



UAC of Nigeria PLC
Consolidated and Separate Financial Statements for the year
ended 31 December 2025

UAC of Nigeria PLC
Consolidated and separate financial statements
for the year ended 31 December 2025

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Corporate Information

Board of Directors

Mr. Khalifa Adebayo Biobaku	Non-Executive Chairman
Mr. Folasope Babasola Aiyesimoju	Group Managing Director
Mrs. Babafunke Adesua Ijaiya-Oladipo	Group Finance Director
Mr. Adebolanle Oluwademilade Badejo	Group Investment Director
Mrs. Suzanne Olufunke Iroche	Independent Non-Executive Director
Mr. Karl Olutokun Toriola	Independent Non-Executive Director
Ms. Obi Noora James	Independent Non-Executive Director
Mrs. Amina Muhtar	Independent Non-Executive Director

Company Secretary/Group General Counsel

Ms. Ayomipo Wey
Email: info@uacnplc.com

Registered Office

UAC House,
1-5 Odunlami Street,
Marina, Lagos

Company Website

www.uacnplc.com

Bankers

Access Bank PLC
Coronation Merchant Bank Limited
First Bank of Nigeria Limited
FSDH Merchant Bank Limited
Guaranty Trust Bank Limited
Stanbic IBTC Bank Limited
Standard Chartered Bank Nigeria
Union Bank of Nigeria PLC
United Bank for Africa PLC
Zenith Bank PLC

Independent Auditor

KPMG Professional Services,
KPMG Tower,
Bishop Aboyade Cole Street,
Victoria Island, Lagos
Tel: +234 1 271 8955 (or 8599)

The Registrar

Africa Prudential PLC
220B Ikorodu Road,
Palmgrove,
Lagos
Phone: 0700 AFRIPUD or 0700 237 47783
Email: cxc@africaprudential.com

Tax Identification Number (TIN)

01767079-0001

Registered Company number

RC 341

UAC of Nigeria PLC

Investor Relations Statement

UAC of Nigeria PLC has a dedicated investors' portal on its corporate website which can be accessed via this link: <https://www.uacnplc.com> . The Company's Group Finance Director can also be reached through electronic mail at: investorrelations@uacnplc.com; or telephone on: +234 906 269 2908 for any investment related enquiry.

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Financial Highlights to the Audited Consolidated and Separate Financial Statements

	Group			Company		
	2025	2024	%	2025	2024	%
	N'000	N'000	change	N'000	N'000	change
Revenue	340,473,256	196,900,638	73	3,559,793	2,030,349	75
Operating profit	28,497,983	18,865,457	51	2,401,629	1,601,000	50
Net finance (cost)/ income	(15,496,131)	5,959,223	(360)	(11,226,599)	7,700,729	(246)
Profit/(loss) before minimum tax	16,425,008	25,547,275	(36)	(8,824,970)	9,301,729	(195)
Minimum tax	(810,641)	(400,427)	102	-	(76,347)	-
Income tax (expense)/credit	(5,705,903)	(8,836,220)	(35)	1,228,785	(2,645,363)	(146)
Profit/(loss) for the year	9,908,464	16,310,628	(39)	(7,596,185)	6,580,019	(215)
Total equity	69,770,570	66,410,002	5	29,535,041	43,154,419	(32)
Total equity and liabilities	597,058,097	157,725,799	279	163,416,428	61,390,674	166
Cash and cash equivalents	50,910,619	40,594,214	25	3,630,143	21,788,776	(83)
Earnings per share (kobo) - Basic	362	497	(27)	(260)	225	(215)
Dividend per share (kobo) - Actual	22	22	0	22	22	0
Dividend per share (kobo) - Proposed	100	22	355	100	22	355
NGX quotation as at December 31 (kobo)	9,100	3,150	189	9,100	3,150	189
Number of shares in issue ('000)	2,926,132	2,926,132	0	2,926,132	2,926,132	0
Market capitalisation as at December 31 (N'000)	266,277,981	92,173,147	189	266,277,981	92,173,147	189

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Directors' Report

The Directors have the pleasure of presenting the annual report for the year ended 31st December 2025, together with the audited consolidated and separate financial statements of UAC of Nigeria PLC and its subsidiaries (the "Group").

Profit for the year

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Profit/(loss) for the year	9,908,464	16,310,628	(7,596,185)	6,580,019

Dividend

The Directors are pleased to have recommended to shareholders the payment of an ordinary dividend of 1 Naira (2024: 22 Kobo) per ordinary share to members representing N2.9 bn in cash distribution.

Cash dividend (net of withholding tax) will be paid on 26 June 2026 to shareholders whose names appear in the Company's Register of Members as at the close of business on 11 June 2026. The resolution to this effect will be put to the meeting, for the approval of members.

Activities

UAC of Nigeria PLC is a holding company with Six (6) subsidiaries with interests organised around four (4) principal sectors as follows: Animal Feeds and other Edibles, Paints, Packaged Food and Beverages, and Quick Service Restaurants. The Company also has interests in a leading logistics company as well as a real estate development company.

Corporate Governance

This Corporate Governance Report (the "Report") provides details on the Company's governance structures, policies, and practices, along with an analysis of environmental and social risks and opportunities. The Company's corporate governance framework is aligned with its Memorandum and Articles of Association, as well as relevant statutory provisions, including amendments over time. These provisions include the Companies and Allied Matters Act No. 3 of 2020 ("CAMA"), the Investment and Securities Act No. 29 of 2007, the Securities and Exchange Commission's Corporate Governance Guidelines ("SCGG"), the Nigerian Code of Corporate Governance (2018) (the "Code"), the rules and regulations of the Securities and Exchange Commission and the Rule Book of the Nigerian Exchange Limited.

The Board of Directors

The Company's Articles of Association outline that the Board of Directors is responsible for overseeing and managing the Company's operations and exercising any rights not specifically reserved for the general meetings of the Company as required by law or the Articles of Association.

As of 31 December 2025, the Company's Board of Directors (the "Board") consisted of eight (8) members: five (5) Non-Executive Directors and three (3) Executive Directors.

During the period under review, the Board was chaired by a Non-Executive Chairman, separate from the Group Managing Director ("GMD"). The GMD leads the Company's management team in alignment with the Board's directives. The members of the Board and their classification during the period under review are as follows:

Mr. Khalifa Adebayo Biobaku	Non-Executive Chairman
Mr. Folasope Babasola Aiyesimoju	Group Managing Director
Mrs. Babafunke Adesua Ijaiya-Oladipo	Group Finance Director
Mr. Adebolanle Oluwademilade Badejo	Group Investment Director
Mrs. Suzanne Olufunke Iroche	Independent Non-Executive Director
Mr. Karl Olutokun Toriola	Independent Non-Executive Director
Ms. Obi Noora James	Independent Non-Executive Director (Appointed with effect 1st March 2025)
Mrs. Amina Muhtar	Independent Non-Executive Director (Appointed with effect 1st March 2025)
Mr. Daniel Owor Agbor	Non-Executive Chairman (Exited the Board with effect from 7 February 2025)
Mr. Bolaji Adekunle Odunsi	Independent Non-Executive Director (Exited the Board with effect from 31 March 2025)

Changes to the Board

In 2025, the following changes occurred to the membership of the Board:

- Mr. Khalifa Biobaku was appointed as Chairman of the Board, with effect from 5th of February 2025. Mr. Biobaku joined the Board on 29 March 2022 as a Non-Executive Director and was appointed Vice Chairman on June 21, 2023;
- Mr. Daniel Agbor exited the Board, with effect from 7th February 2025;
- Ms. Obi James was appointed to the Board as an Independent Non-Executive Director, with effect from 1st of March 2025;
- Mrs. Amina Muhtar was appointed to the Board as an Independent Non-Executive Director, with effect from 1st of March 2025;
- Mr. Bolaji Odunsi retired from the Board with effect from 31st of March 2025.

Following the above, the following persons are the current members of the Board:

Mr. Khalifa Adebayo Biobaku	Non-Executive Chairman
Mr. Folasope Babasola Aiyesimoju	Group Managing Director
Mrs. Babafunke Adesua Ijaiya-Oladipo	Group Finance Director
Mr. Adebolanle Oluwademilade Badejo	Group Investment Director
Mrs. Suzanne Olufunke Iroche	Independent Non-Executive Director
Mr. Karl Olutokun Toriola	Independent Non-Executive Director
Ms. Obi Noora James	Independent Non-Executive Director
Mrs. Amina Muhtar	Independent Non-Executive Director

Every Director has access to the advice, guidance and services of the Company Secretary. With the approval of the Chairman of the Board, Non-Executive Directors may elect to seek advice from third-party professionals in areas where such advice will enhance the quality of their contributions to Board deliberations.

The following are matters reserved for the Board:

- Considering and making decisions on Company policies and strategies formulated and presented to the Board by senior management, as well as oversight of the management and conduct of the business;
- Oversight over, and approval of, the Company's risk management framework;
- Succession planning and the appointment, training, remuneration and replacement of Board members and senior management;
- Oversight of the effectiveness and adequacy of internal control systems;
- Oversight of the maintenance of the Company's communication and information dissemination policies;
- Performance appraisals and compensation for Board members and senior executives;
- Ensuring effective communication with shareholders and the investing public;
- Ensuring the integrity of financial controls and reports;
- Ensuring ethical standards are maintained including approving and enforcing a code of ethics and business practices for the Company, employees and Directors;
- Ensuring compliance with the Company's Memorandum and Articles of Association, applicable laws, regulations, standards and the Nigerian Code of Corporate Governance 2018;
- Defining the scope of authority delegated to Board Committees and senior management, including relevant checks and balances; and
- Defining the scope of corporate social responsibility through the approval of relevant policies.

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Alternate Directorship

There was no alternate directorship during the year under review.

Directors' Remuneration

In accordance with Principle 16.8 of the Code, the Company is committed to transparency and accountability by disclosing the remuneration paid to its directors. The breakdown of the remuneration paid to each Director is as follows:

Package	Description	Period
Basic Salary	This is part of the gross salary package for Executive Directors	Paid monthly during the financial year
Director's fee	This is paid annually to Non-Executive Directors only	Paid in two tranches during the year
Sitting Allowance	This is paid to Non-Executive Directors only	Paid after attendance at each meeting
Travel Allowances	This is paid to Non-Executive Directors	Paid in the first month of the year

Gender diversity and proportion of women in UAC of Nigeria PLC

The Company remains committed to ensuring equal workplace opportunities regardless of gender, within the organisation. There is notable representation of women within middle and senior management, as well as at the board level across the Group.

Board appointment process

The process of appointing Directors involves an assessment to identify the necessity of appointing an additional Director, either to fill a vacancy or otherwise. The curriculum vitae of suitable candidates proposed by Board members, taking into consideration the required skills, competence and experience, are referred to the Governance and Remuneration Committee (the "GRC").

The GRC reviews the suitability of potential candidates in line with the Board's requirements and may seek input from stakeholders, including Directors, shareholders, advisers, consultants, and senior management. If the requirement is for an Executive Director, the GRC will rely on input from the GMD and the Chief Operating Officer ("COO"). Where the role to be filled is that of the GMD, the Board Chairperson shall be engaged.

Changes on the Board are timeously communicated to relevant regulatory authorities and the investing public. Any Director who is appointed by the Board is presented at the next Annual General Meeting of the members of the Company for election in line with statutory requirements. In line with section 285 of CAMA, one-third of the non-executive members of the Board retire by rotation at Annual General Meetings. These board members have the option to present themselves for re-election to the Board at Annual General Meetings.

Directors' induction and training

Newly appointed Non-Executive Directors receive detailed letters of appointment from the Company while Executive Directors enter into contracts of service that are negotiated and agreed upon. Letters of appointment set out the terms of reference of the Board and its Committees, the Board structure, the Board Plan for the current year, remuneration, demands on his/ her time, and disclosure requirements. Letters of appointment are accompanied by induction packs containing relevant Company documents and policies such as the Memorandum and Articles of Association of the Company; the Company's latest Annual Report and Accounts; SCGG; the NCCG; the Company's Code of Business Conduct; and major policies of the Company approved by the Board. Newly appointed Directors are provided with Board and Board Committee minutes to help them gain valuable insights and have a better understanding of the key deliberations of the Board in the preceding years. In addition, newly appointed Directors receive briefings on various aspects including UAC legacy, core values and business verticals. The orientation covers corporate governance framework; fiduciary duties of Directors; the Company's delegation of authority framework; the Company's investor relations; and performance and talent management at the Company. Additionally, they are also given an overview of the Company's budget to enhance their understanding of its financial landscape.

Furthermore, the Directors hold sessions with the Executive Management, who provide insight regarding the Company's operations. To further enhance their knowledge and skills, periodic training programs are organized for Board members from time to time. This continuous learning approach ensures that Directors stay informed and well-equipped to fulfil their roles effectively.

Board Evaluation

To assess the effectiveness of the Board, Board Committees and individual Directors, a comprehensive Board evaluation was conducted for the financial year ended December 31, 2025. As permitted by relevant laws, the evaluation for the 2025 financial year was conducted internally.

The findings of the evaluation exercise confirm that the Board continues to operate at a high level of effectiveness. There is strong confidence among Directors in the Board's ability to provide strategic direction, exercise effective oversight, and uphold high standards of governance.

Retirement by rotation and Re-Election of Directors

In accordance with Article 90 (3) of the Articles of Association of the Company and Section 285 of CAMA, the directors retiring by rotation are Mr. Khalifa Biobaku and Ms. Obi James, and being eligible, offer themselves for re-election. The biographical information of Mr. Khalifa Biobaku and Ms. Obi James is contained in the Annual Report and on the Company's website (www.uacnplc.com).

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Board meetings

The Board met nine (9) times during the 2025 financial year. The following table shows the attendance of Directors at the Board Meetings:

Attendance of Directors at 2025 Board Meetings

Directors	29/1/2025	5/2/2025	28/3/2025	29/4/2025	4/6/2025	28/7/2025	29/7/2025	29/10/2025	12/12/2025
Mr. Khalifa Biobaku	P	P	P	P	P	P	P	P	P
Mr. Folasope Aiyesimoju	P	P	P	P	P	P	P	P	P
Mrs. Funke Jaiya-Oladipo	P	P	P	P	P	P	P	P	P
Mr. Adebolanle Badejo	P	P	P	P	P	P	P	P	P
Mrs. Suzanne Iroche	P	P	P	P	P	P	P	P	P
Mr. Karl Toriola	AWA	P	P	AWA	P	P	AWA	AWA	AWA
Ms. Obi Noora James	NYA	NYA	P	P	P	P	P	P	P
Mrs. Amina Muhtar	NYA	NYA	P	P	P	P	P	P	P
Mr. Bolaji Odunsi	P	AWA	P	LTB	LTB	LTB	LTB	LTB	LTB
Mr. Dan Aqbor	P	P	LTB	LTB	LTB	LTB	LTB	LTB	LTB

Keys:

P – Present

AWA - Absent with apology

LTB – Left the Board

NYA – Not Yet a Member

Composition of Board Committees

In the 2025 financial year, the Board functioned through two (2) Board Committees, namely: Risk Management Committee and Governance and Remuneration Committee. Board Committees provide recommendations for approval by the full Board.

1. The Risk Management Committee

As of December 31, 2025, the Risk Management Committee comprised three (3) members, two (2) Non-Executive Directors and the GMD.

The Terms of Reference of the Risk Management Committee are as follows:

- a) Making recommendations to the Statutory Audit Committee of the Company regarding appointment of Independent Auditor;
- b) Assessing the independence of the Company's designated Independent Auditors before they are appointed, and from time to time thereafter, bearing in mind that:
 - an Independent Auditor cannot function in the role of management;
 - an Independent Auditor cannot audit its own work; and
 - an Independent Auditor cannot serve in an advocacy role for its client.
- c) Understanding the principal risks to achieving the Company's objectives;
- d) Overseeing the establishment of a management framework that defines the Company's risk policy, risk appetite, and risk limits;
- e) Ensuring that the Company's business profile and plans are consistent with the Company's risk appetite;
- f) Assisting the Board in overseeing risk management, and monitoring the Company's performance in relation to risk management;
- g) Periodically reviewing the key controls, processes, and practices of the Company, including limit structure;
- h) Monitoring, reviewing and challenging all aspects of the Company's profile, and key risk management practices;
- i) Periodically evaluating the Company's risk profile, action plans to manage substantial risks, and progress on the implementation of these plans;
- j) Monitoring risk management policies to ensure they are integrated into the Company's culture;
- k) Reviewing quarterly risk management reports, and making recommendations to the Board on appropriate actions;
- l) Ensuring the Company's risk exposures are within risk control approval limits;
- m) Assessing new risk-return opportunities;
- n) Undertaking at least annually, a thorough risk assessment covering all aspects of the Company's business and using the results of the risk assessment to update the risk management framework of the Company;
- o) Reviewing the structure for, and implementation of, risk measurement and reporting standards, as well as, methodologies;
- p) Ensuring disclosure of the Company's risk management policies and practices in the Company's Annual Report;
- q) Reviewing UACN management's updates on implementation levels of internal and external auditor's recommendations;
- r) Recommending for Board approval, the appointment of an Internal Audit Service Provider;
- s) Periodically evaluating the performance of UACN's Internal Audit Service Provider and making recommendations to the Board;
- t) Periodically reviewing the adequacy of the resources with which the Internal Audit and Risk management functions discharge their duties;
- u) Overseeing the establishment of Whistle Blowing procedures for;
 - i. the receipt, retention, and treatment of complaints received by UACN its subsidiaries and its affiliates (the "Group"), relating to accounting, internal controls and/or audit matters, unethical activities, and breaches of UACN's Code of Business Conduct; and
 - ii. the confidential/anonymous treatment of submissions by stakeholders (employees, customers, suppliers, applicants etc.) of the Group with respect to such complaints;
- v) Overseeing UACN's policies and processes regarding financial reporting;
- w) Overseeing UACN's treasury reporting, including cash forecasting;
- x) Reviewing the Group's operational performance;
- y) Making recommendations to the Board on capital expenditure and specific projects and their financing within the overall approved plan;
- z) Making recommendations on the management of UACN's cash and debt exposure / borrowings; and
- aa) Monitoring compliance with applicable laws and regulations.

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The Committee met four (4) times during the 2025 financial year. The following table shows the attendance of members

Directors	25/3/2025	22/4/2025	24/7/2025	24/10/2025
Mrs. Suzanne Iroche	P	P	P	P
Mr Folasope Aiyesimoju	P	P	P	P
Mr Khalifa Biobaku	P	P	P	P
Mr Bolaji Odunsi	P	LTB	LTB	LTB

Keys:

P – Present

LTB – Left the Board

2. The Governance and Remuneration Committee

As of December 31, 2025, the Governance and Remuneration Committee comprised three (3) members who are Non-executive Directors. Mr. Karl Toriola, an Independent Non-Executive Director of the Company, served as the Chairman of the Committee during the period under review. The GMD's participation in the Committee meetings was limited to presenting reports and providing detailed explanations on people management and remuneration proposals (if any).

The following are the terms of reference of the Governance and Remuneration Committee:

- Review the structure, size, composition, and commitment of the Board at least annually, and make recommendations on any proposed changes to the Board;
- Drive a formal and transparent process for Board appointments;
- Assess the contribution of current Board members against their re-nomination suitability, and provide input to Board deliberations in this regard;
- Identify individuals suitably qualified to become Board members and make recommendations to the Board for their nomination and appointment as Board members;
- Periodically determine the skills, knowledge and experience required on the Board and its committees;
- Ensure that the Company has a formal programme for the induction and training of Board members;
- Ensure that the Company has a succession policy, and plan in place for the Chairman of the Board, the Group Managing Director, and all other Executive Directors, and Non-Executive Directors, to ensure leadership continuity;
- Apply the Company's Remuneration Policy to executive management, and performance evaluation;
- Adopt incentive plans, and various governance responsibilities related to remuneration;
- Recommend to the Board a Company remuneration structure for all Directors and executive management;
- Ensure the periodic review of the Board Charter, the Board Committee Charters, and other governance policies, including the Company's Code of Business Conduct, the Company's Conflict of Interest Policy, and the Company's Whistleblowing Policy.
- Ensure that a formal and rigorous annual evaluation of the Board's performance, and that of its committees, the Board Chairperson, and individual Directors, is carried out, and that the evaluation exercises are supervised by the GRC, and are carried out annually, and that each evaluation is carried out by an independent external consultant; and
- Ensure that a formal and rigorous annual evaluation of corporate governance, including the extent of application of all relevant corporate governance legislation and regulations, is carried out, and that the evaluation exercise is supervised by the GRC, and is carried out annually, and that each evaluation is carried out by an independent external consultant.

Committee Meetings

The Governance and Remuneration Committee met Two (2) times during the 2025 financial year. The following table shows the attendance of committee members at the meetings.

Directors	25/3/2025	28/7/2025
Mr Karl Toriola	P	P
Mrs. Suzanne Iroche	P	P
Ms. Obi James	P	P

Key: -

P – Present

The Statutory Audit Committee

The Statutory Audit Committee consists of five (5) members, made up of three (3) representatives of shareholders elected at the previous Annual General Meeting for a tenure of one (1) year; and two (2) representatives of the Board of Directors nominated by the Board. The Chairman of the Committee is Mr. Olabisi Fayombo, a Chartered Accountant, lawyer, and shareholder representative. The Company Secretary is the Secretary to the Committee. In accordance with CAMA, the number of Non-executive Directors in the Committee stands at two (2). All meetings of the Committee were attended by the Group Internal Auditor while some were attended by our Independent External Auditors. The Committee operates within the provisions of CAMA; SCGG; the Code; and the Company's Audit Committee Charter.

The Statutory Audit Committee met four (4) times during the 2025 financial year. The following table shows attendance of members at the meetings.

Members	25/3/2025	28/4/2025	25/7/2025	27/10/2025
Mr Olabisi Fayombo	P	P	P	P
Mr Matthew Akinlade	P	AWA	P	P
Mr Kenneth Nwosu Nnabike	P	P	P	P
Mrs. Suzanne Iroche	NYM	P	P	P
Mrs. Amina Muhtar	P	P	P	P
Mr Bolaji Odunsi	P	LTC	LTC	LTC

Keys:

P – Present

NYM – Not Yet a Member

AWA – Absent With Apology

LTC – Left the Committee

Terms of Reference of the Statutory Audit Committee

The following are the terms of reference of the Committee:

- a) Ensuring that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
- b) Reviewing the scope and planning of audit requirements;
- c) Keeping under review the effectiveness of the Company's system of accounting and internal control;
- d) Making recommendations to the Board regarding the appointment, removal and remuneration of the external auditors of the Company;
- e) Making recommendations to the Board of Directors of the Company regarding the removal of the head of the internal audit function of the Company, or regarding a change in internal audit service provider where internal audit services are outsourced;
- f) Authorising the internal auditor of the Company to carry out investigations into any activities of the Company which may be of interest or concern to the Audit Committee;
- g) Exercising oversight over management's processes to ascertain the integrity of the Company's financial statements, and compliance with all applicable legal and other regulatory requirements; and assess the qualifications and independence of the external auditors, and the performance of the Company's internal audit function as well as that of the external auditors;
- h) Assessing the qualifications and independence of the Independent Auditor, and the performance of the Company's internal audit function as well as that of the Independent Auditor;
- i) Ensuring the establishment of, and exercise oversight over, the internal audit function which provides assurance on the effectiveness of the internal controls;
- j) Ensuring the development of a comprehensive internal control framework for the Company, obtain appropriate (internal and/or external) assurance and report annually in the Company's audited financial report, on the design and operating effectiveness of the Company's internal controls over the financial reporting systems;
- k) Overseeing the process for the identification of fraud across the Company and ensure that adequate prevention, detection and reporting mechanisms are in place;
- l) Discussing the interim or annual audited financial statements as well as significant financial reporting findings and recommendations with management and external auditors prior to recommending same to the Board for their consideration and appropriate action;
- m) Maintaining oversight of financial and non-financial reporting;
- n) Reviewing and ensuring that adequate whistle-blowing policies and procedures are in place and that the issues reported through the whistle-blowing mechanism are summarised and presented to the Board of Directors;
- o) Approving a policy on the nature, extent and terms under which the external auditors may perform non-audit services, and review the independence of the external auditors prior to their appointment to perform non-audit services;
- p) Preserving auditor independence, by approving clear hiring policies for employees or former employees of external auditors; and
- q) Ensuring the development of a Related Party Transactions policy and monitor its implementation by management. The Audit Committee should consider any related party transaction that may arise within the Company.

Control Environment

The Board Risk Management Committee reviews the risk environment of the Company at its quarterly meetings and ensures that internal audit, external audit, and risk and compliance recommendations are fully implemented. A Code of Business Conduct is in place to safeguard business integrity and promote consistent organisational behaviour, by defining and instituting control measures against bribery, fraud and corrupt practices.

The Company now operates an insourced internal audit function staffed by experienced professionals and headed by the Group Internal Auditor. In addition, the Company continues to retain the whistle-blowing ethics line services of KPMG Professional Services.

Securities Trading Policy

In compliance with the Rules of Nigerian Exchange Limited, the Company has a Securities Trading Policy to guide Employees and Directors of the Company, persons closely connected to them, and all other insiders of the Company, on trading in the securities of the Company.

Under the policy, the closed period shall be effective from the end of the financial period in review (quarterly, half-yearly, and full year) or 15 calendar days prior to the date of any meeting of the Board of Directors proposed to be held to consider any price-sensitive information as defined in the Issuer's rules of Nigerian Exchange Limited, or the date of circulation of the agenda and Board papers pertaining to any price-sensitive information, whichever is earlier, except for the declaration of financial results and dividends which shall be treated under Rule 17.18 (a) (i). Closed periods shall end 24 hours after the price-sensitive information is submitted to Nigerian Exchange Limited via its Issuers' Portal. The trading window shall thereupon be open. We hereby confirm that no Director traded in the securities of the Company within any of the closed periods during the 2025 financial year. To keep abreast with developments, the Company recently reviewed its Securities Trading Policy.

Shareholders' Complaints Management Policy

The Company has put in place a Complaints Management Policy to address and resolve concerns raised by our shareholders. The Policy is endorsed by the Board, and senior management is responsible for its implementation, and for monitoring compliance.

To refresh the policy, the Shareholders' Complaints Management Policy was recently reviewed by the Board and is readily accessible on the Company's website.

