u>106,108</u>	<u>26,599</u>	<u>26,715</u>
Total assets	<u>369,175</u>	<u>324,730</u>	<u>223,123</u>	<u>119,115</u>	<u>92,900</u>
Total liabilities	77,292	55,999	38,484	19,481	16,049
Stated capital	2,000	2,000	2,000	2,000	2,000
Capital surplus account	-	-	-	-	7,629
Retained earnings	<u>289,883</u>	<u>266,731</u>	<u>182,639</u>	<u>97,634</u>	<u>67,222</u>
Total equity and liabilities	<u>369,175</u>	<u>324,730</u>	<u>223,123</u>	<u>119,115</u>	<u>92,900</u>

PROXY FORM

ANNUAL GENERAL MEETING TO BE HELD at Raybow Hotel, Beach Road, Takoradi on Friday, 24 May 2024 at 11.00 a.m

		Serial No.	
For Company's Use		No. of Shares	
RESOLUTION		FOR	AGAINST
I/We..... (Insert full name)	To approval a dividend		
of	To approve the re-election of Ms. Esine Okudzeto		
(Insert full address)	To approve the re-election of Dr. Alfred Braimah		
.....	To approve the remuneration of the directors		
(Insert full name)	To authorise the Board to fix the fees of the Auditor		
or failing him the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf as the Annual General Meeting of that Company to be held on Friday 24 May 2024 and at any and every adjourment thereof.	<i>Please indicate with "X" in the appropriate square how you wish your votes to be cast on the resolution referred to above. Unless otherwise instructed the proxy will vote or abstain from voting at his discretion.</i>		

Dated this day of May, 2024

Shareholder's signature:.....(Before posting the above form, please tear off this part and retain it)



THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTRARS IF THE MEMBER WILL BE ATTENDING THE MEETING

NOTES:

- (1) In the case of joint holders, each should sign.
- (2) If executed by a Corporation, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director.
- (3) A copy of the proxy form can be downloaded from <https://www.boppltd.com> and may be completed and sent via email to: info@nthc.com.gh or deposited at the registered office of the Registrar of the Company, NTHC Limited, Martco House, D542/4, Okai-Mensah Link, Adabraka, P. O. Box Kia 9563, Airport - Accra to arrive not less than 48 hours before the meeting.

Second fold here

Please Fix
Stamp

Fourth fold here

**The Registrar
NTHC Limited
Martco Hose, D542/4,
Okai-Mensah Link
P.O. Box KIA 9563
Adabraka, Accra**

Third fold here

First fold here

BENSO OIL PALM PLANTATION PLC

Annual General Meeting



VOTING CARD

Venue: Raybow Hotel, Beach Road, Takoradi

Date: 24 May 2024

Time: 11am

SHAREHOLDERS UPDATE CARD

I hereby mandate NTHC registrars to forward my dividends and any correspondence to

Current Address:

Name of Bank:

Account Number:

Account Holder's Name:.....

Tel: Email: Date:

Signature: Signature:

(For joint shareholders only)

(Kindly complete and return this section to: NTHC REGISTRARS. 1st Floor, Martco House, Okai Mensah Link, Adabraka, P.O Box KIA 9563 Airport Accra

BENSO OIL PALM PLANTATION

Annual General Meeting



ADMISSION CARD

SIGNATURE _____

NAME OF PERSON ATTENDING _____

NAME OF SHAREHOLDER _____

Please note that only those who attend the meeting in person will be served refreshment. Proxy holders will not be allowed to collect refreshment packs for shareholders who do not attend the meeting.