Tenure of Directors, Professional Advisers and Consultants

Board of Directors

Name	Designation	Years in service
Mr. Folasope Aiyesimoju	Group Managing Director	8 years
Mrs. Babafunke Ijaiya-Oladipo	Group Finance Director	4 years 8 months
Mr. Adebolanle Badejo	Group Investment Director	2 years 8 months
Mr. Khalifa Biobaku	Non-Executive Chairman	4 years
Mrs. Suzanne Iroche	Independent Non-Executive Director	6 years 7 months
Mr. Karl Toriola	Independent Non-Executive Director	6 years 3 months
Ms. Obi James	Independent Non-Executive Director	1 year, 1 month
Mrs. Amina Muhtar	Independent Non-Executive Director	1 year, 1 month

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Consultants and Professional Advisers

Name	Services	Tenure
KPMG Professional Services	External Auditor	4 years 9 months (appointed 2021)
KPMG Professional Services	Whistle Blowing Ethics Lines	10 years 3 months (appointed 2015)
Deloitte & Touche	Tax Advisory and Consultancy	6 years 1 month (appointed 2020)
Deloitte & Touche	Board and Corporate Governance Consultancy	1 year, 5 months (appointed 2024)

Directors' Interest in Shares

Name	Friday, March 28, 2025		Friday, March 27, 2026	
	Direct holdings	Indirect holdings	Direct holdings	Indirect holdings
Mr. Folasope Aiyesimoju	59,941,884	657,069,717	86,014,099	657,069,717
Mrs. Babafunke Ijaiya-Oladipo	6,693,933	Nil	19,694,903	Nil
Mr. Adebolanle Badejo	6,643,607	Nil	14,444,189	Nil
Mr. Bolaji Odunsi	Nil	Nil	Nil	Nil
Mrs. Suzanne Iroche	Nil	Nil	Nil	Nil
Mr. Khalifa Biobaku	Nil	172,693,669	Nil	45,197,311
Mr. Karl Toriola	Nil	Nil	Nil	Nil
Ms. Obi James	Nil	Nil	Nil	Nil
Mrs. Amina Muhtar	Nil	Nil	Nil	Nil

Mr. Folasope Aiyesimoju and Mr. Khalifa Biobaku are directors in Themis Capital and AM&P with a combined holding of 657 million units. Mr. Biobaku is a director and shareholder of Dalió Property Development Company Limited which owns 45.2 million units of shares.

Directors' Interest in Contracts

In the year under review, Mr. Daniel Agbor served as Senior Partner at the law firm Udo Udoma & Belo-Osagie, which renders legal services to the Company from time to time. Mr. Agbor retired from Udo Udoma & Belo-Osagie in January 2025 and exited the Board in February 2025.

Acquisition of own shares

The shares of the Company are held in accordance with the Articles of Association of the Company. During the year under review, the Company did not purchase its own shares.

Statement on the Availability or Otherwise of the Code of Business Conduct and Ethics for Directors, Management, and Other Employees

The Directors and employees of UACN and its subsidiary companies have committed to adhering to the provisions of the Company's Code of Business Conduct. This commitment is reaffirmed annually and is an ongoing practice.

The highlights of our human resource policies and internal management structure, including relations with employees, and other workplace development initiatives will be included in this Annual Report.

This Annual Report highlights our sustainability policies and programmes addressing social issues such as corruption, community service, and environmental protection. Additionally, it will highlight initiatives related to environmental, social, and governance matters.

Claw Back Provisions

In line with Section 16.9 of the Code, Executive Directors' contracts contain claw back provisions.

Regulatory Sanctions and Penalties

UAC of Nigeria PLC did not incur any penalties from any regulatory authority during the 2025 financial year, up to the reporting date.

Properties, plant and equipment

Information relating to changes in property, plant and equipment is disclosed in note 13 of the Financial Statements.

Donations

Charitable donations amounted to ₦53.9 million (2024: ₦20.9 million) for the Group and ₦9.9 million (2024: ₦3 million) for the Company.

Donations made during the year are listed below:

Company	Description of 2025 Donations	State	Amount N'000
UAC of Nigeria PLC	The provision of academic books and scholarship support packages for 150 students fostering literacy and educational growth in communities	Lagos State	4,337
	Donation to address key paediatric challenges in Nigeria through nutrition support, hygiene education, and community-based healthcare engagement	Lagos State	5,602
Chemical and Allied Products PLC	Paint donations, Remedial & Labour costs at Model Secondary School, GRA, Port	Rivers State	2,900
	Paint donations, Remedial & Labour costs at Clegg Girls Senior High School, Surulere	Lagos State	4,050
	Paint donations, Remedial & Labour costs for the Main Entrance of Government College,	Oyo State	703
	Paint donations, Remedial & Labour costs for the Main Entrance of Kano State	Kano State	956
Livestock Feeds PLC	Donation to the Nigerian Red Cross for persons affected by the Mokwa (Niger State)	Niger State	2,763
	Donation to Nigerian British Chamber of Commerce	Lagos State	1,000
	Eggsperience Health Project - Orile Agege General Hospital Lagos	Lagos State	1,635
	Eggsperience Health Project - Sir Muhammadu Sunusi Specialist hospital, Kano	Kano State	1,087
	Eggsperience Health Project - Aba South Health Care Centre Abia state	Abia State	312
	Animal Science Association of Nigeria/ Nigeria Institute of Animal Science 2025 Annual Conference	Abuja	1,000
UAC Foods Limited	Donation to National Association of Nigerian Nurses and Midwives, Plateau State Specialist Hospital	Plateau State	300
	Back to school outreach - Orile Agege	Lagos State	500
	Provision of borehole in Kerang community and district office support	Plateau State	17,400
	Sponsorship of Adewale Students Conference Science Debate	Lagos state	5,000
	STEM Programme for students in Kosofe LGA	Lagos State	2,540
	Scholarship for school students in Kerang community	Plateau State	1,272
	Ojota Secondary School Inter-House Sports Competition	Lagos State	500
	Total		53,857

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Company	Description of 2024 Donations	State	Amount N'000
UAC of Nigeria PLC	The provision of academic books for 120 students fostering literacy and educational growth in communities	Lagos State	2,995
Chemical and Allied Products PLC	Paint donations, Remedial & Labour costs at Govt Girls Secondary School, Dutse, Abuja FCT (Multipurpose Hall and 3 Blocks of Classrooms) □	Abuja	4,223
	Paint donations, Remedial and Labour costs at Ibeju Lekki High School, Lagos (2 Blocks of Classrooms, Admin Office and Gate reception)	Lagos State	1,660
	Paint donations and Labour costs at St Paul Anglican Primary School Epe, Lagos (2 Blocks of Classrooms)	Lagos State	3,327
	Paint donations at Nigeria Immigration, Alagbon, Lagos	Lagos State	462
	Paint donation to ICAN - Ibadan district	Oyo State	652
Livestock Feeds PLC	Construction of Henry Carr Gate House	Lagos State	1,956
	Donation of Eggs to Orile Agege General Hospital	Lagos State	1,084
	Back to School Health Outreach - Orile Agege	Lagos State	450
	Student Research - Olabisi Onabanjo University	Ogun State	844
UAC Foods Limited	Scholarship for school students in Kerang community	Plateau State	1,757
	Donation of hospital equipment to Freudian Medical Centre	Lagos State	1,500
	Total		20,910

In accordance with Section 43(2) of the CAMA, the Company did not make any donation or give gifts to any political party, political association or for any political purpose during the year (2024: Nil).

Independent Auditors

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 401(2) of CAMA, therefore, the independent auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed. A resolution will, however, be proposed authorizing the Directors to fix their remuneration.

Compliance with Code of Corporate Governance

The Company has complied with the provisions of the SCGG for Public Companies and the Nigerian Code of Corporate Governance, and it continues to implement policies and initiatives aimed at continuous improvement.

Dated this 27th day of March 2026

BY THE ORDER OF THE BOARD



Ayomipo Wey
Company Secretary
FRC/2013/NBA/00000003124

UAC of Nigeria PLC

Consolidated and separate financial statements
for the year ended 31 December 2025

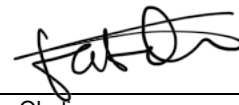
Certification pursuant to section 405(1) of Companies and Allied Matters Act, 2020

We, the undersigned, hereby certify the following with regard to our audited financial statements included in our annual report for the year ended 31 December 2025 that:

- (a) We have reviewed the consolidated and separate financial statements;
- (b) To the best of our knowledge, the consolidated and separate financial statement do not:
 - (i) contain any untrue statement of a material fact, or
 - (ii) omit to state a material fact, which would make the statements misleading in the light of the circumstances under which such statements were made;
- (c) To the best of our knowledge, the consolidated and separate financial statements and other information included in the report fairly present in all material respects the financial condition and results of operations of the Group and Company as of, and for the periods presented in the consolidated and separate financial statement.
- (d) We:
 - (i) are responsible for establishing and maintaining internal controls;
 - (ii) have designed such internal controls to ensure that material information relating to the company and its consolidated subsidiaries is made known to us by other officers within those entities during the period in which the reports are being prepared;
 - (iii) have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of the consolidated and separate financial statement; and
 - (iv) have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date.
- (e) We have disclosed to the auditors of the company and audit committee:
 - (i) all significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls; and
 - (ii) any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls.
- (f) We have identified in the report whether or not there were significant changes in the internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regards to significant deficiencies and material weaknesses.



Folasope Aiyesimoju
Group Managing Director
FRC/2019/PRO/DIR/003/00000019806



Funke Ijaiya-Oladipo
Group Finance Director
FRC/2021/001/00000022822

UAC of Nigeria PLC
Consolidated and separate financial statements
for the year ended 31 December 2025

Statement of Directors' Responsibilities in Relation to the Financial Statements

The Directors are responsible for the preparation of the consolidated and separate financial statements which give a true and fair view in accordance with IFRS Accounting Standards as issued by the the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria Act, 2011 (as amended).

This statement, which should be read in conjunction with the Auditors' statement of their responsibilities, is made with a view to setting out for Shareholders, the responsibilities of the Directors of the Group and Company with respect to the consolidated and separate financial statements.

In accordance with the provisions of Section 377 of the Companies and Allied Matters Act, 2020 (CAMA 2020), the Directors are responsible for the preparation of the consolidated and separate financial statements, which give a true and fair view of the affairs of the Group and Company for the Financial Year.

The responsibilities include ensuring that:

- a) Appropriate internal controls are established both to safeguard the assets of the Group and Company to prevent and detect fraud and other irregularities;
- b) The Group and Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and Company and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act;
- c) The Group and Company have used suitable accounting policies, consistently applied and supported by reasonable estimates, and that all IFRS accounting standards have been followed; and
- d) The going concern basis is used, unless it is inappropriate to presume the Group and Company will continue in business.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA) 2020 and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Company and Group's ability to continue as a going concern and have no reason to believe the Company and Group will not remain a going concern in the year ahead.

The consolidated and separate financial statements of the Group and Company for the year ended 31 December 2025 were approved by the Directors on 27 March 2026.

Signed on behalf of the Directors of the Company.



Mr. Khalifa Biobaku
Chairman
FRC/2025/PRO/DIR/003/685903



Mr. Folasope Aiyesimoju
Group Managing Director
FRC/2019/PRO/DIR/003/00000019806

UAC of Nigeria PLC
Consolidated and separate financial statements
for the year ended 31 December 2025

Report of the Audit Committee to the Members of UAC of Nigeria PLC

In compliance with Section 404(7) of the Companies and Allied Matters Act (CAMA) 2020, we have reviewed the audited Consolidated and Separate Financial Statements of the Group and Company for the year ended 31 December 2025 and report as follows:

- (a) The accounting and reporting policies of the Group and the Company are in compliance with IFRS Accounting Standards, the Companies and Allied Matters Act (CAMA) 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).
- (b) The scope and planning of the external audit are, in our opinion adequate.
- (c) The internal audit and internal control systems are adequate.
- (d) The External Auditor's Management Letter was satisfactorily dealt with by Management.



Mr. Olabisi Fayombo
Chairman, Audit Committee
FRC/2013/ICAN/00000002883

Dated 25th day of March, 2026

Members of the Committee as at 25 March 2026

Mr Olabisi Fayombo	Chairman	Shareholder Representative
Mr Matthew Akinlade	Member	Shareholder Representative
Mr Kenneth Nwosu Nwabike	Member	Shareholder Representative
Mrs. Suzanne Iroche	Member	Board Representative
Mrs Amina Muhtar	Member	Board Representative

Secretary

Ayomipo Wey

UAC of Nigeria PLC
Consolidated and separate financial statements
for the year ended 31 December 2025

Certification of Management's Assessment of Internal Control over Financial Reporting by Group Managing Director

I, Folasope Aiyesimoju, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as at 31 December 2025 of UAC of Nigeria PLC ("the Company") and its subsidiaries (together "the Group");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the consolidated and separate financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The Group's other certifying officer and I:
 - (i) are responsible for establishing and maintaining internal controls;
 - (ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (iii) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 - (iv) have evaluated the effectiveness of the Company and Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee:
 - (i) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company and Group's ability to record, process, summarize and report financial information; and
 - (ii) There was no fraud, whether or not material, that involves management or other employees who have a significant role in the Company and Group's internal control system.
- f) The Group's other certifying officer and I have identified, in the report that there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.



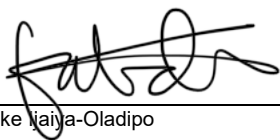
Folasope Aiyesimoju
Group Managing Director
FRC/2019/PRO/DIR/003/00000019806
Dated 27th day of March, 2026

UAC of Nigeria PLC
Consolidated and separate financial statements
for the year ended 31 December 2025

Certification of Management's Assessment of Internal Control over Financial Reporting by Group Finance Director

I, Funke Ijaiya-Oladipo, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as at 31 December 2025 of UAC of Nigeria PLC ("the Company") and its subsidiaries (together "the Group");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the consolidated and separate financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The Group's other certifying officer and I:
 - (i) are responsible for establishing and maintaining internal controls;
 - (ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (iii) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 - (iv) have evaluated the effectiveness of the Company and Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee:
 - (i) All significant deficiencies and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company and Group's ability to record, process, summarize and report financial information; and
 - (ii) There was no fraud, whether or not material, that involves management or other employees who have a significant role in the Company and Group's internal control system.
- f) The Group's other certifying officer and I have identified, in the report that there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.



Funke Ijaiya-Oladipo
Group Finance Director
FRC/2021/001/00000022822
Dated 27th day of March, 2026

UAC of Nigeria PLC
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for the year ended 31 December 2025

Management's report on the effectiveness of Internal Control over Financial Reporting as of 31 December 2025

The management of UAC of Nigeria PLC ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Investment and Securities Act 2005 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

The management of UAC of Nigeria PLC assessed the effectiveness of the internal control over financial reporting of the Company and its subsidiaries (together "the Group") as of 31 December 2025 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Internal Control over Financial Reporting.

As of December 31, 2025, the management of UAC of Nigeria PLC did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of December 31, 2025, the Group's internal control over financial reporting was effective.

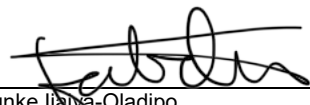
The Company's independent auditor, KPMG Professional Services, who audited the consolidated and separate financial statements included in this report, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 December 2025 based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report is included in this Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group's internal control over financial reporting.



Folasope Aiyesimoju
Group Managing Director
FRC/2019/PRO/DIR/003/00000019806
Dated 27th day of March, 2026



Funke Ijaya-Oladipo
Group Finance Director
FRC/2021/001/00000022822
Dated 27th day of March, 2026



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Independent Auditor's Limited Assurance Report

To the Shareholders of UAC of Nigeria Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of UAC of Nigeria Plc ("the Company") and its subsidiaries (together "the Group") as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (*including International Independence Standards*) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Other matter

We have audited the consolidated and separate financial statements of UAC of Nigeria Plc in accordance with the International Standards on Auditing, and our report dated 28 March 2026 expressed an unmodified opinion on those consolidated and separate financial statements. Our conclusion is not modified in respect of this matter.



Responsibilities for Internal Control over Financial reporting

The Board of Directors of UAC of Nigeria Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

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

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

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

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Signed:

Mohammed M. Adama, FCA
FRC/2012/PRO/ICAN/004/00000000443
For: KPMG Professional Services
Chartered Accountants
28 March 2026
Lagos, Nigeria





KPMG Professional Services

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INDEPENDENT AUDITOR'S REPORT

To the *Shareholders of UAC of Nigeria PLC*

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of UAC of Nigeria PLC (the Company) and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in equity; and
- the consolidated and separate statements of cash flows for the year then ended, and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December 2025, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated and separate financial statements of public interest entities in Nigeria. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Key audit matters

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

These key audit matters apply to the audit of the consolidated and separate financial statements.



1. Business Combination	
Refer to the material accounting policies (Note 2.3) and related disclosures on business combinations (Note 38) of the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in our audit.
<p>Following regulatory approval, the Company acquired 100% of CHI Limited during the year.</p> <p>We focused on this area due to the material impact on the Group's financial position and the complexities involved in identifying and accounting for the assets and liabilities acquired including the evaluation of the appropriateness of the determination of the bargain purchase arising from the acquisition as well as the nature of disclosures required in the consolidated and separate financial statements.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We held inquiries with management to understand the nature of the acquisition. • We inspected evidence of approval of the acquisition by the board of directors and relevant regulatory authorities • We inspected the share purchase agreement and other contracts supporting the acquisition of Chi Limited. • We evaluated the appropriateness of the accounting for the business combination by checking the accounting policy for consistency with relevant accounting standards. • We evaluated the accuracy and consistency of the measurement and recognition of assets and liabilities arising from the business combination in the consolidated financial statements. • We involved our valuation specialists to assist in evaluating the reasonableness of key judgements and assumptions used by management in the purchase price allocation. • We obtained the purchase price allocation and related valuation reports and challenged management's assumptions and judgement used in the valuation of the brands and intangible assets by comparing to publicly available information and our knowledge of the Group and experience of the industry. • We evaluated the adequacy and relevance of the presentation and disclosures in the financial statements in accordance with the relevant accounting standards.



2. Inventories Valuation	
Refer to material accounting policies (Note 2.11) and related disclosures (Note 22) of the consolidated financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>The carrying amount of inventories is significant and amounted to ₦214.5 billion representing 36% of total assets.</p> <p>The Group has inventories at different locations and at different stages of the production process. The inventories are subject to different handling and quantity determination criteria. Additionally, the inventories are subject to obsolescence, the determination of which involves management judgement.</p> <p>The significance of the balance involved, the complexities inherent in determining the quantities on hand across the various locations and the judgement involved in determining obsolescence allowance makes inventories a Key Audit Matter in our audit.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the design, implementation and operating effectiveness of identified controls established within the inventory management process. • We observed year-end physical inventory count exercise and reviewed the related reconciliations performed by management. • We evaluated the process and basis of overhead absorption and evaluated the appropriateness and reasonableness. • We evaluated management's assessment of inventory write-down by checking that the amount of write-down recognized for obsolete/slow moving inventory items is reasonable and consistent with our knowledge obtained from our inventory count observation. • We selected a sample of inventories using statistical sampling methods and performed the following procedures: <ul style="list-style-type: none"> - we recalculated the inventory costing formula applied by management for appropriateness; - we reviewed and assessed the adequacy of impairment for obsolete inventory; - we performed net realizable value tests by comparing the unit cost to the unit selling price less estimated selling expenses; and • We checked that the disclosures in the financial statements are in compliance with the requirements of IAS 2 Inventories.

3. Revenue recognition	
Refer to material accounting policies (Note 2.17) and related disclosures (Note 5) of the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>The Group and Company earn revenue majorly from four key activities - animal feeds and edible oils, packaged food and beverages, paints and quick service restaurants.</p> <p>Significant judgement is applied in determining revenue recognition criteria. This requires a careful assessment of the appropriateness and timing of revenue recognition in accordance with the</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the design, implementation and operating effectiveness of identified controls established within the revenue process. • We selected a sample of revenue transactions using statistical sampling methods and performed the following procedures: <ul style="list-style-type: none"> - We tested compliance with IFRS 15 including



3.Revenue recognition Refer to material accounting policies (Note 2.17) and related disclosures (Note 5) of the consolidated and separate financial statements.	
The key audit matter requirements of IFRS 15 Revenue from Contracts with Customers. Furthermore, revenue is the most significant item in the statement of profit or loss and impacts the majority of the key performance indicators on which the financial performance of the Group is assessed. These factors make revenue an area of significance in our audit.	How the matter was addressed in our audit assessment of the appropriateness of the allocation of revenue to multiple performance obligations, where applicable. - we matched sales invoices to related orders and dispatch notes at the transaction level. • We performed revenue cut-off procedures by assessing whether revenue transactions occurring both prior to and after the year end date were recognized in the appropriate period; and • We checked the disclosures in the financial statements for compliance with the requirements of IFRS 15.

4.Impairments of Investments in Subsidiaries Refer to material accounting policies (Note 2.3) and related disclosures (Note 16) of the consolidated and separate financial statements.	
The key audit matter The carrying amount of the Company’s investment in subsidiaries amounting to ₦38 billion as disclosed in Note 16 of the consolidated and separate financial statements. Management performs an annual assessment to determine whether there are indicators of impairment and whether the carrying values of these investments remain recoverable. During the year, management identified indicators of impairment in two of its subsidiaries, UAC Restaurants Limited and Grand Cereals Limited, and performed impairment assessment to determine the recoverable amount of the respective investments. The determination of the recoverable amount involves significant management judgement and estimates, including assumptions relating to future cash flows, growth rates, and discount rates. The significance of the balance involved, and the judgement applied in determining the recoverable amount make the assessment of impairment of investment in subsidiaries a Key Audit Matter in our audit.	How the matter was addressed in our audit Our procedures included the following: • We evaluated the appropriateness of management’s impairment assessment, including the valuation approach applied in determining the recoverable amount of the investments in subsidiaries, by comparing the approach adopted to the requirements of the applicable standard • We involved our valuation specialists to assist in evaluating the reasonableness of key assumptions used by management in the impairment assessment. • We obtained and assessed the reasonableness of key assumptions underlying the projected future cash flows of the affected subsidiaries, including revenue growth rates, expected operating margins, changes in working capital and other cost elements. • We compared historical financial performance to management’s prior years forecasts to evaluate management’s forecasting accuracy and considered whether any moderation of management’s projections was necessary. • We evaluated the discount and terminal growth rates applied by management by comparing them with market data and industry benchmarks. • We checked that the related disclosures in the financial statements were in accordance with the requirements of the applicable standard.



Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, Investor Relations Statement, Financial Highlights, Directors' Report, Certification pursuant to section 405(1) of the Companies and Allied Matters Act, 2020, Statement of Directors Responsibilities in Relation to the Financial Statements, Certification of Management's Assessment of Internal Control over Financial Reporting, Management's Report on the Effectiveness of Internal Control over Financial Reporting, Report of the Audit Committee and Other National Disclosures which we obtained prior to the date of this report, but does not include the consolidated and separate financial statements and our auditor's report thereon. Other information also includes the Chairman's statement, shareholders' information together the "outstanding reports", which are expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, 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.

When we read the outstanding reports, if we conclude that there is a misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.



Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Group's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 28 March 2026. That report is included on pages 17 - 18 of the Annual Report.

Signed:

Mohammed M. Adama, FCA
FRC/2012/PRO/ICAN/004/00000000443
For: KPMG Professional Services
Chartered Accountants
28 March 2026
Lagos, Nigeria



UAC of Nigeria PLC
Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2025

	Notes	The Group		The Company	
		31 Dec 25 N'000	31 Dec 24 N'000	31 Dec 25 N' 000	31 Dec 24 N' 000
Continuing operations					
Revenue	5	340,473,256	196,900,638	3,559,793	2,030,349
Cost of sales	8	(262,131,036)	(150,594,271)	-	-
Gross profit		78,342,220	46,306,367	3,559,793	2,030,349
Dividend income	6	101,058	96,688	1,232,283	827,271
Other operating income	7i	7,950,441	3,180,636	6,498,407	3,373,010
Impairment loss on financial assets	7ii	(110,037)	(142,777)	(3,288,249)	(17,765)
Selling and distribution expenses	8	(27,694,063)	(12,876,879)	-	-
Administrative expenses	8	(30,091,636)	(17,698,578)	(5,600,605)	(4,611,865)
Operating profit		28,497,983	18,865,457	2,401,629	1,601,000
Finance income	9	9,289,193	12,644,495	1,871,549	9,866,002
Finance costs	9	(24,785,324)	(6,685,272)	(13,098,148)	(2,165,273)
Net finance (cost)/income		(15,496,131)	5,959,223	(11,226,599)	7,700,729
Share of profit from associates using the equity method	18	3,423,156	722,595	-	-
Profit/(loss) before minimum tax		16,425,008	25,547,275	(8,824,970)	9,301,729
Minimum tax	10	(810,641)	(400,427)	-	(76,347)
Profit/(loss) after minimum tax		15,614,367	25,146,848	(8,824,970)	9,225,382
Income tax (expense)/credit	10	(5,705,903)	(8,836,220)	1,228,785	(2,645,363)
Profit/(loss) for the year		9,908,464	16,310,628	(7,596,185)	6,580,019
Other comprehensive income/(loss):					
<i>Items not to be subsequently recycled to profit or loss</i>					
Net changes in fair value of financial assets, net of tax	17i	78,615	500,967	78,615	500,967
Re-measurement loss on defined benefit plan (net of tax)	32iii	(23,380)	-	-	-
Share of other comprehensive income/(loss) of associates using the equity method		494,992	(79,647)	-	-
Other comprehensive income for the year net of tax		550,227	421,320	78,615	500,967
Total comprehensive income for the year net of tax		10,458,691	16,731,948	(7,517,570)	7,080,986
Profit/(loss) attributable to:					
Equity holders of the parent		10,587,170	14,538,991	(7,596,185)	6,580,019
Non controlling interests		(678,706)	1,771,637	-	-
		9,908,464	16,310,628	(7,596,185)	6,580,019
Total comprehensive income/(loss) attributable to:					
Equity holders of the parent		11,137,397	14,960,311	(7,517,570)	7,080,986
Non controlling interests		(678,706)	1,771,637	-	-
		10,458,691	16,731,948	(7,517,570)	7,080,986
Earnings per share attributable to owners of the parent during the year (expressed in Kobo per share):					
Basic earnings per share					
From profit/(loss) for the year (Kobo)	12	362	497	(260)	225
Diluted earnings per share					
From profit/(loss) for the year (Kobo)	12	362	497	(260)	225


The accompanying notes form an integral part of these consolidated and separate financial statements.

UAC of Nigeria PLC

Consolidated and Separate Statements of Financial Position
as at 31 December 2025

	Notes	The Group		The Company	
		31 Dec 25 N' 000	31 Dec 24 N' 000	31 Dec 25 N' 000	31 Dec 24 N' 000
Assets					
Non-current assets					
Property, plant and equipment	13	114,814,024	28,098,517	1,131,266	990,780
Intangible assets and goodwill	14	168,386,164	2,720,603	26,353	34,373
Investment property	15	1,116,610	1,117,635	1,116,610	1,117,635
Investments in subsidiaries	16	-	-	38,046,676	19,128,591
Equity instruments at fair value through other comprehensive income	17	1,235,669	1,072,706	1,235,669	1,072,706
Investments in associates	18	13,910,930	10,147,841	5,140,607	5,258,107
Debt instruments at amortised cost	19	-	6,481,422	-	6,481,422
Right of use assets	21	4,640,179	1,866,665	-	-
Trade and other receivables	23	927,926	1,380,124	52,424,223	3,208,571
Finance lease receivables	23.1	10,372	10,372	-	-
Employee benefits	32	806,227	-	-	-
Deferred tax assets	26	-	54,183	1,049,473	-
Total non-current assets		305,848,101	52,950,068	100,170,877	37,292,185
Current assets					
Inventories	22	214,532,630	54,964,898	-	-
Trade and other receivables	23	25,672,349	8,856,234	59,561,685	2,274,443
Refund assets	20	23,501	18,507	-	-
Cash and cash equivalents	24	50,910,619	40,594,214	3,630,143	21,788,776
Total current assets		291,139,099	104,433,853	63,191,828	24,063,219
Non-current assets held for sale	37(a)	70,897	341,878	53,722	35,270
Total assets		597,058,097	157,725,799	163,416,428	61,390,674
Equity and Liabilities					
Ordinary share capital	33	1,463,065	1,463,065	1,463,065	1,463,065
Share premium		14,647,616	14,647,616	15,085,191	15,085,191
Fair value reserve		973,866	423,639	458,990	380,375
Equity settled share based payment reserve		522,947	521,879	522,947	521,879
Investment in scheme shares		(3,477,066)	(1,257,412)	(3,477,066)	(1,257,412)
Other reserve		91,923	91,923	-	-
Retained earnings		53,378,137	46,846,335	15,481,914	26,961,321
Equity attributable to equity holders of the Company		67,600,488	62,737,045	29,535,041	43,154,419
Non controlling interests		2,170,082	3,672,957	-	-
Total equity		69,770,570	66,410,002	29,535,041	43,154,419
Liabilities					
Non-current liabilities					
Borrowings	25	159,584,296	10,322,116	59,029,070	5,699,716
Lease liability	21	1,145,221	1,138,612	-	-
Deferred tax liabilities	26	68,540,950	6,268,133	-	3,230,497
Government grants	28	213,001	340,031	-	-
Employee benefits	32	3,147,214	1,223,204	-	-
Provisions	31	60,665	59,988	-	-
Total non-current liabilities		232,691,347	19,352,084	59,029,070	8,930,213
Current liabilities					
Trade and other payables	27	77,864,347	22,509,298	18,427,309	1,048,823
Contract liabilities	29	6,222,464	3,558,788	60,265	91,613
Current tax liabilities	10	21,148,246	8,258,998	5,379,399	2,534,282
Borrowings	25	185,230,596	31,159,494	48,616,963	267,608
Dividend payable	30	2,603,902	5,674,793	2,174,833	5,170,168
Government grants	28	144,373	75,489	-	-
Lease liability	21	1,030,094	374,090	-	-
Provisions	31	326,802	326,802	193,548	193,548
Refund liabilities	20	25,356	25,961	-	-
Total current liabilities		294,596,180	71,963,713	74,852,317	9,306,042
Total liabilities		527,287,527	91,315,797	133,881,387	18,236,255
Total equity and liabilities		597,058,097	157,725,799	163,416,428	61,390,674

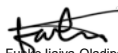
The consolidated and separate financial statements were approved and authorised for issue by the board of directors on 27 March 2026 and were signed on its behalf by:



Mr. Khalifa Biobaku
Chairman
FRC/2025/PRO/DIR/003/685903



Mr. Folasope Aiyemimoju
Group Managing Director
FRC/2019/PRO/DIR/003/00000019806



Mrs. Funke Ijaiya-Oladipo
Group Finance Director
FRC/2021/001/00000022822

The accompanying notes form an integral part of these consolidated and separate financial statements

UAC of Nigeria PLC
Consolidated Statement of Changes in Equity
for the year ended 31 December 2025

The Group												
Attributable to owners of the Company												
Notes	Share Capital	Share Premium	Contingency Reserve	Fair value Reserve	Other Reserve	Investment in scheme shares	Equity Settled Share based Payment Reserve	Retained Earnings	Total	Non controlling Interest	Total	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
Total equity at 1 January 2025	1,463,065	14,647,616	-	423,639	91,923	(1,257,412)	521,879	46,846,335	62,737,045	3,672,957	66,410,002	
Profit for the year								10,587,170	10,587,170	(678,706)	9,908,464	
Other comprehensive income	17i	-	-	550,227	-	-	-	-	550,227	-	550,227	
Share based payment expense							139,236	-	139,236	-	139,236	
Scheme shares purchased						(5,597,295)	-	-	(5,597,295)	-	(5,597,295)	
Vested scheme shares	33					3,377,641	(138,168)	(3,239,473)	-	-	-	
Transactions with Equity holders												
Statute barred dividend transferred to SEC Dividend								(172,146)	(172,146)		(172,146)	
Trust Fund								(643,749)	(643,749)	(824,169)	(1,467,918)	
Dividend declared	30	-	-	-	-	-	-	-	-	-	-	
Total equity as at 31 December 2025	1,463,065	14,647,616	-	973,866	91,923	(3,477,066)	522,947	53,378,137	67,600,488	2,170,082	69,770,570	
Total equity at 1 January 2024	1,463,065	14,647,616	-	2,319	91,923	-	586,809	33,955,558	50,747,290	2,434,302	53,181,592	
Profit for the year								14,538,991	14,538,991	1,771,637	16,310,628	
Other comprehensive income				421,320	-	-	-	-	421,320	-	421,320	
Share based payment expense							207,157	-	207,157	-	207,157	
Scheme shares purchased						(2,656,345)	-	-	(2,656,345)	-	(2,656,345)	
Vested scheme shares	33					1,398,933	(272,087)	(1,126,846)	-	-	-	
Transaction with Equity holders												
Acquisition of NCI in UFL without a change in control								-	-	(706)	(706)	
Write back of statute barred dividend								122,381	122,381	-	122,381	
Dividend declared	30	-	-	-	-	-	-	(643,749)	(643,749)	(532,276)	(1,176,025)	
Balance at 31 December 2024	1,463,065	14,647,616	-	423,639	91,923	(1,257,412)	521,879	46,846,335	62,737,045	3,672,957	66,410,002	

The accompanying notes form an integral part of these consolidated and separate financial statements.

UAC of Nigeria PLC
Separate Statement of Changes in Equity
for the year ended 31 December 2025

The Company Attributable to owners of the Company							
	Share Capital N'000	Share Premium N'000	Fair value reserve N'000	Investment in scheme shares	Equity Settled Share-based Payment reserve N'000	Retained Earnings N'000	Total N'000
Balance at 1 January 2025	1,463,065	15,085,191	380,375	(1,257,412)	521,879	26,961,321	43,154,419
Profit for the year						(7,596,185)	(7,596,185)
Other comprehensive income	171		78,615			-	78,615
Share based payment expense	8			-	139,236	-	139,236
Scheme shares purchased				(5,597,295)	-	-	(5,597,295)
Vested scheme shares	33			3,377,641	(138,168)	(3,239,473)	-
Transactions with Equity holders							
Dividends declared	30					(643,749)	(643,749)
Balance at 31 December 2025	1,463,065	15,085,191	458,990	(3,477,066)	522,947	15,481,914	29,535,041
Balance at 1 January 2024	1,463,065	15,085,191	(120,592)	-	586,809	22,151,897	39,166,370
Profit for the year	-	-	500,967	-	-	6,580,019	6,580,019
Other comprehensive income	-	-	-	-	-	-	500,967
Share based payment expense	-	-	-	-	207,157	-	207,157
Scheme shares purchased				(2,656,345)	-	-	(2,656,345)
Vested scheme shares				1,398,933	(272,087)	(1,126,846)	-
Transactions with Equity holders							
Dividend declared						(643,749)	(643,749)
Balance at 31 December 2024	1,463,065	15,085,191	380,375	(1,257,412)	521,879	26,961,321	43,154,419

The accompanying notes form an integral part of these consolidated and separate financial statements.

UAC of Nigeria PLC

**Consolidated and Separate Statements of Cash Flows
for the year ended 31 December 2025**

		The Group		The Company	
	Notes	31 Dec 25 N' 000	31 Dec 24 N'000	31 Dec 25 N' 000	31 Dec 24 N' 000
Cash flows from operating activities					
Cash generated from/(used in) operations	34	26,795,951	9,812,850	(88,454,907)	1,936,086
Corporate tax paid	10	(5,704,254)	(2,903,282)	(163,412)	(992,544)
Net cash flows generated from/(used in) operating activities		21,091,697	6,909,568	(88,618,319)	943,542
Cash flows from investing activities					
Purchase of intangible assets	14	(148,486)	(16,416)	(6,474)	-
Purchase of property, plant and equipment	13	(7,123,227)	(5,212,940)	(411,087)	(382,055)
Proceeds from sale of property, plant and equipment		283,731	203,962	72,382	37,550
Proceeds from sale of intangible asset		43	-	-	-
Proceeds from disposal of investment properties		277,581	119,600	277,581	119,600
Proceeds from disposal of non-current asset held for sale		1,699,747	110,570	949,748	64,657
Purchase of equity instrument at fair value through other comprehensive income	17	(50,656)	(249,765)	(50,656)	(249,765)
Prepaid right-of-use assets		(1,446,250)	(60,626)	-	-
Proceeds from disposal of debt instruments		5,467,084	-	5,467,084	-
Proceeds from matured debt instruments		799,147	338,003	799,147	338,003
Dividend received	6(a)	90,952	87,019	1,109,055	744,544
Interest received		4,452,623	3,387,307	2,259,882	2,572,410
Investment in subsidiaries		-	-	(19,169,375)	(706)
Acquisition of subsidiary, net of cash	38iii	(160,572,358)	-	-	-
Net cash flows used in investing activities		(156,270,069)	(1,293,286)	(8,702,713)	3,244,238
Cash flows from financing activities					
Dividends paid to non-controlling interests	30	(824,169)	(532,276)	-	-
Dividends paid to Company shareholders	30	(643,749)	(643,749)	(643,749)	(643,749)
Proceeds from borrowings	25	432,247,164	69,049,104	115,657,066	14,993,461
Unclaimed dividend returned by/(refunded to) the registrar	30	(1,972)	28,618	(50,438)	106,435
Repayment of borrowings	25	(249,046,513)	(54,891,838)	(16,085,530)	(12,387,807)
Interest paid on borrowings	25	(17,764,552)	(5,981,923)	(4,099,509)	(1,978,086)
Lease payment - principal portion	21	(184,269)	(642,380)	-	-
Lease payment - interest portion	21	(502,967)	(310,069)	-	-
Unclaimed dividends paid to SEC Dividend Trust Fund	30	(4,095,053)	-	(2,944,897)	-
Settlement of derivatives	9	(6,799,828)	-	(6,799,828)	-
Investment in scheme shares	33i	(5,597,295)	(2,656,345)	(5,597,295)	(2,656,345)
Acquisition of NCI in UFL without a change in control	30	-	(150)	-	-
Purchase of NCI shares		-	(706)	-	-
Net cash flows generated from financing activities		146,786,798	3,418,286	79,435,820	(2,566,091)
Cash & cash equivalents at the beginning of the year		40,600,511	25,271,926	21,795,073	15,842,964
Effect of movements in exchange rates on cash and cash equivalents held		(1,298,157)	6,294,017	(279,558)	4,330,420
Net increase/(decrease) in cash & cash equivalents		11,608,425	9,034,568	(17,885,212)	1,621,689
Cash & cash equivalents at the end of the year	24i	50,910,779	40,600,511	3,630,303	21,795,073

The accompanying notes form an integral part of these consolidated and separate financial statements.

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1 Corporate Information

UAC of Nigeria PLC is a limited company incorporated and domiciled in Nigeria, whose shares are publicly traded on the Nigerian Exchange. The registered office is located at 1-5 Odunlami Street, Marina, Lagos.

The Group is a diversified business with activities in the following principal sectors: Animal Feeds and Other Edibles, Paints, Packaged Food and Beverages, and Quick Service Restaurants. The Company also has interests in Logistics, and Real Estate sectors (See Note 5).

The consolidated and separate financial statements of UAC of Nigeria PLC (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 27th March 2026.

2.1 Statement of Compliance

These consolidated and separate financial statements of UAC of Nigeria PLC have been prepared in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria Act, 2011 (as amended).

Basis of measurement

The consolidated and separate financial statements have been prepared on a historical cost basis, except for the following:

S/No	Item	Basis of measurement
1	Investment properties	Fair value
2	Equity investments	Fair value
3	Other financial assets and liabilities	See note 2.9
4	Equity settled share based payment expenses	Fair value at the grant date

The consolidated and separate financial statements are presented in Naira and all values are rounded to the nearest thousand (N'000), except when otherwise indicated.

The consolidated and separate financial statements provide comparative information in respect of the previous period.

The consolidated and separate financial statements have been prepared on a going concern basis.

The policies set out below have been consistently applied to all the years presented.

2.2 Changes in accounting policies and disclosures

a New and amended standards and interpretations adopted by the Group

In the current year, the Group has adopted a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on 1 January 2025. The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these consolidated and separate financial statements.

(i) Amendments to IAS 21 Lack of Exchangeability

The Group adopted the amendments to IAS 21 for the first time in the current year. This amendment impacts entities that have a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The lack of exchangeability may occur, for example, because of government imposed controls on capital imports and exports, or the volume of foreign currency transactions that can be undertaken at an official exchange rate is limited. The amendments clarify when a currency is considered exchangeable into another currency and how an entity estimates a spot rate for currencies that lack exchangeability. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.

The amendment did not have an impact on the Group's financial statements

b New standard, amendments and interpretations not yet effective

A number of new standards are effective for annual periods beginning on or after 1 January 2026 and earlier application is permitted; however, the Group and Company have not early adopted the new or amended standards in preparing these consolidated and separate financial statements. Their adoption is not expected to have any material impact on the disclosures or on the amounts reported in these financial statements.

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

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

The effective date of the amendments is yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

The IASB has decided to defer the effective date of the amendments indefinitely.

(ii) Amendments to IFRS 9 and IFRS 7 – Contracts referencing nature-dependent electricity (effective 1 January 2026)

The IASB issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). These amendments include:

- clarifying the application of the 'own-use' requirements;
- permitting hedge accounting if these contracts are used as hedging instruments; and
- adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The effective date of the amendment is for years beginning in or after 1 January 2026.

These amendments are not expected to have any material impact in the consolidated and separate financial statement.

(iii) Amendments to the Classification and Measurement of Financial Instruments –Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

In May 2024, the International Accounting Standards Board (IASB) issued amendments to the classification and measurement of Financial Instruments which amended IFRS 9 and IFRS 7. The requirements will be effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted, and are related to:

- Settling financial liabilities using electronic payments system; and
- Assessing contractual cash flow characteristics of financial assets, including those with sustainability-linked features.

The amendments include guidance on the classification of financial assets, including those with contingent features. The IASB has also amended IFRS 7 Financial Instruments: Disclosures. Companies will now be required to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. This amendment is effective from 1 January 2026.

(iv) Annual improvements to IFRS standards - volume 11 (effective 1 January 2026)

These amendments, published in a single document, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended Standards are: (i) IFRS 1 First-time Adoption of International Financial Reporting Standards; (ii) IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; (iii) IFRS 9 Financial Instruments; (iv) IFRS 10 Consolidated Financial Statements; and (v) IAS 7 Statement of Cash Flows.

These amendments are not expected to have any material impact in the consolidated and separate financial statement.

(v) IFRS 19 Subsidiaries without public accountability: Disclosures (effective 1 January 2027)

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date: • it does not have public accountability; and • its parent produces consolidated financial statements under IFRS Accounting Standards. A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

This standard is not expected to have any material impact in the consolidated and separate financial statement.

(vi) IFRS 18 Presentation and disclosure in financial statements (effective 1 January 2027)

IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. The standard introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories (operating, investing and financing), based on a company's main business activities. The standard also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or on a mixed basis.

The impact of this standard is being assessed.

Material accounting policies

2.3 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Company has direct or indirect control. The Group controls an entity when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Financial information of the subsidiaries are prepared as of the same reporting date and consolidated using consistent accounting policies.

In the separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses.

Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

All intra-group transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intra-group transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Acquisition of entities under common control

Business combinations arising from transfers of interests in entities that were under the control of the shareholder that controls the Group are accounted for prospectively as at the date that transfer of interest was effected. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The difference between the consideration paid and the net assets acquired is accounted for directly in equity.

Changes in ownership interests in subsidiaries without loss of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests) and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, and then the gain on bargain purchase is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

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Investment in Associates and Joint Ventures

Associates are all entities over which the Group and Company have significant influence but not control, generally the Group/Company has shareholding of between 20% and 50% of the voting rights in associate companies. In the consolidated financial statements, investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/ (loss) of an associate' in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Share of profit/(losses) arising from equity accounting of investment in associates are recognised in the income statement.

In the separate financial statements of the Company, investments in associates are measured at cost.

2.4 Segment reporting

An operating segment is a distinguishable component of the Group and Company that earns revenue and incurs expenditure from providing related products or services (business segment) or providing products or services within a particular economic environment (geographical segment), and which is subject to risks and returns that are different from those of other segments.

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 Executive Committee of the Company.

The Group and Company's primary format for segment reporting is based on business segments. The business segments are determined by management based on the Group's internal reporting structure.

Segment results that are reported to the Company's Executive Management Committee include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses and tax assets and liabilities.

2.5 Foreign currency translation

a Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated and separate financial statements are presented in Naira (₦), which is the Group and Company's presentation currency.

b Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. 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 the profit or loss statement.

Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents and investment in debt securities are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the profit or loss within "Other operating profit or (losses)".

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Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss using the exchange rates at the date when the fair value is determined. Translation differences on non-monetary financial assets measured at fair value in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss are recognised in OCI) or profit or loss are also recognised in OCI or profit or loss respectively).

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

c Fair Value Gain/(Loss) on Derivative Financial Instruments

Derivative financial instruments are initially recognized at fair value on the date the contract is entered into and are subsequently remeasured at fair value at each reporting date..

Changes in the fair value of derivative financial instruments are recognized in profit or loss as fair value gains or losses, unless the derivatives are designated and effective as hedging instruments in a qualifying hedge relationship in accordance with IFRS 9 Financial Instruments. Where hedge accounting is applied, the recognition of gains or losses follows the accounting treatment applicable to the specific hedge relationship.

Derivative financial instruments are presented as financial assets when their fair value is positive and financial liabilities when their fair value is negative

2.6 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings held for use in the production or supply of goods or services, or for administration purposes, are classified as property, plant and equipment. Land and buildings comprise mainly of factories and offices.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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 Group and the cost can be measured reliably. The carrying amount of the replaced cost is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Leasehold properties are depreciated over their useful lives, unless the lease period is shorter, in which case the lease period is used. Depreciation on other assets is calculated using the straight line method to allocate their cost over their estimated useful lives, as follows:

Leasehold land and buildings	Lease terms vary from 5 to 99 years
Plant and machinery	2 to 43 years
Office furniture and equipment	3 to 5 years
Motor vehicles	4 to 6 years
Computer equipment	3 to 5 years
Capital work-in-progress	Nil

The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly. 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.

The carrying amount of an item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised within "other operating income/(loss)" in the statement of profit or loss and other comprehensive income, when the asset is derecognised.

Where an indication of impairment exists, an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (refer to Impairment Note 2.10 for further detail).

2.6.1 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

2.7 Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset acquired in a business combination is the fair value at the date of acquisition. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Unless internally generated costs meet the criteria for development costs eligible for capitalisation in terms of IAS 38 (refer to accounting policy on Computer Software below), all internally generated intangible assets are expensed as incurred.

The useful lives of intangible assets are either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over their useful lives and assessed for impairment when there is an indication that the asset may be impaired. The amortisation period and the method are reviewed at each financial year end. Changes in the expected useful life or pattern of consumption of future benefits are accounted for prospectively.

Intangible assets with indefinite useful lives are not amortised but are tested annually for impairment either individually or at the cash-generating level. The useful lives are also reviewed each period to determine whether the indefinite life assessment continues to be supportable. If not, the change in useful life assessment to a finite life is accounted for prospectively.

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Computer software acquisition and development costs recognised as assets are amortised on a straight-line basis over their estimated useful lives, which does not exceed 5 years.

2.8 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the entities in the group, are classified as investment properties. Investment properties comprise mainly of commercial projects constructed and acquired with the aim of leasing out to tenants. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The Group makes use of external valuation experts. Each property is valued by an external valuer annually.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

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The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments are not recognised in the financial statements.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised when they have been disposed of.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16.

2.9 Financial instruments – initial recognition and subsequent measurement

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

a Financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

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

In order for a financial asset to be classified and measured at amortised cost, 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 it is performed at an instrument level.

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

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

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

The Group's financial assets includes financial assets at amortised cost (debt instruments) and financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

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

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

The Company's and Group's financial assets at amortised cost include trade and other receivables (excluding advance payments, WHT receivables and prepayments), finance lease receivables, debt instrument at amortised cost and cash and cash equivalents.

Trade and other receivables (excluding advance payments, WHT receivables and prepayments), are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment.

If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. The fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. For short term trade and other receivables, no disclosure of fair value is presented when the carrying amount is a reasonable approximation of fair value due to the insignificant impact of discounting.

Cash and cash equivalents

The Group and Company considers all highly liquid unrestricted investments with less than 90 days maturity from the date of acquisition to be cash equivalents. Bank overdrafts that are repayable on demand and form an integral part of the Group's and Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows and included in borrowings within current liabilities in the statement of financial position.

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

Upon initial recognition, the Group 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.

Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and Company elected to classify irrevocably its non-listed equity investments under this category.

Derecognition

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions (Note 4.1)

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group and Company compare the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group and Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's and Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's and Company's core operations.

Irrespective of the outcome of the above assessment, the Group and Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group and Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. The Group and Company considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group and Company regularly monitor the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group and Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and Company may also consider a financial asset to be in default when internal or external information indicates that the Group and Company are unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group and Company.

For trade receivables, finance lease receivables and contract assets, the Group and Company apply a simplified approach in calculating ECLs. Therefore, the Group and Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and 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 cash and cash equivalents and other financial assets that apply a general approach in calculating the ECLs, the Group and Company consider a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of investment grade.

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

b Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortised cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

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

Financial liabilities at fair value through 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 Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

The Company's and Group's financial liabilities at amortised cost includes interest-bearing loans and borrowings, trade and other payables (excluding statutory deductions such as non-income taxes in respect of WHT, VAT and PAYE), lease liabilities and dividend payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in 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 profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Borrowings

Interest-bearing bank loans and overdrafts are initially recognised at fair value, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis through profit or loss using the effective interest method and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they arise. After initial recognition, interest-bearing loans and borrowings 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.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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

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.

Trade and other payables

Trade and other payables (excluding statutory deductions such as non-income taxes in respect of WHT, VAT and PAYE) are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables expose the Group and Company to liquidity risk and possibly to interest rate risk.

Derecognition of financial liabilities

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

Offsetting

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

2.10 Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

Disclosures for significant assumptions (Note 4)

Property, plant and equipment (Note 13)

Intangible assets (Note 14)

Goodwill (Note 14)

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit (CGU)'s fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Inventory cost is calculated based on:

Raw materials

Raw materials which include purchase cost and other costs incurred to bring the materials to their location and condition are valued using a weighted average cost basis.

Work-in-progress

Cost of work in progress includes cost of raw material, labour, production and attributable overheads based on normal operating capacity. Work in progress is valued using weighted average cost basis

Finished goods

Cost is determined using the weighted average method and includes cost of material, labour, production and attributable overheads based on normal operating capacity.

Goods-in-transit

Cost is determined as purchase cost incurred to date.

Technical spares and consumables

Cost is determined using the weighted average method and includes transportation and clearing costs.

2.12 Prepayments

Prepayments are non-financial assets which result when payments are made in advance of the receipt of goods or services. They are recognised when the Group and Company expects to receive future economic benefits equivalent to the value of the prepayment. The receipt or consumption of the services results in a reduction in the prepayment and a corresponding increase in expenses or assets for that reporting period.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Where the effect of discounting is material, provisions are discounted and 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 finance cost.

Contingent liabilities

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

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

Contingent assets

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of the Company. Contingent assets are not recognised, but they are disclosed when it is more likely than not that an inflow of benefits will occur. However, when the inflow of benefits is virtually certain an asset is recognised in the statement of financial position, because that asset is no longer considered to be contingent.

2.14 Capital and other reserves

Ordinary share capital

The Company has two classes of shares, ordinary and preference shares. These shares are classified as equity.

When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded as share premium. All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share premium

When the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares is transferred to the share premium account. Any transaction costs associated with the share issued are deducted from share premium account, net of any related income tax benefits.

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Fair value reserve

Fair value reserve comprises the cumulative net change in fair value of financial assets measured at fair value through Other Comprehensive Income until they are derecognised

Investment in scheme shares

Investment in scheme shares relates to shares acquired for the purpose of settling vested shares under the Company's Long Term Incentive Plan ("LTIP").

Other reserves

Other reserve relate to the cumulative net change in the fair value of property, plant and equipment prior to the adoption of IFRS. On adoption of IFRS, the cost and revaluation surplus was taken as deemed cost and no subsequent revaluations are required.

Retained earnings

Retained earnings represents the Group's and Company's accumulated earnings since its inception, less any distributions to shareholders, and net of any prior period adjustments. A negative amount of retained earnings is reported as deficit or accumulated deficit.

2.15 Taxes

Income tax

Income tax expense comprises current tax (company income tax, tertiary education tax and Nigeria Police Trust Fund levy) and deferred tax.

The Group has determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on Taxable profits
- Tertiary education tax is computed on assessable profits
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting ALL expenses and taxes from revenue earned by the Group during the Year).

Total amount of tax payable under Companies Income Tax Act (CITA) is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year). Taxes based on profit for the period are treated as income tax in line with IAS 12.

The Group offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change.

The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

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

Minimum tax expense

The Group is subject to the Finance Act, 2023 which amends the Company Income Tax Act (CITA). Total amount of tax payable under the Finance Act, 2023 is determined based on the higher of two components: Company Income Tax (based on taxable profit (or loss) for the year); and Minimum tax (determined based on 0.5% of the Group's qualifying turnover less franked investment income). Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. The liability is recognised under current tax liabilities in the Statement of financial position.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as Minimum tax expense.

2.16 Employee benefits

(a) Defined Contribution schemes

The Group has two defined contribution plans for its employees;

- i) A statutory pension scheme and
- ii) A gratuity scheme

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group 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.

(i) Statutory pension Scheme

The Pensions Reform Act of 2014 requires all companies and employees to pay a minimum of 10% and 8% respectively of basic salary (including housing and transport allowances) to a pension fund on behalf of all full-time employees to a pension fund administrator.

The Employer contributions (10%) are recognised as employee benefit expenses when they are due, while the employees' contributions are funded through payroll deductions. The Group has no further payment obligation once contributions have been paid.

(ii) Gratuity Scheme

The Company's gratuity scheme was discontinued in 2018. On the date, accruing assets and obligations of the scheme were transferred as UNICO Gratuity Fund to a third party for management and administration. This scheme is registered with and regulated by the Pension Commission.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided in profit or loss.

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A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Short-term employee benefits comprise wages, salaries, allowances, and other benefits for all employees. The Group and Company also operates a profit sharing and bonus plan where staff are remunerated based on parameters determined by the Board in respect of the Group's and Company's operating performance for the year. Bonus payments are at the discretion of the Board and the expense is recognised in the year the bonus relates to. There is no contractual obligation, nor has there been a past practice to create a constructive obligation.

(c) Long service awards scheme

The Group operates a long service award scheme for certain qualifying employees. The benefits accrue to qualifying employees based on graduated periods of uninterrupted service over the service life of the employees. The benefits are gift items, Ex-Gratia (expressed as a multiple of Monthly Basic Salary), a plaque and certificate. The liability recognised in respect of these awards is computed using actuarial methods (discounted at present value). Any resulting remeasurement gain/loss is recognised in full within other income/administrative expense in the profit or loss. Current service cost is included as part of administrative expense and interest cost is included as part of finance cost in the profit or loss.

(d) Other long-term employee benefits

The Group recognizes obligations for other long-term employee benefits in line with IAS 19 Employee Benefits. The liability is recognised at the present value of the expected future payments as at the reporting date and is being carried as such.

(e) Termination benefits

Termination benefits are recognised as an expense when the Company is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

(f) Share based payment scheme

A share-based payment transaction is one where an entity receives goods or services from the supplier of those goods and services (including an employee) in exchange for:

- (a) cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity (cash settled share-based payments); or
- (b) equity instruments (including shares or share options) of the entity or another group entity (equity-settled share-based payment)

As part of their remuneration package, eligible employees of the Company receive share-based payments, whereby employees render services as consideration for equity instruments of the Company (equity-settled transactions).

The fair value of the services received from eligible employees, and the corresponding increase in equity is measured by reference to the fair value of the equity instrument granted. The fair value of the equity instruments granted is measured, at the grant date, at the market price of the Company's shares, adjusted to consider the terms and conditions upon which the shares were granted. Market conditions, such as a target share price upon which vesting (or exercisability) is conditioned, are considered when estimating the fair value of the equity instruments granted. Non-market vesting conditions are not considered when estimating the fair value of the shares at the measurement date. Instead, non-market vesting conditions, are considered by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognized for goods or services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

The fair value is recognised as an expense, together with a corresponding increase in equity, over the period in which the services are received and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has elapsed and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

No subsequent adjustment is made to total equity after the vesting date.

2.17 Revenue recognition

Revenue from contracts with customers

The Group is involved in the manufacture and sale of paint, food and beverages, as well as agricultural business relating to the manufacture and marketing of animal feeds and concentrates, managing quick service restaurants through its company owned stores and franchise operations, and management services.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since the Group reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts. The Group has been able to take a reasonable approach to determine the portfolios that would be representative of its types of customers and business lines. This has been used to categorise the different revenue streams detailed below.

At contract inception, the Group assesses the goods or services promised to a customer and identifies as a performance obligation each promise to transfer to the customer either:

- a good or service (or a bundle of goods or services) that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

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

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

Sale of paints

Delivery occurs when the products have been shipped to specific locations, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The paint is often sold with volume rebates based on aggregate sales over a three month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume rebates.

The Group normally transfers the products to customers' premises as part of the sales incentive which is a logistics discount. The logistic discount which is the transport cost paid on behalf of the customer is recognised as a reduction to revenue for the related goods.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (if any).

In determining the transaction price for the sale of hardware, the Group considers the existence of significant financing components and consideration payable to the customer (if any).

Sale of food and beverages

Contracts for the sale of food and beverages begin when goods have been delivered to the customer and revenue is recognised at the point in time when control of the goods has been transferred to the customer, generally on delivery of the goods.

For customers that buy on credit, a receivable is recognised when the goods are delivered to the customers as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (if any).

In determining the transaction price for the sale of food and beverages, the Group considers the existence of significant financing components and consideration payable to the customer (if any).

Sale from restaurant

Sale of goods arises from the sale of pastries, seasonings and confectionary from the corporate central kitchens. Revenue from the sale of goods is recognised when the control of the goods is transferred to the buyer. This occurs when the goods are delivered to the customer or picked up by the customers. This is at a point in time.

Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and when the customer has accepted the products in accordance with the sales contract, or the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sale of pastries is recognised based on the price specified in the contract, net of the estimated returns. Returns on goods are estimated at the inception of the contract except where the timing between when the revenue is recognised and when the returns occur is considered immaterial. In these instances, the returns are accounted for when they occur.

Sale of animal feeds and concentrates

Contract for the sale of animal feeds and concentrates begin when goods have been delivered to the customer and revenue is recognised at the point in time when control of the goods has been transferred to the customer, generally on delivery of the goods.

The normal credit term is 90 days upon delivery.

Commercial service fees

Commercial service fees are fees earned on management services rendered to Group entities. These services include but are not limited to; legal/Group secretarial and human resources support.

Commercial service fees (Contd.)

These services have been assessed as a single performance obligation because these services are individually distinct but within the context of the contract, are not distinct and thus have been bundled into one performance obligation.

The Group recognises revenue from commercial services rendered to related party over time because the customer simultaneously receives and consumes the benefits provided by the Group.

To measure progress towards completion of the performance obligation, the Group uses the output method.

Rendering of services based on Franchise agreement

The sales-based franchise fees (royalties) are recognised at the later of when the sale occurs (provided there is no expectation of a subsequent reversal of the revenue); or the performance obligation to which some or all of the sales-based royalty has been allocated is satisfied (in whole or in part).

An agreed royalty rate is charged on the Net Proceeds on Sale (NPS) declared by each franchisee and recognized in the books as royalty income.

The Group recognises revenue from royalty rates and franchise fees over time.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (if any).

Significant financing component

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component since it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of paint and other decorative provide customers with a right of return and usage based fees (management fee). The rights of return and usage based fees give rise to variable consideration.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. Some contracts for the sale of animal feeds, sales of food and beverages, paints provide customers with a right of return and volume rebates.

In addition, the Group offers its customers a right of return depending on if products are expired or defective in production. When a contract provides a customer with a right to return the goods within a specified period, the consideration received from the customer is variable because the contract allows the customer to return the products.

The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled.

The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Assets and liabilities arising from rights of return

• **Refund assets**

Refund assets represent the Group's right to recover the goods expected to be returned by customers.

The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

• **Refund liabilities**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer.

The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Customer usage

The Group has contracts where support staff are located in the colour centres/shops that belong to its numerous customers. The fee charged is based on a constant rate on sales made by the customer.

The total transaction price of service cost rendered by Group would be variable since the contracts have range of possible transaction prices arising from different volume purchased even though the rate per unit/band is fixed.

The Group estimates the variable consideration using the expected value (i.e. a probability weighted amount) because this method best predicts the amount of consideration.

Application of paint

Such services are recognised as a performance obligation satisfied over time. Revenue is recognised by measuring progress using the input method that is labour hours.

Using the practical expedient in IFRS 15 for the application of paint, the Group has elected to recognise revenue based on the amount invoiced to the customer since the Group has a right to consideration from its customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date.

Volume incentives and logistics discounts

When customers meet a set target in a particular month the Group gives a volume incentive. This is based on a percentage of what the customer achieves and is credited to the customer's account which is determined at the inception of the contract.

The Group pays logistics fees on behalf of the customers each time the customers transport their goods themselves. The Group already treats this as a reduction in sales which is in line with IFRS 15.

Consideration payable to the customer

Consideration payable to a customer includes cash amounts that the Group pays, or expects to pay, to its customer in form of logistics discounts granted to some of its customers upon execution of some of its service contract.

The consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group.

The Group recognises the reduction of revenue when (or as) the later of either of the following events occurs:

- the entity recognises revenue for the transfer of the related goods or services to the customer; and
- the entity pays or promises to pay the consideration (even if the payment is conditional on a future event). That promise might be implied by the entity's customary business practices.

Non-refundable upfront fees

In certain circumstances, the Group may receive payments from customers before they provide the contracted service or deliver a good. The up-front fees relate to an activity that the Group is required to undertake in order to fulfil the contract which results in the transfer of a promised good or service to the customer. The non-refundable up-front fees are paid at or near contract inception – e.g. set-up fees for project integration, required scheme testing, training or other payments made at contract inception.

The Group considers the upfront fee to be part of the consideration allocable to the goods or services in the contract and would be recognised when (or as) the good or service to which the consideration was allocated is transferred to the customer. Since the set-up activities satisfy a performance obligation, the Group recognises the related costs when measuring progress.

When the Group receives consideration that is attributable to a customer's unexercised rights, the Group will recognise contract liability equal to the amount prepaid by the customer for the performance obligation to transfer, or to stand ready to transfer, goods or services in the future. Revenue would be recognised when the entity satisfies its performance obligation.

Principal vs Agent consideration

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

Contract balances

Contract assets

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

Contract liabilities

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

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 2.9 Financial instruments – initial recognition and subsequent measurement.

Company

(i) Commercial service fees

Revenue for the company represents management fees charged to group entities for services provided such as legal/company secretarial and human resources support. Revenue is recognised as the services are completed.

(ii) Rental income

This represents revenue earned from the consideration received/receivable from rental properties.

(iii) Dividend income

Dividend income is recognised once the right to receive payment has been established, which is generally when shareholders approve the dividend.

(iv) Other income

Any additional income earned by the Company that does not fall into the category of a commercial service fee, rental income, finance income or dividend income is recognised as other income.

2.18 Earnings per share

Basic earnings per share is computed by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit or loss attributable to the owners of the Company, by the weighted average number of shares outstanding after adjusting for the effects of all dilutive potential ordinary shares.

2.19 Lease

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

Group as a lessee

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

i) Right-of-use assets

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

- Land and building 2 to 45 years
- Plant and machinery 3 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies on Impairment of non-financial assets.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other operating Income' and amounts due from lessees are recognised as receivables at the amount of the Company net investment in the leases. Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from IFRS 16.

2.20 Cash dividend and non-cash distribution to equity holders of the parent.

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. The liability is extinguished when the cash dividend is transferred to the registrar for onward remittance to the shareholders. Interim dividends are recognised once paid.

Dividend payable represents unclaimed dividend less deposits with the company registrars that relate to dividends not older than 15 months which are required to be held by the company registrars in line with SEC guidelines.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised within "other operating income/(loss)" in the statement of profit or loss and other comprehensive income.

2.21 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Company will comply with the conditions attaching to it.

Government grants are recognised within "other operating income/(loss)" in the statement of profit or loss and other comprehensive income on a systematic basis over the periods in which the Group and Company recognise as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

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

Grants related to non-monetary assets are stated at fair value. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

2.22 Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities at each reporting date. Equity instruments measured at fair value through other comprehensive income are also measured at fair values at the Group level.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

4 Significant judgements, estimates and assumptions

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

4.1 Significant judgements

a) Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of satisfaction of the application of paint

The Group concluded that revenue for application of paint is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to re-perform the service that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The Group determined that the input method is the best method in measuring progress of the application of paint services because there is a direct relationship between the Group's effort (i.e., labour hours incurred) and the transfer of service to the customer. The Group recognises revenue on the basis of the labour hours expended relative to the total expected labour hours to complete the service.

Determining the timing of satisfaction of sales of paint

The Group concluded that revenue for sales of paint is to be recognised as a point in time; when the customer obtains control of the paint. The Group assesses when control is transferred using the indicators below:

- The Group has a present right to payment for the paint;
- The customer has legal title to the paint;
- The Group has transferred physical possession of the asset and delivery note received;
- The customer has the significant risks and rewards of ownership of the paint; and
- The customer has accepted the asset.

Determining the timing of satisfaction of sales of food and beverages

The Group concluded that revenue for sales of food and beverages is to be recognised at a point in time, when the customer obtains control of the goods. The Group assesses when control is transferred using the indicators below:

- The Group has a present right to payment for the goods;
- The customer has legal title to the goods;
- The Group has transferred physical possession of the asset and delivery note received;
- The customer has the significant risks and rewards of ownership of the goods; and
- The customer has accepted the goods.

Determining the timing of satisfaction of sales of feeds and concentrates

The Group concluded that revenue for sales of feeds and concentrates is to be recognised as a point in time; when the customer obtains control of the goods. The Group assesses when control is transferred using the indicators below:

- The Group has a present right to payment for the goods;
- The customer has legal title to the goods;
- The Group has transferred physical possession of the asset and delivery note received;
- The customer has the significant risks and rewards of ownership of the goods; and
- The customer has accepted the goods.

Determining the timing of satisfaction of service and management fees

The Group concluded that revenue earned from rendering management services on leased or sold properties will be recognised over time because, as the Group performs, the customer simultaneously receives and consumes the benefits provided by the Group's performance.

The Group has determined that the output method faithfully depicts its performance in transferring control of the services to the customer. The Output method recognises revenue based on direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract.

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

Determining the timing of satisfaction of commercial services to related parties.

The Group concluded that revenue from commercial services rendered to related parties will be recognised over time because, as the Group performs, the customer simultaneously receives and consumes the benefits provided by the Group's performance.

The Group has determined that the output method is the best method for measuring progress of rendering the services to the customer. The output method recognises revenue based on direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract.

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

Determining the timing of satisfaction of management services on lease agreements

The Group concluded that revenue from management services on lease agreements will be recognised over time because, as the Group performs, the customer simultaneously receives and consumes the benefits provided by the Group's performance.

The Group has determined that the input method will effectively capture the efforts to render the services. Such efforts include cost incurred to render the services.

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of paint include a right of return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of paint with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for the sale of paint with volume rebates, the Group determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

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

b) Provisions

Provisions were raised and management determined a best estimate of amount based on the information available. Best estimates, being the amount that the Group would rationally pay to settle the obligation, are recognised as provisions at the reporting date. Risks, uncertainties and future events, such as changes in law and technology, are taken into account by management in determining the best estimates. Where the effect of discounting is material, provisions are discounted. The discount rate used is the pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability, all of which requires management estimation.

The Group is required to record provisions for legal or constructive contingencies when the contingency is probable of occurring and the amount of the loss can be reasonably estimated. Liabilities provided for legal matters require judgements regarding projected outcomes and ranges of losses based on historical experience and recommendations of legal counsel. Litigation is, however, unpredictable and actual costs incurred could differ materially from those estimated at the reporting date.

(c) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(d) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or to terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

(e) Property lease classification – Group as lessor

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

4.2 Significant estimates and assumptions

a) Investment Property

The Group uses a combined approach of valuing investment properties using professionally qualified experts.

For breakdowns of the properties valued using each of these methods, refer to Note 15

Management makes use of a number of methods to assess the fair value of investment property:

- Open market value
- Direct market comparison approach
- Current replacement cost approach

For purposes of the fair value recognised in the financial statements the open market method is adopted. The Open market value method falls under the "market approach" as stipulated in IFRS 13

b) Estimates of useful lives and residual values

The estimates of useful lives and residual values of PPE impact the annual depreciation charge.

The useful lives and residual values are based on management experience and the condition of the assets. Consideration is given to management's intended usage policy for the assets in the future and potential market prices of similar assets.

c) Impairment testing of non-financial assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value in use and fair value less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact estimations and may require a material adjustment to the carrying value of intangible and tangible assets.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared for expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of intangible and tangible assets are inherently uncertain and could materially change over time.

(d) Expected credit losses of trade receivables

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

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

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

(e) Measurement of the expected credit loss allowance for other financial assets

The measurement of the expected credit loss allowance for other financial assets measured at amortised cost (e.g. cash and cash equivalents, debt instruments measured at amortised cost and due from related companies) is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 3.1 (b), which also sets out key sensitivities of the ECL to changes in these elements.

(f) Deferred tax asset

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

(g) Going Concern

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

(h) Fair value measurement of financial instruments

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

(i) Assets held for sale

The Board considered the non current assets held for sale to meet the criteria to be classified as held for sale at the reporting date for the following reasons:

- The assets are available for immediate sale and can be sold to the buyer in their current condition
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification
- Management is still committed to the plan to dispose of the assets

(j) Employee benefits Obligation

The Group recognises obligations for other long-term employee benefits and long-term service awards at their present value as of the reporting date. The obligation for long-term service awards is determined through an actuarial valuation, which considers specific assumptions to calculate the present value. The expected future payments for other long-term employee benefits are discounted using yields on similar financial instruments to derive their present value.

3 Financial risk management

The Group's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, debt instruments and cash and bank balances that are derived directly from its operations.

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

(a) 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, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits and loans and borrowings.

(i) Foreign exchange risk

The Group is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the US dollar as a result of importing key raw materials. Foreign exchange risk arises from future commercial transactions. There are limited exposures to recognised assets and liabilities and net investments in foreign operations.

The Group does not make use of derivatives to hedge its exposures. Although the Group has various measures to mitigate exposure to foreign exchange rate movement, over the long term however, permanent changes in exchange rates will have an impact on profit. The Group monitors movement in the currency on an on-going basis.

The Group manages this risk through adequate planning and timing of its foreign exchange transactions and funding of its domiciliary accounts.

The Group's concentration of foreign exchange exposure is as follows:

GROUP	31 December 2025				Others
	N'000	USD'000	GBP'000	EUR'000	
Financial assets					
Debt securities (Net)	-	-	-	-	-
Trade receivables (Net)	8,202,294	78	-	-	-
Other receivables (Net)	987,009	-	-	-	-
Cash and short-term deposits (Net)	48,695,301	1,533	7	0.38	-
	57,884,604	1,611	7	0.38	-
Financial liabilities					
Long term borrowings	159,584,296	-	-	-	-
Short term borrowings	185,230,596	-	-	-	-
Trade payables	43,988,654	277	-	-	-
	388,803,546	277	-	-	-

GROUP	31 December 2024				Others
	N'000	USD'000	GBP'000	EUR'000	
Financial assets					
Debt securities (Net)	-	4,214	-	-	-
Trade receivables (Net)	767,438	134	-	-	-
Other receivables (Net)	1,493,841	-	-	-	-
Cash and short-term deposits	20,558,693	13,015	8	0.38	-
	22,819,971	17,363	8	0	-
Financial liabilities					
Long term borrowings	10,322,116	-	-	-	-
Short term borrowings	31,159,494	-	-	-	-
Trade payables	11,174,912	529	-	-	-
	52,656,522	529	-	-	-

The effective closing rate were as follows:

	31-Dec-25	31-Dec-24
USD/NGN	1,435.76	1,538.25
GBP/NGN	1,930.82	1,925.22
EUR/NGN	1,684.57	1,592.06
ZAR/NGN	87.23	81.97

Financial risk factors continued

	GROUP	
	31-Dec-25	31-Dec-24
	N'000	N'000
The total impact on profit if Naira was to depreciate by 20%/(2024: 20%) across currencies would be as follows:	385,746	5,181,886
The total impact on profit if Naira was to appreciate by 20%/(2024: 20%) across currencies would be as follows:	(385,746)	(5,181,886)

Management considers a 20% shift in foreign currency exchange rate is appropriate to determine the sensitivity of foreign currency denominated financial assets.

COMPANY

	31 December 2025				
	N'000	USD'000	GBP'000	EUR'000	Others
Financial assets					
Debt at amortised cost	-	-	-	-	-
Cash and short-term deposits	3,267,744	248	4	-	-
Intercompany receivables	113,671,785	-	-	-	-
	116,939,529	248	4	-	-

	31 December 2024				
	N'000	USD'000	GBP'000	EUR'000	Others
Financial assets					
Debt at amortised cost	-	4,214	-	-	-
Cash and short-term deposits	7,936,041	9,001	4	-	-
Intercompany receivables	4,268,785	-	-	-	-
	12,204,826	13,215	4	-	-

The effective closing rate were as follows:		31-Dec-25	31-Dec-24
USD/NGN		1,435.76	1,538.25
GBP/NGN		1,930.82	1,925.22
EUR/NGN		1,684.57	1,592.06
ZAR/NGN		87.23	81.97

	COMPANY	
	31-Dec-25	31-Dec-24
	N'000	N'000
The total impact on profit if Naira was to depreciate by 20%/(2024: 20%) across currencies would be as follows:	72,480	4,066,984
The total impact on profit if Naira was to appreciate by 20%/(2024: 20%) across currencies would be as follows:	(72,480)	(4,066,984)

Management considers a 20% shift in foreign currency exchange rate is appropriate to determine the sensitivity of foreign currency denominated financial assets.

(ii) Equity Price Risk

The Group is exposed to equity securities price risk because of investments held by the group and classified on the consolidated financial position as equity instrument at fair value through other comprehensive income and investments in subsidiaries held by the Company. The impact on equity if the price of the equity instrument measured at fair value through other comprehensive income was to appreciate/depreciate by 10% will be +/-N43.8million (2024: +/- N26.4million).

(iii) Commodity Price Risk

The Group is exposed to the commodity price risk of grains (maize, soya beans and wheat) due to seasonal trends and the availability of harvest produce. The Group does not hedge this risk. There are operational controls in place to monitor qualities and to ensure that adequate quantities are procured and stored in silos and warehouses in the harvest seasons for the gradual milling during the year. In case of local crop failure resulting in shortages, importation is undertaken. Sensitivity to commodity price is immaterial.

(iv) Interest rate risk

The Group's interest rate risk arises from short term borrowings (2024: short term borrowings). Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. The individual boards of each business unit within the group set their own borrowing limits under Group guidance. No formal Group limit policy exists at this stage.

Group treasury monitors interest rate and borrowing exposures and weighted averages for the entire Group on a monthly basis. This is analysed and reviewed by the Board on a quarterly basis.

	GROUP	
	31-Dec-25	31-Dec-24
	N'000	N'000
The total impact on profit or loss and equity if interest rates were to decrease by 500 basis points would be as follows:	9,261,530	1,557,975
The total impact on profit or loss and equity if interest rates were to increase by 500 basis points would be as follows:	(9,261,530)	(1,557,975)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by credit insurance obtained from reputable banks and other financial institutions.

Impairment of trade receivables

An impairment analysis is performed at each reporting date using a provision matrix model to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes below. The Group does not hold collateral as security. The credit insurance is considered an integral part of trade receivables and is considered in the calculation of impairment. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers operate in largely independent markets.

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

	Trade receivables					Total N'000
	Current	<90 days	Days past due			
			90-180 days	180-360 days	>360 days	
N'000	N'000	N'000	N'000	N'000		
31-Dec-25						
Expected credit loss rate	0.66%	40.44%	40.70%	88.88%	100.00%	
Total gross						
Gross amount at default	8,128,249	172,874	221,532	38,791	430,022	8,991,468
Expected credit loss	53,247	69,912	90,170	34,477	430,022	677,828
31-Dec-24						
Expected credit loss rate	6.09%	33.39%	44.09%	78.43%	99.99%	
Total gross						
Gross amount at default	878,740	123,925	102,420	39,327	428,774	1,573,186
Expected credit loss	53,533	41,372	45,155	30,842	428,721	599,623

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

In thousands of Naira	2025	2024
Balance as at 1 January	599,623	681,455
Acquired through Business combination	126,246	-
Additional allowance during the year	77,829	124,052
Amount written off	(127,733)	(196,557)
Reclassification (from)/to withholding tax receivable	1,863	(9,327)
Balance at 31 December	677,828	599,623

Expected credit loss measurement - other financial assets

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

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

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

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes.

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The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

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

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in the Summary of significant accounting policies and in Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Group obtains the data used from third-party sources (Central Bank of Nigeria, National Bureau of Statistics, Trading Economics, Standard & Poor's, and IMF), and the units verify the accuracy of inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Group's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 December 2025 and 31 December 2024.

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations.

Key drivers	Assigned Probabilities	ECL Scenario	31-Dec-25 Group/Company		
			2026	2027	2028
Oil Price	11.6%	Upturn	63	64	65
	80.1%	Base	60	61	63
	8.2%	Downturn	59	60	61
GDP rate %	11.6%	Upturn	3.53	3.53	3.53
	80.1%	Base	3.00	3.00	3.00
	8.2%	Downturn	2.93	2.93	2.93
Inflation rate %	11.6%	Upturn	13.7	12.0	11.5
	80.1%	Base	14.6	12.9	12.4
	8.2%	Downturn	15.9	14.2	13.7
Interest rate %	11.6%	Upturn	23.3	22.3	21.3
	80.1%	Base	26.0	25.0	24.0
	8.2%	Downturn	28.0	27.0	26.0

Key drivers	Assigned Probabilities	ECL Scenario	31-Dec-24 Group/Company		
			2025	2026	2027
Oil Price %	11.6%	Upturn	80	80	80
	80.1%	Base	78	78	78
	8.2%	Downturn	77	77	77
Unemployment rate %	11.6%	Upturn	3.33	3.16	3.51
	80.1%	Base	3.16	2.99	3.34
	8.2%	Downturn	2.93	2.76	3.11
Inflation rate %	11.6%	Upturn	16.4	13.4	11.4
	80.1%	Base	20.0	17.0	15.0
	8.2%	Downturn	32.5	29.5	27.5
Interest rate %	11.6%	Upturn	27.6	25.6	25.6
	80.1%	Base	28.3	26.3	26.3
	8.2%	Downturn	29.6	27.6	27.6

The following tables outline the impact of multiple scenarios on the allowance:

31-Dec-25	Short-term deposits	Group Debt instrument at amortised cost (Note 19)	Impairment on associates	Total	Short-term deposits	Intercompany & related party receivables	Company Debt instrument at amortised cost (Note 19)	Impairment on associates	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Upside (12%)	19	-	142	161	19	121,921	-	142	122,082
Base (80%)	128	-	972	1,100	128	834,688	-	972	835,788
Downturn (8%)	13	-	100	113	13	85,449	-	100	85,562
Total	160	-	1,214	1,374	160	1,042,058	-	1,214	1,043,432

31-Dec-24	Short-term deposits	Group Debt instrument at amortised cost (Note 19)	Impairment on associates	Total	Short-term deposits	Intercompany receivables	Company Debt instrument at amortised cost (Note 19)	Impairment on associates	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Upside (12%)	693	2,220	391	3,304	693	288	2,220	391	3,592
Base (80%)	5,038	16,147	2,842	24,027	5,038	2,094	16,147	2,842	26,121
Downturn (8%)	567	1,817	320	2,704	567	236	1,817	320	2,940
Total	6,298	20,184	3,553	30,035	6,298	2,618	20,184	3,553	32,653

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Group's liquidity reserve and cash and bank balances on the basis of expected cash flows.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2025	GROUP						
	Carrying Amount	Contractual cashflow	On demand	Less than 3 months	Between 3 months and 1 year	Between 1 and 5 years	Over 5 years
Borrowings	344,814,892	470,496,668	-	-	213,759,302	109,624,737	147,112,629
Lease liabilities	2,175,315	2,617,584	-	-	1,174,901	1,273,056	169,626
Trade and other payables*	70,640,794	70,640,794	14,128,159	21,192,238	35,320,397	-	-
Dividend payable	2,603,902	2,603,902	2,603,902	-	-	-	-
	420,234,903	546,358,947	16,732,061	21,192,238	250,254,600	110,897,793	147,282,255

At 31 December 2024	GROUP						
	Carrying Amount	Contractual cashflow	On demand	Less than 3 months	Between 3 months and 1 year	Between 1 and 5 years	Over 5 years
Borrowings	41,481,610	52,524,446	-	9,917,905	22,226,250	12,251,257	8,129,035
Lease liabilities	1,512,702	1,689,592	-	-	477,186	1,167,920	44,486
Trade and other payables*	20,808,979	20,808,979	4,161,796	6,242,694	10,404,490	-	-
Dividend payable	5,674,793	5,674,793	5,674,793	-	-	-	-
	69,478,084	80,697,810	9,836,589	16,160,599	33,107,926	13,419,177	8,173,521

At 31 December 2025	COMPANY						
	Carrying Amount	Contractual cashflow	On demand	Less than 3 months	Between 3 months and 1 year	Between 1 and 5 years	Over 5 years
Borrowings	107,646,033	117,021,033	-	-	57,991,963	-	59,029,070
Dividend payable	2,174,833	2,174,833	-	2,174,833	-	-	-
Other payables*	17,891,665	17,891,665	-	17,891,665	-	-	-
	127,712,531	137,087,531	-	20,066,498	57,991,963	-	59,029,070
At 31 December 2024							
Borrowings	5,967,324	14,390,372	-	-	1,252,268	5,009,070	8,129,035
Dividend payable	5,170,168	5,170,168	-	5,170,168	-	-	-
Other payables*	562,880	562,880	-	562,880	-	-	-
	11,700,372	20,123,420	-	5,733,048	-	-	-

*This excludes all statutory liabilities.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent and non controlling interest.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as interest bearing debt capital divided by total equity. Interest bearing debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated financial position). Total equity is calculated as 'equity' as shown in the consolidated statement of financial position including non controlling interest.

	31-Dec-24	31-Dec-24
Interest bearing debt	344,814,892	41,481,610
Total equity	69,770,570	78,381,000
Total capital	414,585,462	119,862,610

Gearing ratio (%)	494	53
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3.3 Fair value estimation

Financial instruments are normally held by the Group until they close out in the normal course of business. Most of the fair values of the Group's financial instruments approximate their carrying values due to their short term nature; hence no further fair value disclosures are made. The maturity profile of short term liabilities fall due within 12 months. The maturity profile of long-term liabilities, are as disclosed in Note 3.1 (c) of these consolidated and separate financial statements.

Short-term borrowings are measured at amortised cost using the effective interest rate method and the carrying amounts approximate the fair value. Fair valuation of borrowings was done using the income approach. This approach entails a calculation of the present value of expected future cash flows. The fair value hierarchy for borrowings is level 2 (see below table)

Due to their short term nature, there are no significant differences between the carrying values and the fair values of financial assets and liabilities, except for intra-group loans at company level which are eliminated on consolidation.

The table below sets out the classification of each class of financial assets and liabilities, as well as a comparison to their fair values. The different fair value levels are given below:

Level 1: Quoted prices in active markets for identical assets or liabilities, for identical assets or liabilities that the Group can access at the measurement date (equity instrument at fair value through OCI)

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Note 40 provides the fair value measurement hierarchy of the Group's assets and liabilities for the year ended 31 December 2025

i) Assets measured at fair values

a) Investment properties

The valuation techniques used and key inputs to valuation of investment properties have been disclosed on Note 41.

Significant unobservable valuation input:

Price per square metre

N8,804 - N317,731

Significant increases (decreases) in estimated price per square metre in isolation would result in significantly higher (lower) fair value.

b) Equity instrument at fair value through Other Comprehensive Income

The valuation techniques used and key inputs to the fair value of the equity instrument have been disclosed in Note 41.

ii) Liabilities for which fair values are disclosed

The fair value of unquoted loans from banks is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The fair values of the Group's interest-bearing borrowings and loans are determined by using the DCF method and by discounting at the relevant borrowing rate of each obligor as at the end of the reporting period. The own non-performance risk as at 31 December 2025 was assessed to be insignificant.

The following table presents the Group's financial assets and liabilities showing the carrying amount and the fair value:

	31-Dec-25		GROUP		31-Dec-24
	Carrying value	Fair value	Carrying value	Fair value	
Assets					
Equity held at fair value through OCI	1,235,669	1,235,669	1,072,706	1,072,706	
Trade and other receivables - Non-current	927,926	927,926	1,380,124	1,380,124	
	2,163,595	2,163,595	2,452,830	2,452,830	
Liabilities					
Bank overdrafts and current portion of borrowings	185,230,596	185,230,596	31,159,494	31,159,494	
Long term borrowings	159,584,296	159,584,296	10,322,116	8,343,735	
	344,814,892	344,814,892	41,481,610	39,503,229	

c) Acquisition of subsidiary

On acquisition of CHI Limited, the identifiable assets acquired and liabilities assumed are recognized at their fair values at the acquisition date in accordance with IFRS 3 Business Combinations. Fair values are determined using valuation techniques consistent with the principles in IFRS 13 Fair Value Measurement.

The fair value of the identifiable assets and liabilities have been disclosed in Note 38

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5. Segment Analysis

The Group

The chief operating decision-maker has been identified as the Executive Committee (Exco), made up of the management of the Company. The Exco reviews the Group's internal reporting in order to assess performance and allocate resources.

Management has determined the operating segments based on these reports.

The Group has identified the following as segments:

Edibles & Feed - Made up of business units involved in the manufacturing and sale of livestock feeds and edible oil.

Paints - Made up of business units involved in the manufacturing and sale of paints products and other decoratives.

Packaged Food & Beverages - Made up of a business units involved in the manufacturing and sale of fruit juices, still drinks, diary products, bottled water, snacks and ice-cream.

QSR (Quick Service Restaurants) - Made up of a business unit involved in the making and sale of snacks and meals.

Others - This is a non-reportable segment made up of the corporate head office.

The following measures are reviewed by Exco; with **Profit Before Tax** taken as the segment profit.

- Revenue to third parties

- Operating profit

- Profit before tax

- Property, plant and equipment

- Net assets

	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
31 December 2025	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue from contracts with customers	91,605,497	44,855,193	201,664,773	2,567,996	3,258,426	343,951,885
Rental income	-	-	-	-	301,367	301,367
Total Revenue	91,605,497	44,855,193	201,664,773	2,567,996	3,559,793	344,253,252
Intergroup revenue	(215,709)	(10,288)	(271,103)		(3,282,896)	(3,779,996)
Revenue from third parties	91,389,788	44,844,905	201,393,670	2,567,996	276,897	340,473,256
Operating (loss)/profit	(272,633)	8,069,462	16,493,364	(1,087,850)	5,295,640	28,497,983
(Loss)/profit before minimum and income tax	(8,075,763)	9,137,701	15,692,888	(1,774,795)	1,444,977	16,425,008
Property, plant and equipment	12,552,895	3,814,698	96,583,715	731,447	1,131,269	114,814,024
Net assets/(liabilities)	4,789,169	14,294,148	88,856,504	(5,334,703)	(32,834,549)	69,770,570

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	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
31 December 2024	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue from contracts with customers	102,817,504	36,362,182	58,033,865	2,511,583	1,785,866	201,511,000
Rental income	-	-	-	-	244,483	244,483
Total Revenue	102,817,504	36,362,182	58,033,865	2,511,583	2,030,349	201,755,483
Intergroup revenue	(2,735,261)	(6,918)	(307,706)		(1,804,960)	(4,854,845)
Revenue from third parties	100,082,243	36,355,264	57,726,159	2,511,583	225,389	196,900,638
Operating profit/(loss)	9,895,344	5,449,620	5,195,381	(882,805)	(792,083)	18,865,457
Profit/(loss) before minimum and income tax	4,832,232	6,064,248	6,649,274	(1,278,235)	9,279,756	25,547,275
Property, plant and equipment	12,754,979	3,784,764	9,751,588	816,405	990,781	28,098,517
Net assets/(liabilities)	12,775,584	10,636,480	14,077,208	(3,544,739)	32,465,468	66,410,002

Entity wide information

Analysis of revenue by category:	31 Dec 25 N'000	31 Dec 24 N'000
Revenue from contracts with customers	340,196,359	196,675,249
Rental income	276,897	225,389
	340,473,256	196,900,638

Analysis of revenue by geographical location:	31 Dec 25 N'000	31 Dec 24 N'000
Nigeria	339,180,491	196,900,638
Others	1,292,765	-
	340,473,256	196,900,638

Concentration risk

The Group is not exposed to any concentration risk, as there is no single customer with a contribution to revenue of more than 10%.

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Disaggregated Revenue Group

Segments	For the year ended 31 December 2025					
	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Revenue from contracts with customers						
Sale of goods	91,389,788	44,798,644	201,393,670	2,567,996	-	340,150,098
Rendering of services	-	46,261	-	-	276,897	323,158
Total	91,389,788	44,844,905	201,393,670	2,567,996	276,897	340,473,256
Geographical Markets						
Nigeria	91,389,788	44,844,905	200,100,905	2,567,996	276,897	339,180,491
Outside Nigeria	-	-	1,292,765	-	-	1,292,765
Total	91,389,788	44,844,905	201,393,670	2,567,996	276,897	340,473,256
Timing of revenue						
Goods transferred at a point in time	91,389,788	44,798,644	201,393,670	2,567,996	-	340,150,098
Services transferred over time	-	46,261	-	-	276,897	323,158
Total	91,389,788	44,844,905	201,393,670	2,567,996	276,897	340,473,256

Disaggregated Revenue Group

Segments	For the year ended 31 December 2024					
	Edibles & Feed	Paints	Packaged Food & Beverages	QSR	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Revenue from contracts with customers						
Sale of goods	100,082,243	36,290,975	57,726,159	2,511,583	-	196,610,960
Rendering of services	-	64,289	-	-	225,389	289,678
Total	100,082,243	36,355,264	57,726,159	2,511,583	225,389	196,900,638
Geographical Markets						
Nigeria	100,082,243	36,355,264	57,726,159	2,511,583	225,389	196,900,638
Outside Nigeria	-	-	-	-	-	-
Total	100,082,243	36,355,264	57,726,159	2,511,583	225,389	196,900,638
Timing of revenue						
Goods transferred at a point in time	100,082,243	36,290,975	57,726,159	2,511,583	-	196,610,960
Services transferred over time	-	64,289	-	-	225,389	289,678
Total	100,082,243	36,355,264	57,726,159	2,511,583	225,389	196,900,638

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5. Company	2025	2024
	N'000	N'000
Revenue from contracts with customers	3,258,426	1,785,866
Rental income	301,367	244,483
	3,559,793	2,030,349

Geographical Markets		
Nigeria	3,559,793	2,030,349

Timing of revenue		
Goods transferred at a point in time	3,258,426	1,785,866
Services transferred over time	301,367	244,483
	3,559,793	2,030,349

6 Dividend income	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Dividend income from subsidiaries	-	-	1,131,225	730,583
Dividend income from associate	79,058	77,938	79,058	77,938
Dividend income from third parties	22,000	18,750	22,000	18,750
Total dividend income	101,058	96,688	1,232,283	827,271

6(a) Reconciliation to dividend received in statement of cash flows

	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Gross dividend income	101,058	96,688	1,232,283	827,271
Withholding tax on dividend income	(10,106)	(9,669)	(123,228)	(82,727)
Dividend received	90,952	87,019	1,109,055	744,544

7i Other operating income

	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Profit/(loss) on sale of Property, Plant and Equipment	63,095	145,230	(2,632)	24,861
Loss on disposal of Debt instruments	(34,963)	-	(34,963)	-
Profit on sale of investment properties	31,862	26,924	31,862	26,924
Net fair value gain on investment properties (Note 15)	244,694	19,682	244,694	19,682
Gain on bargain purchase arising from business combination (Note 38)	4,451,566	-	-	-
Profit on disposal of asset held for sale (a)	1,273,707	51,495	850,701	43,528
Government grant (Note 28)	291,065	79,237	-	-
Bad debt recoveries	10,928	6,365	6,750	-
Lease modification adjustment	-	(12,775)	-	-
Rental income	110,000	110,000	-	-
Other income (b)	1,508,487	2,754,478	5,401,996	3,258,015
Total other operating income	7,950,441	3,180,636	6,498,407	3,373,010

(a) Profit on disposal of asset held for sale

	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Profit from sale of investment in UPDC	827,419	41,748	850,701	43,528
Profit from sale of manufacturing facility within the Paints segment	-	9,747	-	-
Profit from sale of property within the Packaged Food & Beverages segment	446,288	-	-	-
	1,273,707	51,495	850,701	43,528

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(b) Other income	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Other income comprises:				
Management fees	351,474	279,114	-	-
Sale of scrap, used bags and by-products	512,691	797,666	-	-
Board fees and allowances (i)	10,100	-	125,125	218,575
Recharged costs (ii)	-	-	5,197,335	2,009,048
Reimbursed freight cost (iii)	384,888	563,215	-	-
Other trading income	249,334	1,114,484	79,536	1,030,392
	1,508,487	2,754,478	5,401,996	3,258,015

(i) Board fees and allowances

Board fees and allowances are payments received from subsidiaries or associates in respect of the Board roles rendered by personnel from the Company who serve on the boards of those subsidiaries or associates.

(ii) Recharged costs

Recharged costs represent reimbursable expenses incurred by the Company on behalf of the subsidiaries which are recharged at cost to the subsidiaries. Included in recharged costs is ₦4,793,029,219 (2024: ₦1,648,517,474) which represents the reimbursement of treasury expenses incurred by the Company on behalf of Grand Cereals Limited, C.H.I. Limited, UAC Food and Beverage Company Limited and Livestock Feeds PLC.

(iii) Reimbursed freight cost

Reimbursed freight cost represents recharges of the costs of delivery of the Group's goods by third party transporters to customers on their behalf. The freights are reimbursed at cost.

7ii Impairment loss on financial assets

	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N'000	N'000	N'000	N'000
Impairment write back/(loss) on related party receivables (Note 23)	2,339	(246)	(3,254,762)	682
Impairment loss on other receivables (Note 23)	(59,769)	(32)	(59,808)	-
Impairment write back/(loss) on debt securities (Note 19)	20,184	(14,457)	20,184	(14,457)
Impairment write back/(loss) on short term deposit (Note 24)	6,137	(3,990)	6,137	(3,990)
Impairment loss on trade receivables (Note 23)	(78,928)	(124,052)	-	-
Total impairment loss on financial assets	(110,037)	(142,777)	(3,288,249)	(17,765)

8 (a) Expenses by Nature

	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Raw materials consumed and changes in finished goods and work in progress	228,360,848	133,252,957	-	-
Write down of inventories to net realisable value	982,349	153,633	-	-
Personnel expenses (f)	25,392,307	17,595,657	3,449,397	2,913,307
Depreciation charge on property, plant and equipment	5,591,035	3,283,077	195,586	181,492
Depreciation charge on right-of-use asset	1,642,963	716,684	-	-
Amortisation of intangibles asset	593,971	493,822	14,494	14,908
Impairment (reversal)/loss of property, plant and equipment	(601)	136,740	-	-
Write-off of Property, Plant and Equipment	38,258	37,612	-	-
Royalty fees	1,456,201	1,089,618	-	-
Rents & rates	430,206	373,546	95,720	68,421
Electricity & power	8,162,240	4,535,661	61,739	25,643
Vehicle repairs, maintenance & fueling	1,843,379	1,314,042	5,935	4,669
Other repairs & maintenance	7,252,328	897,315	47,308	56,307
Auditors' remuneration (d)	379,125	247,700	66,273	50,500
Information technology charge	3,177,493	2,427,485	121,867	134,562
Legal and professional expenses	1,532,580	1,530,047	530,164	689,014
Donations	53,857	20,910	9,939	2,995
Subscriptions	259,837	131,857	105,600	75,725
Insurance	1,338,262	625,839	127,291	91,960

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8 (a) Expenses by Nature cont'd

	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Distribution expenses	13,957,636	6,013,875	-	-
Marketing, Advertising & Communication	3,240,798	2,611,185	36,134	27,170
Hire of equipment	156,756	129,907	-	-
Catering expenses	932,117	599,497	34,364	28,433
Cleaning, laundry & sanitation	372,692	252,924	2,828	1,804
Levies, licenses & permits	143,298	165,758	-	-
Security	652,839	305,524	-	-
Travelling expenses	1,223,664	574,656	208,492	92,687
AGM expenses	99,426	95,672	36,470	30,919
Bank charges	258,740	136,734	68,363	23,541
Stationery and printing	81,962	61,674	2,644	2,955
Uniform and safety kit	6,249	20,862	173	63
Subcontracting services	322,480	109,717	-	-
Training and recruitment expenses	94,530	413,069	81,675	55,466
Consumables	380,557	184,620	-	-
Project expense	57,603	139,597	-	-
Entertainment expense	116,847	71,998	-	-
Corporate gifts	46,861	41,612	46,861	38,312
Back duty assessment tax	-	160,129	-	-
Impairment loss on investment in subsidiaries	-	-	251,290	-
Bad debt written off	231,886	-	-	-
Acquisition related cost (c)	8,531,959	-	-	-
Loss on lease termination	-	1,473	-	-
Sundry office expenses (e)	521,199	215,041	-	1,013
	319,916,735	181,169,728	5,600,605	4,611,865

8 (b) Expenses by Function

Analysed as:

Cost of sales	262,131,036	150,594,271	-	-
Selling and distribution expenses	27,694,063	12,876,879	-	-
Administrative expenses	30,091,636	17,698,578	5,600,605	4,611,865
	319,916,735	181,169,728	5,600,605	4,611,865

8 (c) Acquisition related expense

The amount represents advisory, professional and regulatory fees paid in connection to the acquisition of C.H.I. Limited

8 (d) Auditors' Remuneration

During the year, the Group's auditors Messrs KPMG Professional Services provided the following services and earned the stated fees

Services	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Audit fees	287,746	180,600	48,536	36,500
Assurance on Internal Control over Financial Reporting	89,229	67,100	15,588	14,000
Non audit services (Whistleblowing services)	2,150	2,150	2,150	2,150
Total	379,125	249,850	66,273	52,650

8 (e) Sundry office expenses

Sundry office expenses comprises the following:

VAT on commercial service fees	244,723	130,648	-	-
Other miscellaneous expenses (i)	276,476	84,393	-	1,013
	521,199	215,041	-	1,013

(i) Other miscellaneous expenses

Included in other miscellaneous expense is the cost of Product research, Sampling and testing, Product development and other expenses.

8 (f) Personnel expenses

Personnel expenses include:

Wages, salaries and other short term benefits for staff and managers (excluding directors)	20,400,772	12,892,979	1,703,582	1,306,727
Directors' emoluments	2,919,698	2,887,146	1,549,082	1,344,576
Defined contribution plans	671,243	438,387	57,498	54,847
Share based payment expense	139,236	207,157	139,236	207,157
Other long term employee benefit (Note 32ii)	1,056,135	1,159,246	-	-
Long service awards (Note 32i)	-	19,862	-	-
Defined benefit gratuity plan (Note 32iii)	185,361	-	-	-
	25,392,307	17,595,657	3,449,397	2,913,307

8 (f) Particulars of directors and staff

(i) The Group and Company had in its employment during the year the average number of staff in each category below. The aggregate amount stated against each category was incurred as wages and retirement benefit costs during the year.

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Costs				
Key management personnel:				
Wages, salaries and other short term benefits	1,176,909	1,301,119	396,935	380,643
Directors' emoluments				
- Executive Directors	1,068,887	1,021,614	837,917	802,816
- Non-Executive Directors	630,202	515,552	302,430	139,877
	1,699,089	1,537,166	1,140,347	942,692
Post employment benefits:				
- Defined contribution plans	43,700	48,861	11,800	21,240
Total for directors and key management personnel	2,919,698	2,887,146	1,549,082	1,344,576
Other management personnel	10,446,392	7,200,631	792,486	563,487
Non-management personnel	10,810,984	6,130,735	968,593	798,087
Share based benefits - Long Term Incentive Plan (Note 33)	139,236	207,157	139,236	207,157
Other long term employee benefit (Note 32ii)	1,056,135	1,159,246	-	-
Long service awards	19,862	10,742	-	-
Total	25,392,307	17,595,657	3,449,397	2,913,307

	The Group		The company	
	2025 Number	2024 Number	2025 Number	2024 Number
Numbers				
Key management personnel	46	35	3	3
Other management personnel	810	574	5	6
Non-management personnel	2,090	758	22	31
Total	2,946	1,458	30	40

	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Average cost per staff	8,619	12,872	114,980	72,833

(ii) The table below shows the number of employees (including executive directors), who earned over N500,000 as emoluments in the year and were within the bands stated.

N	The Group		The Company	
	2025 Number	2024 Number	2025 Number	2024 Number
500,001 - 700,000	2	-	-	-
700,001 - 900,000	126	68	-	-
900,001 - 1,100,000	27	15	-	-
1,100,001 - 1,300,000	49	61	-	-
1,300,001 - 1,500,000	135	17	-	-
1,500,001 and Above	2,607	1,206	30	40
	2,946	1,367	30	40

	The Company	
	2025 N' 000	2024 N' 000
(iii) Emoluments of directors		
Fees	11,458	12,185
Other emoluments	1,128,889	930,507
	1,140,347	942,692

(iv) The Chairman's emolument.

	65,838	35,460
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(v) Emolument of the highest paid Director.

	163,008	155,925
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(vi) The table below shows the number of directors of the Company, whose remuneration, excluding pension contributions, fell within the bands shown.

N	The Company	
	2025 Number	2024 Number
100,001 - 15,000,000	-	-
15,000,001 and above	8	8
	8	8

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9. Net finance income

	The Group		The Company	
	31 Dec 25 N' 000	31 Dec 24 N' 000	31 Dec 25 N' 000	31 Dec 24 N' 000
Interest income on short-term bank deposits	3,891,354	2,705,518	1,501,983	1,681,693
Interest income on Eurobonds	252,532	487,849	252,532	487,849
Interest income on loans	210,535	182,019	410,464	394,247
Interest income on finance lease assets	3,300	3,300	-	-
Total interest income	4,357,721	3,378,686	2,164,979	2,563,789
Exchange gain/(loss)	4,931,472	9,265,809	(293,430)	7,302,213
Finance Income	9,289,193	12,644,495	1,871,549	9,866,002
Interest expense on bank loans and corporate bond	(12,936,150)	(4,471,467)	(1,810,056)	(271,672)
Interest expense on commercial paper	(4,396,626)	(1,745,136)	(4,396,626)	(1,745,136)
Interest expense on lease liability - Note 21	(502,967)	(310,068)	-	-
Amortisation of premium on Eurobonds	(91,638)	(148,465)	(91,638)	(148,465)
Unwinding of discount on provisions and employee benefit	(58,115)	(10,136)	-	-
Fair value loss on derivatives (a)	(6,799,828)	-	(6,799,828)	-
Finance Costs	(24,785,324)	(6,685,272)	(13,098,148)	(2,165,273)
Net finance (cost)/income	(15,496,131)	5,959,223	(11,226,599)	7,700,729

Analysis of interest income

	The Group		The Company	
	31 Dec 25 N' 000	31 Dec 24 N' 000	31 Dec 25 N' 000	31 Dec 24 N' 000
Interest on fixed deposit	2,401,551	2,697,394	12,200	1,673,570
Interest on related party loans	210,535	182,019	410,464	394,247
Interest on call deposit	1,473,220	7,405	1,473,220	7,405
Interest on current account	16,584	719	16,563	718
Coupon on Eurobonds	252,532	487,849	252,532	487,849
Interest on finance lease assets	3,300	3,300	-	-
Interest income	4,357,721	3,378,686	2,164,979	2,563,789

a Fair value loss on derivatives

In connection with the acquisition of CHI Limited, the Company entered into a deliverable USD forward contract to hedge against foreign exchange risk arising from potential depreciation of the Nigerian Naira (NGN). The contract was settled on 17 December 2025, at which time the closing spot rate was significantly lower than the agreed forward rate.

As a result, a loss of ₦6.8 billion was recognised on settlement and recorded within finance costs in profit or loss, with the corresponding cash outflow reflected in the statement of cash flows.

	2025	
	Group	Company
Contracted sum of \$84.5mn at spot rate of 1478/\$	125,000,000	125,000,000
Closing Forward rate of 1558.4/\$	(131,799,828)	(131,799,828)
Loss on Settlement	(6,799,828)	(6,799,828)

10. Taxation

	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Current tax				
Nigeria corporation tax charge for the year	9,125,679	4,650,948	2,629,986	-
Education tax	1,818,178	710,920	316,873	-
Capital gains tax	59,756	12,490	14,790	11,960
Police Trust Levy	1,119	1,348	-	465
Withholding tax on dividend income (Note 6a)	123,228	82,728	123,228	82,728
(Change in estimates related to prior years)/Back duty taxes	(73,025)	126,772	-	17
Total current tax charge	11,054,935	5,585,206	3,084,877	95,170
Deferred tax				
Temporary differences, origination and reversal (note (26))	(5,349,032)	3,251,014	(4,313,662)	2,550,193
Total deferred tax	(5,349,032)	3,251,014	(4,313,662)	2,550,193
Income tax expense	5,705,903	8,836,220	(1,228,785)	2,645,363

Nigeria corporation tax is calculated at 30% (2024: 30%) of the taxable profit for the period and education tax is calculated at 3% (2024: 3%) of assessable profit.

The tax charge for the period can be reconciled to the profit per the consolidated and separate profit or loss statement as follows:

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	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Profit/(loss) before tax (A)	16,425,008	25,547,275	(8,824,970)	9,301,729
Tax at the Nigeria corporation tax rate of 30% (2024: 30%)	4,927,502	7,664,183	(2,647,491)	2,790,519
Education tax	1,818,178	710,920	316,873	-
Capital gains tax	59,756	12,490	14,790	11,960
(Change in estimates related to prior years)/Back duty taxes	(73,025)	126,772	-	17
Tax effect of disallowable expenses	2,953,194	534,646	2,056,607	242,354
Tax effect of Exempt income	(6,084,643)	(687,607)	(917,446)	(482,680)
Police Trust levy	1,007	1,348	-	465
Effect of change in tax rate	(196,512)	-	(175,347)	-
Effect of current year unrecognised unrelieved tax losses	559,063	390,741	-	-
Effect of current year unrecognised deductible temporary differences	1,618,155	-	-	-
Withholding tax on dividend income	123,228	82,728	123,228	82,728
Tax charge for the year (B)	5,705,903	8,836,220	(1,228,785)	2,645,363
Effective tax rate B/A	35%	35%	14%	28%

	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Opening balance	8,258,998	5,275,193	2,534,281	3,434,322
Acquired through business combination	6,956,238	-	-	-
(Change in estimates related to prior years)/Back duty taxes	(73,025)	126,772	-	17
Income tax expense	11,127,960	5,458,434	3,084,877	95,153
Minimum tax	810,641	400,427	-	76,347
Withholding tax credit notes utilised	(228,312)	(98,546)	(76,347)	(79,013)
Payment during the year	(5,704,254)	(2,903,282)	(163,412)	(992,544)
	21,148,246	8,258,998	5,379,399	2,534,282

11. Dividend

	The Company	
	2025 N'000	2024 N'000
Amounts recognised as distribution to ordinary shareholders in the year comprise:		
Dividend declared	643,749	643,749
Number of shares (000)	2,926,132	2,926,132
Dividends per share (kobo per share)	22	22
Dividend proposed (paid in subsequent period)	2,926,132	643,749
Number of shares (000)	2,926,132	2,926,132
Dividends per share (kobo per share)	100	22

Subsequent to year end, the Directors are pleased to have recommended to shareholders the payment of an ordinary dividend of 1 Naira (2024: 22 Kobo) per ordinary share to members representing ₦2.9 bn in cash distribution.

12. Earnings Per Share

(a) Basic

Basic earnings per share is 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.

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Profit attributable to ordinary equity shareholders:				
Profit from continuing operations	10,587,170	14,538,991	(7,596,185)	6,580,019
Profit for the year	10,587,170	14,538,991	(7,596,185)	6,580,019
Basic earnings per share				
From continuing operations	362	497	(260)	225
Earnings per share	362	497	(260)	225

	The Company	
	2025	2024
	Number	Number
Basic weighted average and Diluted weighted average number of shares (000)	2,926,132	2,926,132

(b) Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share because there are no dilutive potential ordinary shares during the period.

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13. Property, plant and equipment

The Group

Cost:	Land	Buildings	Plant and Machinery	Computer Equipment	Motor Vehicles	Office Furniture	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2025	1,392,793	8,672,488	27,265,041	1,554,199	5,426,241	1,633,013	4,592,919	50,536,693
Additions	-	319,903	2,113,541	365,050	1,148,104	397,504	2,779,125	7,123,227
Acquired through Business Combination (Note 38)	31,396,507	20,825,964	71,800,032	-	1,963,451	4,505,294	2,143,442	132,634,690
Disposals	-	(148,644)	(108,512)	(27,836)	(374,180)	(67,756)	-	(726,928)
Write off	-	(27,024)	(93,956)	(69,933)	(8,696)	(64,248)	(37,254)	(301,111)
Reclassification	8,344	249,630	1,521,161	-	-	3,656	(1,782,790)	-
At 31 December 2025	32,797,644	29,892,317	102,497,306	1,821,480	8,154,920	6,407,463	7,695,443	189,266,570
At 1 January 2024	1,352,793	8,082,704	25,786,876	1,350,989	4,751,699	1,497,760	3,245,097	46,067,917
Additions	-	183,180	1,535,271	162,103	647,232	263,260	2,421,894	5,212,940
Disposals	-	(4,858)	(275,626)	(52,614)	(198,205)	(135,704)	-	(667,007)
Transfer from assets held for sale (Note 37)	40,000	148,967	1,871	-	-	-	-	190,838
Write off	-	(250,327)	(17,474)	-	-	(194)	-	(267,995)
Reclassification	-	512,822	234,123	93,721	225,515	7,891	(1,074,072)	-
At 31 December 2024	1,392,793	8,672,488	27,265,041	1,554,199	5,426,241	1,633,013	4,592,919	50,536,693
Accumulated depreciation and impairment								
At 1 January 2025	-	2,531,255	14,509,038	1,160,066	3,042,429	1,175,389	20,000	22,438,176
Acquired through Business Combination (Note 38)	-	3,693,117	39,240,864	-	1,514,169	2,744,908	-	47,193,058
Charge for the year	-	370,713	3,592,593	202,956	1,018,248	406,529	-	5,591,039
Impairment write back	-	-	-	-	(601)	-	-	(601)
Disposals	-	(14,682)	(125,192)	(26,843)	(273,799)	(65,776)	-	(506,292)
Write-off	-	(27,024)	(93,920)	(69,846)	(7,829)	(64,215)	-	(262,834)
At 31 December 2025	-	6,553,379	57,123,383	1,266,332	5,292,617	4,196,835	20,000	74,452,546
At 1 January 2024	-	2,519,759	12,945,850	1,055,613	2,360,150	955,644	20,000	19,857,015
Charge for the year	-	229,704	1,790,751	150,625	760,802	351,195	-	3,283,077
Impairment	-	-	52,358	19	84,363	-	-	136,740
Disposals	-	(4,837)	(262,930)	(46,191)	(162,886)	(131,431)	-	(608,275)
Transfer to intangible asset	-	(213,371)	(16,991)	-	-	(19)	-	(230,381)
At 31 December 2024	-	2,531,255	14,509,038	1,160,066	3,042,429	1,175,389	20,000	22,438,176
Net book values:								
At 31 December 2025	32,797,644	23,338,938	45,373,924	555,148	2,862,303	2,210,628	7,675,443	114,814,024
At 31 December 2024	1,392,793	6,141,233	12,756,003	394,133	2,383,812	457,624	4,572,919	28,098,517
At 1 January 2024	1,352,793	5,562,945	12,841,027	295,376	2,391,549	542,116	3,225,097	26,210,902

(a) Impairment write back of ₦601 thousand was recognised on property, plant and equipment (2024: Impairment loss of N136 million)

(b) No borrowing cost were capitalised during the year (2024: Nil)

(c) The property, plant and equipment are not pledged as security by the Group (2024: Nil)

(d) Capital work in progress comprises amounts incurred with respect to Leasehold improvements and buildings, Plant and machinery as well as equipment as at year end.

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13. Property, plant and equipment

The Company

Cost:	Building	Plant and Machinery	Computer Equipment	Motor Vehicles	Office Furniture	Capital Work in progress	Total
		N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2025	627,046	463,904	195,402	456,356	66,746	5,939	1,815,393
Additions	83,119	9,389	81,572	196,725	39,355	927	411,087
Disposals	-	-	(2,736)	(159,660)	-	-	(162,396)
Reclassifications	2,285	-	-	-	3,656	(5,941)	-
At 31 December 2025	712,450	473,293	274,238	493,421	109,758	925	2,064,084
At 1 January 2024	631,904	340,563	209,221	362,825	88,251	3,654	1,636,418
Additions	-	256,046	30,193	93,531	-	2,285	382,055
Disposals	(4,858)	(132,705)	(44,012)	-	(21,505)	-	(203,080)
At 31 December 2024	627,046	463,904	195,402	456,356	66,746	5,939	1,815,393
Accumulated depreciation and impairment							
At 1 January 2025	208,531	191,601	122,905	255,887	45,690	-	824,613
Charge for the year	21,499	48,758	39,440	67,076	18,813	-	195,586
Disposals	-	-	(1,440)	(85,942)	-	-	(87,382)
At 31 December 2025	230,030	240,359	160,905	237,021	64,503	-	932,817
At 1 January 2024	198,752	270,421	133,018	176,711	54,611	-	833,512
Charge for the year	14,616	46,098	29,035	79,176	12,567	-	181,492
Disposals	(4,837)	(124,918)	(39,148)	-	(21,488)	-	(190,391)
At 31 December 2024	208,531	191,601	122,905	255,887	45,690	-	824,613
Net book values:							
At 31 December 2025	482,419	232,934	113,333	256,400	45,255	925	1,131,266
At 31 December 2024	418,514	272,303	72,497	200,469	21,056	5,939	990,780
At 1 January 2024	433,152	70,142	76,203	186,114	33,640	3,654	802,906

No impairment loss was recognised on property, plant and equipment (2024:Nil)

No borrowing cost was capitalised during the year (2024:Nil)

The property, plant and equipment are not pledged as security by the Company (2024:Nil)

Capital work in progress comprises amounts incurred with respect to Leasehold improvements as at year end.

14. Intangible assets and goodwill

	Group					Company			
	Goodwill	Brands, Customer relationships & Trade Marks	Software	Capital Work in progress	Total	Software	Capital Work in progress	Total	
Cost	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	
At 1 January 2025	548,747	1,070,185	3,301,923	4,622	4,925,478	260,039	-	260,039	
Acquired through business combination (a)	-	165,500,000	1,447,177	-	166,947,177	-	-	-	
Additions	-	-	148,486	79,224	227,710	6,474	-	6,474	
Disposal	-	-	(428)	-	(428)	-	-	-	
At 31 December 2025	548,747	166,570,185	4,897,159	83,846	172,099,937	266,513	-	266,513	
At 1 January 2024	548,747	1,070,185	3,285,507	4,622	4,909,062	260,039	-	260,039	
Additions	-	-	16,416	-	16,416	-	-	-	
At 31 December 2024	548,747	1,070,185	3,301,923	4,622	4,925,478	260,039	-	260,039	
Accumulated amortisation									
At 1 January 2025	-	288,439	1,916,437	-	2,204,875	225,665	-	225,666	
Acquired from business combination	-	-	915,311	-	915,311	-	-	-	
Amortisation for the period	-	-	593,971	-	593,971	14,494	-	14,494	
Disposal	-	-	(385)	-	(385)	-	-	-	
At 31 December 2025	-	288,439	3,425,334	-	3,713,772	240,159	-	240,160	
At 1 January 2024	-	288,439	1,422,614	-	1,711,052	210,758	-	210,758	
Amortisation for the period	-	-	493,823	-	493,823	14,908	-	14,908	
At 31 December 2024	-	288,439	1,916,437	-	2,204,875	225,665	-	225,666	
Net book values									
At 31 December 2025	548,747	166,281,747	1,471,825	83,846	168,386,164	26,353	-	26,353	
At 31 December 2024	548,747	781,747	1,385,487	4,622	2,720,603	34,373	-	34,373	
At 1 January 2024	548,747	781,747	1,862,893	4,622	3,198,009	49,281	-	49,280	

a. Acquired from Business Combination (Customer relationship and Brand)

The following intangible assets were identified for the allocation of the purchase price paid for the acquisition of C.H.I. Limited:

	N' 000
1. Brands	102,100,000
2. Customer relationship	63,400,000
	165,500,000

These assets were identified and separately recognised as they meet the separability and contractual-legal criteria under IFRS 3. The valuation of brands was performed using the relief-from-royalty method, while customer relationships were valued using the multi-period excess earnings method. Key assumptions applied include forecast revenues, royalty rates, attrition rates, and discount rates.

Customer relationships are amortised over their estimated useful lives of 15 years, reflecting expected customer retention patterns. Brands are assessed as having finite useful lives of 20 years and are accounted for accordingly.

Management reviews the useful lives and residual values of these assets annually and assesses them for indicators of impairment in accordance with IAS 36 Impairment of Assets.

Impairment Test for Goodwill

Goodwill acquired through a business combination is allocated to each of the Cash-Generating Unit (CGU) that are expected to benefit from the synergies of the combination. For the purpose of allocation, the individual entities were regarded as a single cash generating unit.

The following is a summary of goodwill allocation for each operating segment:

	Opening	Addition	Disposal	Impairment	Other Adjustments	Closing
	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
2025						
Livestock Feeds PLC	209,705	-	-	-	-	209,705
Chemical and Allied Products PLC	339,042	-	-	-	-	339,042
	548,747	-	-	-	-	548,747
2024						
Livestock Feeds PLC	209,705	-	-	-	-	209,705
Chemical and Allied Products PLC	339,042	-	-	-	-	339,042
	548,747	-	-	-	-	548,747

Animal Feeds CGU under Livestock Feeds

Livestock Feeds PLC is the CGU in the Animal feeds segment with goodwill. The recoverable amount of the CGU was ₦13.3 billion as at 31 December 2025 (2024: ₦9.1 billion). The recoverable amount was determined based on the fair value less cost of disposal of the company which was obtained from the Nigerian Exchange Limited (NGX) and is categorised as level 1 in the fair value hierarchy (2024: The recoverable amount was determined based on the fair value less cost of disposal of the Company which was obtained from the Nigerian Exchange Limited (NGX) and is categorised as level 1 in the fair value hierarchy). The fair value less cost of disposal exceeds the carrying value of the CGU of ₦2.5 billion, consequently no impairment was charged as at 31 December 2025 (2024: Nil).

Paints CGU under Chemical and Allied Products PLC

In July 2021, the merger between Chemical and Allied Products PLC (CAP) and Portland Paints and Products Nigeria PLC (PPNP) became effective with CAP emerging as the surviving entity, consequently CAP became the CGU in the paints segment with goodwill. The recoverable amount of the CGU was ₦30.8 billion as at 31 December 2025 (2024: ₦16.9 billion), determined based on a fair value less cost of disposal of the CAP which was obtained from the Nigerian Exchange Limited (NGX), and is categorised as level 1 in the fair value hierarchy (2024: The recoverable amount was determined based on the fair value less cost of disposal of the Company which was obtained from the Nigerian Exchange Limited (NGX) and is categorised as level 1 in the fair value hierarchy). The fair value less cost of disposal exceeds the carrying amount of the CGU (₦3.3 billion), consequently no impairment was charged as at 31 December 2025 (2024: Nil).

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15 . Investment property

	The Group		The Company	
	Leasehold land and building	Total investment properties	Leasehold land and building	Total investment properties
Fair value	N' 000	N' 000	N' 000	N' 000
At 1 January 2025	1,117,635	1,117,635	1,117,635	1,117,635
Disposals	(245,719)	(245,719)	(245,719)	(245,719)
Net gain from fair value adjustments on investment property	244,694	244,694	244,694	244,694
At 31 December 2025	1,116,610	1,116,610	1,116,610	1,116,610
At 1 January 2024	1,190,629	1,190,629	1,190,629	1,190,629
Disposals	(92,676)	(92,676)	(92,676)	(92,676)
Net gain from fair value adjustments on investment property	19,682	19,682	19,682	19,682
At 31 December 2024	1,117,635	1,117,635	1,117,635	1,117,635

Fair value of investment properties is categorised as follows:

	The Group		The Company	
	Leasehold land and building	Total investment properties	Leasehold land and building	Total investment properties
	N' 000	N' 000	N' 000	N' 000
31-Dec-25				
External valuation	1,116,610	1,116,610	1,116,610	1,116,610
	1,116,610	1,116,610	1,116,610	1,116,610
31-Dec-24				
External valuation	1,117,635	1,117,635	1,117,635	1,117,635
	1,117,635	1,117,635	1,117,635	1,117,635

Significant unobservable valuation input (Fair value hierarchy - Level 3):

Price per square metre

N8,804 - N317,731

Significant increases/ (decreases) in estimated price per square metre in isolation would result in significantly higher/ (lower) fair value.

The Group's investment properties were valued in December 2025 by Diya Fatimilehin & Co. (FRC/2023/COY/098756), an independent professionally qualified valuation company with over four decades of experience in valuation of the categories of the investment properties valued. The valuation report for 2025 was signed by the firm's managing partner, Fatimilehin Adegboyega (FRC/2013/NIESV/00000000754)

Rental income schedule	The Group		The Company	
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	N' 000	N' 000
Rental income derived from investment properties	11,247	62,583	11,247	62,583
Direct operating expenses (including repairs and maintenance) on investment property generating rental income	(1,244)	(5,695)	(1,244)	(5,695)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(737)	(13,584)	(737)	(13,584)
Profit arising from investment properties carried at fair value	9,267	43,304	9,267	43,304

The above rental income was included in the revenue

Group and Company as a lessor

The Group has entered into operating leases on its investment property portfolio consisting of certain office and residential buildings. These leases have terms of between 6 months to 5 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Group/Company during the year is N276,898,000/N301,368,000 (2024: Group - N225,389,000; Company: N244,483,000)

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows :

	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
0-1 year	58,658	2,080	58,658	2,080
1-5 years	-	15,655	-	15,655
Total	58,658	17,735	58,658	17,735

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

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16. Investments in subsidiaries

Company	31 Dec 25 N' 000	31 Dec 24 N' 000		
Opening balance	19,128,591	19,127,885		
Additions - Acquisitions in Subsidiaries	19,169,375	706		
Impairment allowance	(251,290)	-		
Closing Balance	38,046,677	19,128,591		
	31 Dec 25	31 Dec 24	31 Dec 25	31 Dec 24
	N' 000	N' 000	% ownership	% ownership
Quoted shares:				
<i>Chemical and Allied Products PLC</i>	2,945,759	2,945,759	57.85	57.85
471,343,569 ordinary shares of 50k each				
<i>Livestock Feeds PLC</i>	2,246,401	2,246,401	73.29	73.29
2,198,745,772 ordinary shares of 50k each				
Unquoted shares:				
<i>Grand Cereals Limited</i>	7,259,495	7,259,495	71.43	71.43
1,360,081,786 ordinary shares of N1 each				
<i>UAC Foods Limited (a)</i>	6,425,646	6,425,646	99.96	99.96
273,973,143 ordinary shares of 50k each				
<i>UAC Restaurants Limited</i>	-	251,290	51.00	51.00
220,830,000 ordinary shares of 50k each				
<i>UAC Food and Beverage Company Limited</i>	19,169,375	-	100	-
10,000,000 ordinary shares of N1 each				
	38,046,676	19,128,591		

Investments in subsidiaries are measured at cost

17. Equity instruments at fair value through other comprehensive income

The details and carrying amount of Equity instruments at fair value through other comprehensive income are as follows:

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
At 1 January	1,072,706	266,311	1,072,706	266,311
Additions	50,656	249,765	50,656	249,765
Fair value gain (a)	112,307	556,630	112,307	556,630
At 31 December	1,235,669	1,072,706	1,235,669	1,072,706

The Group

Equity instruments designated as at fair value through other comprehensive income represent UAC's investment in the following entities:

	Fair value as at 31 December 2025 N' 000	Fair value as at 31 December 2024 N' 000	Dividend Income	Dividend Income
			Recognised in 2025 N' 000	Recognised in 2024 N' 000
Investment in Central Securities Clearing System PLC	437,500	263,750	22,000	18,750
Ventures Platform IV GP Limited	798,169	808,956	-	-
	1,235,669	266,311	22,000	17,125

(a) Fair value gain

The fair value gain represents:

- (i) a fair value gain of ₦173 mn (2024: ₦15.8 mn) on the Company's investment in CSCS PLC. The fair value was determined using level 1 inputs in accordance with IFRS 13, and the fair value measurement was derived from quoted prices on National Association of Securities Dealers (NASD Plc)
- (ii) a fair value loss of ₦61 mn (2024: gain of 541 mn) on Ventures Platform. The fair value was determined using level 2 inputs in accordance with IFRS 13.

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17(i). Net changes in fair value of financial assets net of tax

	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
Fair value gain on equity instrument through other comprehensive income	112,307	556,630	112,307	556,630
Deferred tax Charged to other comprehensive income	(33,692)	(55,663)	(33,692)	(55,663)
Net changes in fair value of financial assets net of tax	78,615	500,967	78,615	500,967

18. Investments in associates

Set out below are the associates of the Group as at 31 December 2025. The associates listed below have share capital consisting solely of ordinary shares, which are directly held by the Group. The country of incorporation or registration is also their principal place of business.

Nature of investment in associates:

	Country of incorporation	The Group		The Company	
		2025	2024	2025	2024
		N'000	N'000	N'000	N'000
UPDC PLC*	Nigeria	40.86%	42.20%	40.86%	42.20%
MDS Logistics	Nigeria	43%	43%	43%	43%

	The Group		The Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
Associate				
MDS Logistics	9,090,904	6,054,051	1,569,274	1,569,274
UPDC PLC	4,820,026	4,093,790	3,571,333	3,688,833
At 31 December	13,910,930	10,147,841	5,140,607	5,258,107

The movement in the investment in associates during the year is stated below:

	The Group		The Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
At 1 January	10,147,841	9,565,970	5,258,107	5,314,507
Share of profit	3,423,156	722,595	-	-
Share of other comprehensive profit/ (loss)	494,992	(79,647)	-	-
Reclassification to non-current assets held for sale*	(155,060)	(61,077)	(117,500)	(56,400)
At 31 December	13,910,929	10,147,841	5,140,607	5,258,107

*In 2024, the Board of Directors of UACN passed a resolution to sell 120 million units of UPDC Plc shares. This represents 1.5% of UAC's holding and 0.65% of total UPDC shares in issue, with a carrying value of N61.1 million for the Group. Consequently, the approved number of shares was reclassified to non-current assets held for sale and as at the current reporting date, all 120 million units have been sold.

In 2025, the Board passed another resolution to sell 250 million units of UPDC Plc shares. This represents 3.2% of UAC's holding and 1.3% of total UPDC shares in issue, with a carrying value of N155.1 million for the Group. Consequently, the approved number of shares has been reclassified to non-current assets held for sale. As at the current reporting date, 135.7 million units of these shares have been sold (see note 37)

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18. Investments in associates and equity accounted joint ventures - Continued

Set out below is the summarised financial information for the associate and joint ventures accounted for using the equity method in the consolidated financial statements.

31-Dec-25	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Cash & Cash equivalents	Net Assets
	N'000	N'000	N'000	N'000	N'000	N'000
UPDC PLC	9,589,525	20,329,192	2,098,522	16,351,203	10,274,285	11,468,993
MDS Logistics	38,920,271	9,343,608	22,724,950	11,417,012	1,126,263	14,121,923

31-Dec-25	Revenue	Profit/(loss) from continuing operations	Profit/(loss) from discontinued operations	Other comprehensive income	Total comprehensive income
		N'000	N'000	N'000	N'000
UPDC PLC	12,694,323	1,915,554	-	253,486	2,169,040
MDS Logistics	28,414,962	7,062,449	-	-	7,062,449

31-Dec-24	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Cash & Cash equivalents	Net Assets
	N'000	N'000	N'000	N'000	N'000	N'000
UPDC PLC	9,223,065	15,775,714	3,095,300	11,855,588	11,516,968	10,047,889
MDS Logistics	11,601,306	5,454,830	2,657,352	7,339,310	773,308	7,059,474

31-Dec-24	Revenue	Profit/(loss) from continuing operations	Profit/(loss) from discontinued operations	Other comprehensive income	Total comprehensive income
		N'000	N'000	N'000	N'000
UPDC PLC	11,936,126	1,399,245	-	(186,779)	1,212,466
MDS Logistics	21,374,104	1,149,691	-	-	1,149,691

19. Debt instruments at amortised cost	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
At 1 January	6,501,606	4,024,900	6,501,606	4,024,900
Settlements during the year	(799,147)	(338,003)	(799,147)	(338,003)
Disposals during the year	(5,502,047)	-	(5,502,047)	-
Coupon accrued	252,531	487,849	252,531	487,849
Coupon received	(347,434)	(496,470)	(347,434)	(496,470)
Premium amortised to P/L	(91,638)	(148,464)	(91,638)	(148,464)
Exchange gain on revaluation	(13,871)	2,971,794	(13,871)	2,971,794
Gross investment in debt	-	6,501,606	-	6,501,606
ECL -impairment (Note 3.1 (b))	-	(20,184)	-	(20,184)
At 31 December	-	6,481,422	-	6,481,422

The Group invested in Eurobond assets with the business model of solely holding for principal and interest payment and designated as debt instrument at amortised cost. The Eurobond assets were disposed during the year to fund the acquisition of C.H.I. Limited.

The Group invests only in quoted debt securities with low credit risk. The Group's debt instruments at amortised cost comprised solely of quoted Eurobonds that are rated by reputable Credit Rating Agencies. The Group released all provision for expected credit losses on its debt instruments at amortised cost following the disposal of the Eurobonds.

31 December 2025

Bond type	Group and Company			Total
	Stage 1	Stage 2	Stage 3	
	N' 000	N' 000	N' 000	N' 000
B-/Fitch ETI 2031	-	-	-	-
B-/S&P; B-/Fitch Ecobank 2024/2026	-	-	-	-
B-/S&P; B-/Fitch SEPLAT 2026	-	-	-	-
B/S&P; B+/Fitch FGN 2025/2029	-	-	-	-
Premium on bonds	-	-	-	-
Discount on bonds	-	-	-	-
Total	-	-	-	-

31 December 2024

Bond type	Group and Company			Total
	Stage 1	Stage 2	Stage 3	
	N' 000	N' 000	N' 000	N' 000
B-/Fitch ETI 2031	308,815	-	-	308,815
B-/S&P; B-/Fitch Ecobank 2024/2026	1,672,269	-	-	1,672,269
B-/S&P; B-/Fitch SEPLAT 2026	812,238	-	-	812,238
B/S&P; B+/Fitch FGN 2025/2029	3,571,740	-	-	3,571,740
	6,365,062	-	-	6,365,062
Premium on bonds	137,597	-	-	137,597
Discount on bonds	(1,053)	-	-	(1,053)
Total	6,501,606	-	-	6,501,606

Movement in Expected Credit Loss (ECL)	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
At 1 January 2025	20,184	-	-	20,184
Impairment no longer required	(20,184)	-	-	(20,184)
At 31 December 2025	-	-	-	-
At 1 January 2024	5,727	-	-	20,184
Write back of impairment loss	14,457	-	-	14,457
At 31 December 2024	20,184	-	-	34,641

20. Refund assets and refund liabilities

	The Group		The Company	
	31 Dec 25 N' 000	31 Dec 24 N' 000	31 Dec 25 N' 000	31 Dec 24 N' 000
Refund assets	23,501	18,507	-	-
Refund liabilities				
- Arising from rights of return	25,356	25,961	-	-
	25,356	25,961	-	-

Refund assets

Refund assets represent the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to accounting policy on variable consideration.

The Group has lease contracts for various items of land and building and machinery and other equipment used in its operations. Leases of land and building generally have lease terms between 1 and 45 years, while machinery and other equipment generally have lease terms between 3 months and 5 years.

21a. Right of use assets

	Land and Building	Plant and Machinery	Total
	N' 000	N' 000	N' 000
At 1 January 2025	1,145,729	720,936	1,866,665
Additions	2,074,595	182,986	2,257,581
Acquired from business combination	2,208,919	-	2,208,919
Depreciation expenses	(1,303,833)	(339,130)	(1,642,963)
Lease terminated	(20,833)	-	(20,833)
Lease Modification	(29,190)	-	(29,190)
At 31 December 2025	4,075,387	564,792	4,640,179
At 1 January 2024	1,455,783	284,172	1,739,955
Additions	155,494	758,827	914,321
Depreciation expenses	(394,621)	(322,063)	(716,684)
Lease terminated	(1,473)	-	(1,473)
Lease Modification	(69,454)	-	(69,454)
At 31 December 2024	1,145,729	720,936	1,866,665

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Amounts recognised in profit or loss				
Depreciation of Right of use assets	1,642,963	716,684	-	-
Interest expense on lease liabilities	502,967	310,068	-	-
Expense relating to short term/low value leases	430,206	373,546	95,720	68,421
	2,576,136	1,400,298	95,720	68,421

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
21b. Lease Liability				
At 1 January	1,512,702	1,517,496	-	-
Accretion interest	502,967	310,069	-	-
Additions during the year	811,331	853,695	-	-
Payment of principal	(184,269)	(642,380)	-	-
Payment of interest	(502,967)	(310,069)	-	-
Lease Modification	(29,190)	(56,679)	-	-
Lease terminated	(94,688)	-	-	-
Reclassifications from/(to) payables	159,429	(159,430)	-	-
At 31 December	2,175,315	1,512,702	-	-
Current	1,030,094	374,090	-	-
Non-current	1,145,221	1,138,612	-	-
	2,175,315	1,512,702	-	-

The maturity analysis of lease liabilities are disclosed in Note 3.3

22. Inventories

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Raw materials and consumables	179,761,571	44,204,277	-	-
Technical stocks and spares	26,503,707	6,335,142	-	-
Finished goods and goods for resale	14,115,312	6,189,113	-	-
Goods in transit	-	183,805	-	-
	220,380,590	56,912,337	-	-
Write down to net realisable value (Note 8)	(5,847,960)	(1,947,439)	-	-
	214,532,630	54,964,898	-	-

The cost of inventories recognised as an expense during the year in respect of continuing operation was N228 billion (2024: N133 billion).

The value of inventory written down which were recognised as expense during the period was N982 million (2024: N154million)

No inventory has been pledged as security (2024: Nil)

22(a). Reconciliation of changes in inventory in the statement of cashflow

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Changes in inventory	(159,567,732)	(2,520,895)	-	-
Acquired through business combination	140,419,723	-	-	-
Write off of inventories to net realisable value	(982,349)	(387,658)	-	-
Changes in inventory in the cashflow statement	(20,130,358)	(2,908,553)	-	-

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23. Trade and other receivables

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Receivables due within one year				
Trade receivables	8,991,468	1,573,186	-	-
Less: allowance for impairment of trade receivables	(677,828)	(599,623)	-	-
Net trade receivables	8,313,640	973,563	-	-
Receivables from group companies - Note 35 c	-	-	11,200,646	1,040,456
Allowance for expected credit losses on intercompany receivables	-	-	(1,042,058)	(2,618)
Receivables from associates - Note 35b	68,145	117,270	10,102	19,758
Loan receivable from related parties	920,078	1,380,124	102,461,037	3,208,571
Allowance for expected credit losses on associates and related party receivables	(1,214)	(3,553)	(2,218,875)	(3,553)
Other financial asset	672,000	678,750	672,000	678,750
Allowance for expected credit losses on other financial asset	(672,000)	(678,750)	(672,000)	(678,750)
Non financial assets				
Other receivables	5,728,037	1,987,218	731,077	437,425
Advance payments	6,884,136	2,673,129	-	-
WHT receivable	840,078	894,011	586,839	615,126
Prepayments - staff grants	125,765	33,228	-	-
Prepayments- Other	3,721,610	2,181,368	257,140	167,849
	26,600,275	10,236,358	111,985,909	5,483,014

Trade receivables are non-interest bearing and are generally due for settlement within 30 days and therefore are all classified as current. They are amounts due from customers for goods sold or services performed in the ordinary course of business.

Other receivables relate to transactions such as advances to staff and VAT receivables. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Advance payments are mobilisation fees made to contractors for the supply of goods and services.

Prepayments - other relates to prepaid expenses that are amortised over a period and import prepayments.

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Trade and other receivables - Current	25,672,349	8,856,234	59,561,685	2,274,443
Trade and other receivables - Non-current(a)	927,926	1,380,124	52,424,223	3,208,571
	26,600,275	10,236,358	111,985,909	5,483,014

(a) Trade and other receivables - non current relates to long term loan and other receivables granted to subsidiaries and associates.

Movements in the allowance for impairment of trade receivables are as follows:

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
At 1 January	599,623	681,455	-	-
Acquired through Business combination (Note 3.1)	126,246	-	-	-
Expected credit loss allowance (Note 7(ii))	77,829	124,052	-	-
Reclassification from/(to) withholding tax receivables	1,863	(9,327)	-	-
Amount written off	(127,733)	(196,557)	-	-
At 31 December	677,828	599,623	-	-

Movements in the allowance for impairment of related party receivables are as follows:

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
At 1 January	3,553	3,308	6,171	6,855
Impairment (writeback)/charge Note 7(ii))	(2,339)	245	3,254,762	(684)
At 31 December	1,214	3,553	3,260,933	6,171

Reconciliation of changes in trade and other receivables to the statement of cashflow

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Changes in trade and other receivables	(16,363,917)	2,702,202	(106,502,895)	2,291,527
Acquired through business combination	19,701,153	-	-	-
Withholding tax utilised during the period (Note 10)	(228,312)	(98,546)	(76,347)	(79,013)
Withholding tax on dividend income (Note 6(a))	10,106	9,669	123,228	82,727
Impairment loss on trade and other receivables	(138,697)	(124,084)	(59,808)	-
Impairment loss on other financial assets	-	-	-	-
Impairment (loss)/ write back on other receivables (Note 7ii)	2,339	(246)	(3,254,762)	682
Movement in cashflow statement	2,982,671	2,488,995	(109,770,584)	2,295,923

23.1 Finance lease receivables

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Gross investment in lease	73,700	77,000	-	-
Unearned finance income	(63,328)	(66,628)	-	-
	10,372	10,372	-	-
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Current asset	-	-	-	-
Non-current asset	10,372	10,372	-	-
Total finance lease receivable	10,372	10,372	-	-

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24. Cash and cash equivalents

	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
Cash at bank and in hand	18,895,960	5,063,714	260,874	60,327
Short-term deposits	32,014,819	35,536,797	3,369,429	21,734,746
Expected credit loss on short term deposit	(160)	(6,297)	(160)	(6,297)
Cash and cash equivalents	50,910,619	40,594,214	3,630,143	21,788,776

Cash at banks earns interest at floating rates based on daily bank deposit rates.

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

In 2015, The Securities and Exchange Commission directed all Registrars to return all unclaimed dividends, which have been in their custody for fifteen months and above, to the paying companies. Included in the cash and short-term deposits is ₦1.2 bn which represents unclaimed dividends received from the registrars as at the reporting date (December 2024: ₦4.8 bn).

The Finance Act 2020, which became effective on 1 January 2021, requires public limited liability companies quoted on the Nigerian Exchange Limited to transfer any unclaimed dividend that has remained unclaimed for a period of not less than 6 years to the Unclaimed Dividend Trust Fund (the "Trust Fund"). During the year, the Group transferred ₦4.1 bn in compliance with the Act.

(i) Reconciliation to statement of cash flow

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
Cash and cash equivalents	50,910,619	40,594,214	3,630,143	21,788,776
Expected credit losses on short term deposits	160	6,297	160	6,297
Balances per statement of cash flow	50,910,779	40,600,511	3,630,303	21,795,073

25. Borrowings

	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
Current borrowings				
Loans due within one year	185,230,596	31,159,494	48,616,963	267,608
	185,230,596	31,159,494	48,616,963	267,608
Non-current borrowings				
Loans due after one year (i)	159,584,296	10,322,116	59,029,070	5,699,716
	159,584,296	10,322,116	59,029,070	5,699,716
Total borrowings	344,814,892	41,481,610	107,646,033	5,967,324
As at 1 January	41,481,610	27,448,620	5,967,324	3,322,948
Acquired through business combination	127,040,824	-	-	-
Repayment of borrowing during the year	(249,046,513)	(54,891,838)	(16,085,530)	(12,387,807)
Initial fair value of government grant	(232,919)	(358,956)	-	-
Exchange gain	(6,243,497)	-	-	-
Interest on loans	17,332,776	6,216,603	6,206,682	2,016,808
Interest paid	(17,764,552)	(5,981,923)	(4,099,509)	(1,978,086)
Draw down during the year	432,247,164	69,049,104	115,657,066	14,993,461
As at 31 December	344,814,892	41,481,610	107,646,033	5,967,324

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The borrowings are repayable as follows:

	The Group		The Company	
	2025	2024	2025	2024
	N' 000	N' 000	N' 000	N' 000
Within one year	185,230,596	31,159,494	48,616,963	267,608
Between one to five years	159,584,296	10,322,116	59,029,070	5,699,716
	344,814,892	41,481,610	107,646,033	5,967,324

(i) Loans due within one year

Bank	Currency	Effective Interest Rate	The Group		Maturity date	Security
			2025	2024		
			N' 000	N' 000		
First Bank of Nigeria Ltd	NGN	28.0%		4,208,823	Dec-25	No security
CBN DCRR - First Bank	NGN	9.0%	382,789	-	Dec-26	No Security
Commercial paper loan (Series 1)	NGN	18.50%	1,132,025	-	Apr-26	No security
Commercial paper loan (Series 2)	NGN	19.50%	36,186,144	-	Jul-26	No security
Corporate Bond (L1 Series 1)	NGN	21.5%	267,608	267,608	Apr-26	No security
Corporate Bond (L2 Series 1)	NGN	17.35%	410,939	-	Jun-26	No security
Guaranty Trust Bank - Commercial loan	NGN	22.0%	10,620,247	-	May-26	No security
Famous Brands Limited**	NGN	12.0%	2,021,293	-	May-26	No Security
First Bank of Nigeria Ltd - Commercial loan	NGN	26.0%	-	7,317,367	May-25	No security
Zenith Bank - Commercial loan	NGN	30.0%	-	6,396,984	Mar-25	No security
Zenith Bank - Produce loan	NGN	27%/30%	1,550,000	12,968,712	Jan-26	No security
Zenith Bank - Overdraft	NGN	27.0%	1,120,799	-	On demand	No security
Bank of Industry Loan (Grand Cereals Limited)	NGN	14.0%	560,001	-	Dec-26	No Security
Import finance facilities	USD	6% + SOFR	130,978,750	-	Varied	No security
			185,230,596	31,159,494		

Bank	Currency	Effective Interest Rate	The Company		Maturity date	Security
			2025	2024		
			N' 000	N' 000		
Commercial paper loan (Series 1)	NGN	18.50%	1,132,025	-	Apr-26	No security
Commercial paper loan (Series 2)	NGN	19.50%	36,186,144	-	Jul-26	No security
Guaranty Trust Bank - Commercial loan	NGN	22.0%	10,620,247	-	May-26	No security
Corporate Bond (L1 Series 1)	NGN	21.5%	267,608	267,608	Apr-26	No security
Corporate Bond (L2 Series 1)	NGN	17.35%	410,939	-	Jun-26	No security
			48,616,963	267,608		

*SOFR: Secured Overnight Financing Rate

(ii) Loans due after one year

Facility	Currency	Effective Interest Rate	The Group		Maturity date	Security
			2025	2024		
			N' 000	N' 000		
Details of the loan maturities due after one year are as follows:						
Famous Brands Limited**	NGN	12.0%	-	1,844,019	May-26	No Security
CBN DCRR - First Bank	NGN	9.0%	-	737,337	Jan-27	No Security
Corporate Bond (L1 Series 1)	NGN	21.5%	5,718,203	5,699,716	Oct-31	No security
Corporate Bond (L2 Series 1)	NGN	17.35%	53,310,867	-	Dec-32	No security
Bank of Industry Loan (Grand Cereals Limited)	NGN	14.0%	1,108,559	2,041,044	Oct-27	No Security
Term Loan	NGN	24.5%	70,449,226	-	Oct-32	Secured
Loan note	USD	15.0%	26,820,784	-	Sep-30	No Security
Bank of Industry Loan (UAC Restaurants Limited)	NGN	12.5%	2,176,657	-	Apr-30	No Security
			159,584,296	10,322,116		

**The loan from Famous Brands Limited represents the company's portion of the shareholder loan that was disbursed to UACR. Famous Brands Limited, a South African QSR Franchisor, acquired 49% stake in UACR in 2013 making it a co-owner of UACR. The share of the loan provided by UAC of Nigeria PLC has been eliminated on consolidation.

Facility	Currency	Effective Interest Rate	The Company		Maturity date	Security
			2025	2024		
			N' 000	N' 000		
Details of the loan maturities due after one year are as follows:						
Corporate Bond (L1 Series 1)	NGN	21.5%	5,718,203	5,699,716	Oct-31	No security
Corporate Bond (L2 Series 1)	NGN	17.35%	53,310,867	-	Dec-32	No security
			59,029,070	5,699,716		

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26. Deferred Tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Deferred tax assets	-	(54,183)	(1,049,473)	-
Deferred tax liabilities	68,540,950	6,268,133	-	3,230,497
Net Deferred tax liabilities	68,540,950	6,213,950	(1,049,473)	3,230,497

The net movement on the deferred tax account is as follows:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
At 1 January	6,213,950	2,907,273	3,230,497	624,641
(Credited)/Charged to profit or loss	(5,349,033)	3,251,014	(4,313,662)	2,550,193
Acquired through business combination	67,642,342	-	-	-
Charged to other comprehensive income (Note 17i)	33,692	55,663	33,692	55,663
At 31 December	68,540,951	6,213,950	(1,049,473)	3,230,497

The movement in deferred income tax assets and liabilities during the period is as follows:

The Group

Deferred tax assets

	Property, plant and equipment N'000	Allowance for impairment on instruments measured at FVOCI & N'000	Tax losses N'000	Leases N'000	Exchange difference N'000	Investment properties N'000	Total N'000
At 1 January 2025	165,286	(220,567)	-	-	1,098	-	(54,183)
(Credited)/charged to profit or loss	(165,286)	220,567	-	-	(1,098)	-	54,183
At 31 December 2025	-	-	-	-	-	-	-
At 1 January 2024	-	-	-	-	-	-	-
Charged/(Credited) to profit or loss	165,286	(220,567)	-	-	1,098	-	(54,183)
At 31 December 2024	165,286	(220,567)	-	-	1,098	-	(54,183)

The Group has tax losses of ₦3,186,039,473 (2024: ₦1,920,029,589) that are available indefinitely for offsetting against future taxable profits of the Company in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group. Additionally, they originated in a subsidiary that has been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

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The Group

Deferred tax liabilities	Property, plant and	Allowance for	Unutilised tax	Leases	Exchange	Investment	Total
	equipment	impairment on	credits and				
	N'000	receivables, equity	losses	N'000	difference	properties	N'000
		measured at FVOCI &			N'000	N'000	
		Provisions					
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2025	5,004,959	(1,194,665)	(1,436,312)	61,531	3,720,857	111,763	6,268,133
Acquired through business combination	66,307,597	(1,314,118)	-	50,583	2,598,279	-	67,642,341
(Credited)/Charged to profit or loss	(2,082,969)	(1,072,850)	1,609,217	(98,219)	(4,037,826)	279,431	(5,403,216)
Charged to other comprehensive income (Note 17i)	-	33,692	-	-	-	-	33,692
At 31 December 2025	69,229,587	(3,547,940)	172,905	13,895	2,281,310	391,194	68,540,950
At 1 January 2024	4,662,294	(1,071,406)	(2,058,209)	34,559	1,220,973	119,062	2,907,273
Charged/(Credited) to profit or loss	342,665	(178,922)	621,897	26,972	2,499,884	(7,299)	3,305,197
Charged to other comprehensive income (Note 17i)	-	55,663	-	-	-	-	55,663
At 31 December 2024	5,004,959	(1,194,665)	(1,436,312)	61,531	3,720,857	111,763	6,268,133

The Company

Deferred tax (assets)/liabilities	Property, plant and	Allowance for	Unutilised tax	Leases	Exchange	Investment	Total
	equipment	impairment on	credits and				
	N'000	receivables, equity	losses	N'000	difference	properties	N'000
		measured at FVOCI &			N'000	N'000	
		Provisions					
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2025	196,533	(478,044)	(440,973)	-	3,841,217	111,765	3,230,497
Charged/(Credited) to profit or loss	33,954	(1,218,658)	440,973	-	(3,849,363)	279,431	(4,313,662)
Credited to other comprehensive income (Note 17i)	-	33,692	-	-	-	-	33,692
At 31 December 2025	230,487	(1,663,010)	-	-	(8,146)	391,195	(1,049,474)
Deferred tax liabilities	159,535	(449,813)	(136,211)	-	932,067	119,064	624,641
Charged/(Credited) to profit or loss	36,998	(83,894)	(304,762)	-	2,909,150	(7,299)	2,550,193
Charged to other comprehensive income (Note 17i)	-	55,663	-	-	-	-	55,663
At 31 December 2024	196,533	(478,044)	(440,973)	-	3,841,217	111,765	3,230,496

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27. Trade and other payables

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Trade payables	44,386,587	11,988,544	-	-
Sundry payables	8,230,751	2,692,093	17,025,876	142,129
WHT payable	1,169,173	948,057	457,907	442,314
VAT payable	4,666,822	693,594	58,264	31,060
PAYE payable	1,387,558	58,668	19,473	12,569
Accruals	18,023,456	6,128,342	865,789	420,751
Total	77,864,347	22,509,298	18,427,309	1,048,823

Terms and conditions of the above financial liabilities

Trade payables are non-interest bearing and are normally settled between 30 and 60-day. Other payables are non-interest bearing and have an average term of 6 months.

Sundry payables relates to payable balances due to non-trade vendors and suppliers of utilities, administrative goods and services. For the Company, this also includes intercompany payables

Accruals relates to accrued professional fees, accrued royalties, accrued consultants' fees, accrued audit fees and other accrued expenses.

27(a) Reconciliation of movement in trade and other payables to the cash flow statement

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Movement in trade and other payables	55,355,049	8,782,634	17,378,486	(1,521,381)
Acquired through business combination	(45,742,888)	-	-	-
Reclassification to/(from) payables	159,429	(159,430)	-	-
Reclassification to dividend payables	853,988	-	-	-
Movement in trade and other payable in cash flow statement	10,625,578	8,623,204	17,378,486	(1,521,381)

28. Government Grants

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
At 1 January	415,520	135,801	-	-
Amount received during the year	232,919	358,956	-	-
Amortised to the statement of profit or loss	(291,065)	(79,237)	-	-
At 31 December	357,374	415,520	-	-
Current	144,373	75,489	-	-
Non-current	213,001	340,031	-	-
	357,374	415,520	-	-

Government grants relate to the benefits derived by the Group from the below market interest rate loan received under the Central Bank of Nigeria Differentiated Cash Reserves Requirement Scheme and Bank of Industry. The grant is recognised as current and non current liabilities in the statement of financial position, and is being amortised over the period of the loan.

29. Contract liabilities

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
At 1 January	3,558,788	2,206,101	91,613	200,125
Acquired through business combination	1,458,131	-	-	-
Released to the statement of profit or loss	(2,996,800)	(982,917)	(133,648)	(113,986)
Deferred during the year	4,202,345	2,335,604	102,300	5,474
At 31 December	6,222,464	3,558,788	60,265	91,613

This relates to consideration paid by customers before the transfers of goods or services. Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.

30. Dividend payable

	The Group		The Company	
	2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
As at 1 January	5,674,793	5,768,706	5,170,168	5,063,733
Dividend declared	1,467,918	1,176,025	643,749	643,749
Dividend paid during the year to NCI	(824,169)	(532,276)	-	-
Dividend paid during the year to equity holders of the parent company	(643,749)	(643,749)	(643,749)	(643,749)
Reclassification from Payables (Note 27)	853,988	-	-	-
Amount paid to NCI on account of UFL merger	-	(150)	-	-
Statute barred unclaimed dividend written back	-	(122,381)	-	-
Reclassification of statute barred dividend from retained earnings	172,146	-	-	-
Unclaimed dividend returned to/by registrar	(1,972)	28,618	(50,438)	106,435
Transfer to SEC Dividend Trust Fund	(4,095,053)	-	(2,944,897)	-
At 31 December	2,603,902	5,674,793	2,174,833	5,170,168

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31. Provisions

The Group	Provisions N'000	Legal claim N'000	Decommissioning liability N' 000	Total N' 000
At 1 January 2025	3,000	326,802	56,988	386,790
Additions in the year	-	-	-	-
Unwinding of discount	-	-	677	677
Reclassification from other payables (a)	-	-	-	-
At 31 December 2025	3,000	326,802	57,664	387,466
Current	-	326,802	-	326,802
Non-current	3,000	-	57,665	60,665
At 1 January 2024	3,000	3,548	40,034	46,582
Additions in the year	-	223,000	6,818	229,818
Unwinding of discount	-	-	10,136	10,136
Reclassification from other payables (a)	-	100,254	-	100,254
At 31 December 2024	3,000	326,802	56,988	386,790
Current	-	326,802	-	326,802
Non-current	3,000	-	56,988	59,988

Decommissioning liability

UAC Restaurants has several leasehold properties converted to restaurants, which are required by agreements to be restored to original condition upon the expiration of the lease.

The provision for Decommissioning liability represents an estimate of the cost involved in restoring these leased properties at the expiration of the lease. The provision is an estimate based on management's re-assessment of the amount of the liability that will be incurred at the end of each lease term. Variables such as inflation rates and currency exchange rates amongst others were considered in this estimate.

The discount rate for the unwinding of the discount on liability was determined using the 10-year government bond yield of 19% (2024: 19%). The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The discount rates did not reflect risks for which future cash flow estimates have been adjusted.

(a) Reclassification from other payables

The provision for an ongoing dispute for a subsidiary was reclassified from trade and other payables to provisions for fairer presentation.

The Company	Legal claim 2025 N'000	Legal claim 2024 N'000
At 1 January 2025	-	3,548
Additions(a)	-	190,000
At 31 December 2025	193,548	193,548
Current	193,548	193,548

(a) Additions to legal provision

The 2024 additions to provision made for an ongoing property dispute for which judgement was delivered in December 2024 against the Company.

Contingent liabilities

The Group is engaged in lawsuits that have arisen in the normal course of business. The estimated contingent liabilities arising from these pending litigation as at 31 December 2025 amounted to ₦1.2 billion and ₦545million (2024: ₦1.18billion and ₦508million) for the Group and Company respectively. The Group and Company have assessed these claims and believe that no material loss will arise from them. However, the amount of the ultimate liability, if any, cannot be determined with sufficient reliability. Accordingly, no additional provision has been recognised in the consolidated and separate financial statements.

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32 Employee benefit

The Group's employee benefit provisions include long service awards and other long term employee benefits and the valuation methods adopted for each are detailed below.

	The Group	
	2025	2024
	N' 000	N' 000
Long service award (Note 32i)	68,168	63,958
Other long term employee benefit (Note 32ii)	2,272,819	1,159,246
Defined benefit gratuity liability (Note 32iii)	806,227	-
Total employee benefit	3,147,214	1,223,204
Defined benefit gratuity asset	806,227	-

32i Long service award

One of the entities within the Group (Grand Cereals Limited) sponsors a long service award scheme for qualifying employees. Employees are rewarded after a specific number of years in service. Employees are entitled to the awards after being in service for 10, 15, 20, 25, and 30 years.

Service Milestone (years)	% of gross annual salary	2024 Gift Benefit Value Cap (N')
10	10%	-
15	15%	50,000
20	20%	60,000
25	25%	80,000
30	30%	256,000

The most recent actuarial valuations of the present value of the long service award obligations were done as at 31 December 2025 by the firm of Alexander Forbes Consulting Actuaries Nigeria Limited (FRC Registration Number: FRC/2012/0000000000504). This was signed by Actuary Director, W. VanJaarsveld (FRC Registration Number: FRC/2021/PRO/DIR/003/00000024507). The present value of the long service award obligation and the related current service cost were measured using the Projected Unit Credit method.

Amounts recognised in profit or loss in respect of these long service awards are as follows;

	The Group	
	2025	2024
	N' 000	N' 000
Service cost	4,867	5,387
Interest cost	11,519	9,146
Actuarial (gain)/loss arising from changes in:		
- Financial assumptions	3,476	(3,791)
- Experience adjustments		
	19,862	10,742

Movement in the present value of long service awards

	The Group	
	2025	2024
	N' 000	N' 000
Opening defined benefit obligation	63,958	59,611
Acquired through business combination	18,169	-
Current service cost	4,867	5,387
Benefit paid	(33,821)	(6,395)
Interest cost	11,519	9,146
Actuarial losses	3,476	(3,791)
	68,168	63,958

Actuarial assumptions

Principal economic actuarial assumptions at the reporting date (expressed as weighted averages):

	Group	
	2025	2024
Key assumptions used:		
Discount rate	17.3%	18.0%
Future salary increase rate	6.0%	6.0%
Benefit/Gift rate	9.0%	9.0%
Net pre-retirement rate	11.3%	11.3%
Net pre-retirement rate (gift increase)	8.3%	8.3%

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Demographic assumptions

The demographic assumptions regarding mortality are based on the rates on A67/70 tables published jointly by the Institute and Faculty of Actuaries.

Age	Mortality rate	Mortality rate
	Males	Females
20	0.00089	0.00089
25	0.00069	0.00069
30	0.00065	0.00065
35	0.00086	0.00086
40	0.00144	0.00144
45	0.00264	0.00264
50	0.00479	0.00479
55	0.00844	0.00844
60	0.01443	0.01443

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions holding other assumptions constant would have affected the long service award obligation by the amounts shown below.

		2025	2024
		N' 000	N' 000
Base amount		59,611	59,611
Discount rate	+1%	65,640	56,830
	-1%	70,887	62,632
Future salary increase	+1%	70,682	62,807
	-1%	65,800	56,631
Mortality rate	+1%	68,705	59,428
	-1%	67,669	59,776

Sensitivity to each actuarial assumption was determined while other assumptions were held constant. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

32ii Other Long term employee benefit

In 2024, a long term incentive plan was approved and implemented for Grand Cereals limited, CAP Plc, Livestock Feeds Plc, and UAC Foods Limited with the primary purpose of incentivising growth across the businesses and staff retention.

Under the scheme, participants have a target incentive amount over the life of the plan (5 years), based on achievement of target profits set with reference to the business plan. The cumulative excess profit is calculated after 3 and 5 years, with the target incentive amounts being earned if the cumulative plan earnings are achieved. Proportionately higher amounts can be earned if the target is exceeded. The whole incentive pot is tested after 5 years with half tested after 3 years and any value earned after 3 years is deducted from the value earned after 5 years (with a zero floor on the net earnings after 5 years).

Movement in the present value of other long term employee benefits

	The Group	2024
	2025	N' 000
	N' 000	N' 000
Opening	1,159,246	-
Current service cost	1,056,135	1,159,246
Interest cost	57,438	-
Closing	2,272,819	1,159,246

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32iii Defined benefit gratuity

C.H.I. Limited, one of the entities within the Group, operates a defined benefit gratuity plan for qualifying employees in Nigeria. This defined benefit gratuity plan is a final salary plan for Nigerian employees. The liabilities in respect of the retirement benefits are provided for and the Company has set out an investment that will be applied for settlement of the liabilities. The defined benefit gratuity plan is operated voluntarily as it is not required by any legislation in Nigeria. The gratuity plan is monitored by the Company's management.

The level of benefits provided depends on the member's length of service and salary at retirement age. Since the gratuity liability is adjusted to consumer price index, the gratuity plan is exposed to Nigeria's inflation, interest rate risks and changes in the life expectancy for pensioners.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 31 December 2025 by Logic Professional Services with FRC/2025/COY/562144 and the report was signed by Chidiebere Orji with FRC/2023/PRO/NAS/004/00000022718 of Logic Professional Services, Lagos, Nigeria.

Net defined benefit expense recognised are as follows:

	The Group 2025	2024
	N' 000	N' 000
Defined benefit gratuity expense		
Interest cost	-	-
Service cost	185,361	-
Amount recognised in profit or loss	185,361	-
Amount recognised in other comprehensive income - Actuarial losses	34,383	-
	219,744	-
Amount recognised in other comprehensive income - Actuarial gains net of tax		
Re-measurement loss on defined benefit plan	(34,383)	-
Tax charge	11,003	-
	(23,380)	-

Movement in the defined benefit gratuity plan are as follows:

	2025	2024
	N' 000	N' 000
Opening defined benefit obligation	-	-
Acquired through business combination	698,517	-
Charge to profit or loss during the year	185,361	-
Total amount recognised in other comprehensive income	34,383	-
Benefits paid	(112,034)	-
	806,227	-

Actuarial assumptions

The principal assumptions used in determining gratuity pension and post employment medical benefit obligation for Company's plans are shown below:

	2025	2024
Discount rate	15.50%	-
Inflation rate	15%	-
Average pay increase	17%	-
Mortality in service*	A67/70 Table	-

* The mortality tables are published by the Institute and Faculty of Actuaries, United Kingdom.

Withdrawal from service

	Rate	Rate
Age band		
29 and below	3%	-
30 - 39	2.50%	-
40 - 49	2%	-
50 - 59	1%	-
59 and above	100%	-

Maturity Analysis

The following are maturity analysis of benefit payments

	2025	2024
Within the next 12 months (next annual period)	23,362	-
Between 2 and 5 years	233,737	-
Between 6 and 10 years	939,132	-
Beyond 10 years	69,614,764	-
	70,810,995	-

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33. Share Capital
Company

	31 December 2025	Amount	31 December 2024	Amount
	Number	N' 000	Number	N' 000
	000		000	
Issued and fully paid:				
Ordinary shares of 50k each	2,926,132	1,463,065	2,926,132	1,463,065
Total called up share capital	2,926,132	1,463,065	2,926,132	1,463,065

	31 December 2025	Amount	31 December 2024	Amount
	Number	N' 000	Number	N' 000
	000		000	
Ordinary Shares				
Opening balance	2,926,132	1,461,065	2,926,132	1,461,065
Closing balance	2,926,132	1,461,065	2,926,132	1,461,065

Nature and purpose of Other Reserves and related transactions

Share Premium

Section 145.2 of Companies and Allied Matters Act 2020 requires that where a company issues shares at premium (i.e. above the par value), the value of the premium should be transferred to share premium. The Share premium is to be capitalised and issued as scrips as approved by shareholders from time to time.

Fair value reserve

The fair value reserve relates to the cumulative net change in the fair value of financial instruments at fair value through other comprehensive income until

Other reserve

Other reserve relates to the cumulative net change in the fair value of property, plant and equipment prior to the adoption of IFRS. On adoption of IFRS, the cost and revaluation surplus was taken as deemed cost and no subsequent revaluations are required.

Equity settled share based payment reserve

In 2021, the Company introduced a Long Term Incentive Plan ("LTIP") using the value creation plan ("VCP") model under which eligible employees ("Participants") are awarded ordinary shares of the Company subject to delivering exceptional shareholder value.

The value creation plan ("VCP") was designed to incentivize employees to deliver exceptional returns for shareholders over a five-year period. The model is aimed at ensuring that UAC attracts, retains, and motivates talented employees with the mindset of owners and to align the interests of employees and shareholders with performance measured by the management team's ability to maximise shareholder value.

Under the VCP, Participants will receive, in the form of ordinary shares in the Company, a proportion of the value delivered for shareholders over a five year-period, provided that the Company delivers a minimum total shareholder return ("TSR") of 18% per annum. Should this return be delivered, an incentive pot equal to 10% of the value created will be distributed to Participants.

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Measurement of fair value

The awards were valued using a Monte Carlo simulation which calculates a fair value based on a large number of randomly generated projections of the Company's TSR. The projections allow for initial TSR performance to the grant date, incorporating dividends paid and the likelihood of meeting the 18% hurdle.

The inputs and assumptions used in the measurement of the fair value at grant date of the LTIP are as shown below:

UAC share price at grant date	N10 per share
Market capitalization at grant date (N'000)	28,812,966
Estimated dividend yield	6.50%
Risk free rate	0.77%
Volatility	40%
Fair value on grant date (N'000)	1,003,763

The expected volatility has been based on the share price volatility levels of 2019, prior to the COVID-19 pandemic. The sensitivity of the fair values to various changes in the volatility and dividend assumptions is set out below.

Base case – 40% volatility	45% volatility	50% volatility
N'000	N'000	N'000
1,003,763	1,204,516 (+20%)	1,405,268 (+40%)

4.5% dividend yield	Base case – 6.5% dividend yield	8.5% dividend yield
N'000	N'000	N'000
1,104,139 (+1%)	1,003,763	993,725 (-1%)

There were no modifications to the LTIP during the reporting period.

Expense recognized in profit or loss

The 2025 expense recognized in profit or loss in relation to the LTIP is as shown in note 8(f(i)).

33i. Investment in scheme shares

On the first measurement date of 1 July 2024, the condition for the award of the LTIP shares was met and after board approval, a total of ₦2.6 billion was used to purchase shares for eligible employees by the Trustees. Of this amount, ₦1.4 billion worth of shares were allocated to employees as settlement for the 2024 vested shares, while the remaining shares valued at ₦1.2 billion are being held by Trustees for the benefit of the employees' Long Term Incentive Plan as at the end of 2024.

In 2025, the Trustees utilized ₦4.5 billion to purchase additional shares for eligible employees under the Company's Long-Term Incentive Plan (LTIP). Following the satisfaction of the vesting conditions and subsequent Board approval, shares valued at ₦2.2 billion were allocated to employees in settlement of the 2025 vested awards.

The number and weighted average exercise prices of shares has been detailed in table below:

Description of shares	2025		2024	
	Number of shares	Weighted average share price	Number of shares	Weighted average share price
Outstanding at the beginning of the period	52,822,300	23.51	-	-
Purchased during the period	127,184,977	35.44	107,587,711	22.10
Allotted during the period	(70,133,150)	32.62	(54,765,411)	20.50
Unallocated outstanding at the end of the period	109,874,127	31.65	52,822,300	23.51

Reconciliation of investment in scheme shares to the statement of Cash flows	2025	2024
	N' 000	N' 000
Shares purchased	4,507,639	2,377,366
Tax on earned benefit settled in cash	1,089,656	276,242
Cash balance with Trustees	-	2,737
Amount in cash flows	5,597,295	2,656,345

Reconciliation of amount disclosed in statement of changes in equity	2025	2024
	N' 000	N' 000
Allotted shares	2,287,985	1,122,691
Tax on earned benefit settled in cash	1,089,656	276,242
Total value received by employees	3,377,641	1,398,933

Charged to:

Share based reserve	138,168	272,087
Retained earnings	3,239,473	1,126,846
	3,377,641	1,398,933

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34. Reconciliation of profit/(loss) before tax to cash generated from/(used in) operations

	Note	Group		Company	
		2025 N' 000	2024 N' 000	2025 N' 000	2024 N' 000
Profit/(Loss) before tax from continuing operations		16,425,008	25,547,275	(8,824,970)	9,301,729
Adjustment for net finance cost/ (income)		15,496,131	(5,959,223)	11,226,599	(7,700,729)
Operating profit		31,921,139	19,588,052	2,401,629	1,601,000
<i>Adjustments to reconcile operating profit to net cash flows</i>					
Amortisation of intangible assets	8a	593,971	493,822	14,494	14,908
Dividend income	6	(101,058)	(96,688)	(1,232,283)	(827,271)
Depreciation charge on property, plant and equipment	8a	5,591,035	3,283,077	195,586	181,492
Depreciation charge on right-of-use asset	8a	1,642,963	716,684	-	-
Write-off of inventories to net realisable value	8a	982,349	153,633	-	-
Expected credit loss on debt securities	7ii	(20,184)	14,457	(20,184)	14,457
Expected credit loss/(write back) on related party receivables	7ii	(2,339)	246	3,254,762	(682)
Expected credit loss on trade receivables	7ii	78,928	124,052	-	-
Expected credit loss on other receivables	7ii	59,769	32	59,808	-
Expected credit loss on short term deposit	7ii	(6,137)	3,990	(6,137)	3,990
Expected credit loss on investment in subsidiary	7ii	-	-	251,290	-
Impairment charge on property, plant and equipment	8a	(601)	136,740	-	-
Net fair value gain on investment properties	15	(244,694)	(19,682)	(244,694)	(19,682)
Profit on sale of investment properties	7i	(31,862)	(26,924)	(31,862)	(26,924)
Effect of exchange rate fluctuations on loans and borrowings		6,243,497	-	-	-
Unwinding of government grant	7i	(291,065)	(79,237)	-	-
Share of profit of associate	18.1	(3,423,156)	(722,595)	-	-
Bargain Purchase from the acquisition of CHI Limited		(4,451,566)	-	-	-
Loss on lease terminated	8a	(73,855)	1,473	-	-
Loss on lease modification	7i	-	12,775	-	-
Write-off of property, plant and equipment	7i	38,258	37,612	-	-
Other long term employee benefit	32ii	1,056,135	1,159,246	-	-
Long service award charge during the year	32	19,862	10,742	-	-
Long service award paid	32	(33,821)	(6,395)	-	-
Loss on disposal of debt securities	7i	34,963	-	34,963	-
Share based payment expense	8(f)	139,236	207,157	139,236	207,157
Profit/(loss) on sale of property, plant and equipment	7i	(63,095)	(145,230)	2,632	(24,861)
Profit on sale of non-current asset held for sale	7i	(1,273,707)	(51,495)	(850,701)	(43,528)
Operating cash flows before movements in working capital		32,141,468	24,795,544	3,968,539	1,080,056
<i>Movements in working capital:</i>					
Changes in inventories	22(a)	(20,130,358)	(28,201,236)	-	-
Changes in trade and other receivables and prepayments	23	2,982,671	2,488,995	(109,770,584)	2,295,923
Changes in finance lease receivables		-	443,640	-	-
Changes in contract liabilities		1,182,191	1,352,687	(31,348)	(108,512)
Changes in trade and other payables	27(a)	10,625,578	8,623,204	17,378,486	(1,521,381)
Net movement in provision		-	330,072	-	190,000
Changes in right of return asset		(4,994)	25,815	-	-
Changes in refund liability		(605)	(45,871)	-	-
Net cash generated from/(used in) operations		26,795,951	9,812,850	(88,454,907)	1,936,086

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35. Related party transactions

Balances and transactions within the Group and its subsidiaries, which are related parties, have been eliminated on consolidation.

The Company

The company's related parties consist of companies in whom the Company has shareholding and similar interests (its subsidiaries, associates & joint venture partners), the key management personnel of the Company and their close family members and all other entities that are directly or indirectly controlled by the Company.

The following transactions were carried out with the subsidiaries:

(a) Sales of goods and services

The Company has commercial service agreements with its subsidiaries and associates for support services. Income from commercial services fees (representing 0.75-1% of revenue of the subsidiaries) amounted to N3.3 billion (2024: N1.8 billion).

This has been included in the revenue of the Company.

	Company	
	2025	2024
	N' 000	N' 000
Grand Cereals Limited	401,850	452,493
Chemical & Allied Products PLC	437,337	354,261
UAC Foods Ltd	743,488	581,890
Livestock Feeds PLC	376,359	397,222
C.H.I. Limited	1,299,391	-
	3,258,426	1,785,866

(b) Rental income

The Company leases properties to its subsidiaries and associates. Total rental income earned from subsidiaries and associates is shown below

	Company	
	2025	2024
	N' 000	N' 000
UPDC Plc	13,566	13,374
UAC Restaurants Ltd	14,174	8,800
Grand Cereals Limited	1,599	1,600
UAC Foods Ltd	8,697	8,694
	38,036	32,468

(c) Period-end net balances arising from sales/purchases of goods/services with subsidiaries and associates

	Company	
	2025	2024
	N' 000	N' 000
Receivable/(Payable):		
Subsidiaries		
Chemical & Allied Products PLC	75,037	362,625
Grand Cereals Limited	247,592	104,524
UAC Restaurants Limited	1,032,518	708,463
Livestock Feeds PLC	(18,629)	(59,211)
UAC Foods Ltd	55,129	(75,945)
UAC Food and Beverage Company Limited	2,396,795	-
C.H.I. Limited	612,378	-
	4,400,820	1,040,456
Associates		
UPDC PLC	28,615	38,271
MDS Logistics Ltd	(18,513)	(18,513)
	10,102	19,758
Employee Post employment plan		
UNICO Gratuity Fund	51,957	26,782
	4,462,879	1,086,996

(d) Intercompany loan

	Company	
	2025	2024
	N' 000	N' 000
UPDC PLC	920,078	1,380,124
Grand Cereals Limited	5,615,805	-
UAC Foods Ltd	7,286,773	-
UAC Restaurants Limited	1,756,267	1,828,447
UAC Food and Beverage Company Limited	74,391,026	-
C.H.I. Limited	12,491,087	-
	102,461,037	3,208,571

All trading balances will be settled in cash.

The expected credit loss relating to related party receivables as at 31 December 2025 was N3.26 billion (2024: N6.2 million) and the net debit to the profit or loss in respect of doubtful related party receivables was N3.25 billion.

(e) Key Management Personnel

Total transactions with key management personnel, which were employment compensation based, amounted to N1.2 bn during the year (2024:N1.2 bn).

36. Capital commitments

There were no capital commitments as at 31 December 2025 (2024: Nil)

37a. Non-current assets held for sale/distribution

Following the approval by the Board of Directors in November 2019, part of a manufacturing facility within the Paints segment and investment property of the Packaged Food & Beverages segment were presented as non-current asset held for sale. As at December 2024, due to the inability to complete sale of the Paints segment land and building within 12 months, the undisposed assets were reclassified back to Property, plant and equipment.

In February 2025, the investment property from the Packaged Food & Beverages segment with a carrying value of ₦304mn was disposed.

In 2024, UAC reclassified 120 million UPDC Plc shares, representing 1.5% of UAC's holding, with a carrying value of ₦61.1 million, as non-current assets held for sale. Of these, 45 million shares were sold in 2024, while the remaining 75 million shares, with a carrying value of ₦38.2 million, were disposed of in 2025, resulting in a gain of ₦188.1 million (Company: ₦191 million) recognized under UAC's other operating income.

In 2025, UAC also reclassified 250 million UPDC Plc shares, representing 3.2% of UAC's holding, with a carrying value of ₦155.1 million, as non-current assets held for sale. Of these, 135.7 million shares with a carrying value of ₦84.2 million were disposed of, resulting in a gain of ₦639.3 million (Company: ₦659.7 million) recognized under UAC's other operating income.

As at the reporting date, UAC's stake in UPDC Plc was 41.5%, 40.9% is recognized as investment in the associate company while 0.6% is classified as non-current assets held for sale.

Group

Movement in non-current assets held for sale/distribution

	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
Opening balance	341,878	530,714	35,270	-
Transfer from investment in associates (UPDC Plc)	155,060	61,077	117,500	56,400
Cost of asset disposed	(426,040)	(59,075)	(99,048)	(21,130)
Reclassification to PPE (Note 13)	-	(190,838)	-	-
Closing balance	70,897	341,878	53,722	35,270

38 Business Combination

On 3 October 2025, UAC of Nigeria PLC completed the acquisition of 100% of the issued equity interests in Chivita|Hollandia (C.H.I. Limited) following receipt of the required approval from the Federal Competition and Consumer Protection Commission (FCCPC). C.H.I. Limited is a leading dairy and juice company operating in Nigeria. The acquisition was effected through a wholly owned special purpose vehicle, UAC Food and Beverages Company Limited (UFB).

In accordance with the Share Purchase Agreement (SPA), a total cash consideration of N182.4 billion was paid to The Coca-Cola Company (TCCC) for the acquisition of 301,000,000 ordinary shares, representing 100% of the issued share capital of C.H.I. Limited.

For the three months ended 31 December 2025, C.H.I. Limited contributed revenue of N127 billion and a profit of N15.5 billion to the Group results. If the acquisition had occurred on 1 January 2025, management estimates that consolidated revenue would have been N707 billion and consolidated profit for the year would have been N21 billion. In determining these amounts, management has assumed that the fair value adjustment that arose on the date of the acquisition would have been the same if the acquisition had happened.

As at the reporting date, the purchase price allocation has been finalised. All transaction costs relating to the acquisition have been expensed as acquisition-related costs within other operating expenses (see Note 8), in accordance with IFRS 3 and the Bargain purchase from the acquisition was recognised as part of other operating income.

In determining the allocation of the purchase price, management recognised the fair valuation of the following identifiable intangible assets:

- a. Brands
- b. Customer relationship

The valuation techniques used for measuring the fair value of material assets acquired are as follows:

- **Property, plant and equipment (PPE):** Market comparison and cost were the valuation technique adopted for PPE as an open market valuation was carried out for the acquired land and building and for other asset categories, the book value was adopted as its fair value.

- **Intangible assets:** The valuation of brands was performed using the relief-from-royalty method, while customer relationships were valued using the multi-period excess earnings method. Key assumptions applied include forecast revenues, royalty rates, attrition rates, and discount rates.

- **Inventories:** The net realisable value of inventory was adopted and a write down of N22.9bn was recognised.

UAC of Nigeria PLC
Notes to the consolidated and separate financial statements
for the year ended 31 December 2025

38i Bargain purchase arising from business combination	2025
	N'000
Consideration:	
Cash payment	182,451,425
Net asset acquired from business combination (see note 38ii below)	(67,283,628)
Fair value adjustment	(15,741,459)
Identifiable Intangible assets:	
Customer relationship	(63,400,000)
Brands	(102,100,000)
Deferred tax liabilities arising from fair value adjustment and identifiable intangible assets*	61,622,096
Gain on Bargain Purchase	(4,451,566)

38ii The fair value of net asset acquired includes:

	Balance	Fair value	Fair value
	Oct-25	adjustment	Oct-25
	N'000	Oct-25	Oct-25
Assets	N'000	N'000	N'000
Cash and cash equivalents	21,879,067		21,879,067
Inventories	163,342,093	(22,922,370)	140,419,723
Property, plant and equipment	46,857,027	38,663,829	85,520,856
Intangible assets	531,866		531,866
Right-of-use assets	2,208,919		2,208,919
Receivables and Prepayments	19,701,153		19,701,153
Total assets	254,520,124	15,741,459	270,261,583

38ii The fair value of net asset acquired (continued)

	Balance	Fair value	Fair value
	Oct-25	adjustment	Oct-25
	N'000	Oct-25	Oct-25
Liabilities	N'000	N'000	N'000
Loans and borrowings	(127,040,824)		(127,040,824)
Trade and other payables	(45,742,888)		(45,742,888)
Contract Liabilities	(1,458,131)		(1,458,131)
Current tax liability	(6,956,238)		(6,956,238)
Deferred tax liability	(6,020,246)		(6,020,246)
Employee benefit	(18,169)		(18,169)
Total Liabilities	(187,236,496)	-	(187,236,496)
Net assets	67,283,628	15,741,459	83,025,087

* The recognised deferred tax liabilities were derived by applying a deferred tax rate of 34% on the fair value adjustments and the identifiable intangible asset

38iii Acquisition of subsidiary, net of cash acquired

	N'000
Consideration paid in cash	(182,451,425)
Cash and cash equivalents acquired from business combination (see 38ii)	21,879,067
	<u>(160,572,358)</u>

39. Disclosure of Interests in Other Entities**39.1 Composition of the Group**

UAC of Nigeria PLC is a holding company with interests in six primary verticals - Edibles & Feed (2 entities), Packaged Food & Beverages (2 entities), Quick Service Restaurants (1 entity), Real Estate (1 entity), Paints (1 entity) and Logistics (1 entity). The Group comprises of a corporate centre (the Company) holding interests in 8 entities.

39.2 Subsidiaries with material non-controlling interests

- (a) Chemical and Allied Products PLC (CAP) – Chemical and Allied Products PLC is a company involved in the manufacture and sale of paints. The company's principal place of business is Lagos State, Nigeria. The non-controlling interests hold 42.15% (in aggregate) stake in the company. The profit allocated to NCI for the year ended 31 December 2025 was ₦2.4 billion (2024: ₦1.6 billion) and dividends paid to NCI in 2025 was ₦824 million (2024: ₦523 million). As at 31 December 2025, the accumulated NCI in the subsidiary was ₦5.6 billion (2024: ₦4 billion).
- (b) Grand Cereals Limited (GCL) – Grand Cereals Limited is a company involved in the manufacturing and sale of animal, poultry and fish feeds, edible oils and its by-products, maize grits and ready-to-eat breakfast cereals. The company's principal place of business is Plateau State, Nigeria. The non-controlling interests hold 28.57% (in aggregate) in the company. The loss allocated to NCI for the year ended 31 December 2025 was ₦1.4 billion (2024: profit of ₦281 million) and no dividend was paid to NCI in 2025 (2024: Nil). As at 31 December 2025, the accumulated NCI in the subsidiary was net loss of ₦550 million (2024: ₦876 million).
- (c) Livestock Feeds PLC (LSF) – Livestock Feeds PLC is a company involved in the manufacturing and sale of animal feeds and concentrates. The company's principal place of business is Lagos State, Nigeria. The non-controlling interests hold a 26.71% (in aggregate) stake in the company. The loss allocated to NCI for the year ended 31 December 2025 was ₦800 million (2024: profit of ₦517 million) and no dividend was paid (2024: Nil). As at 31 December 2025, the accumulated NCI in the subsidiary was net loss of ₦257 million (2024: ₦543 million).
- (d) UAC Restaurants Limited (UACR) – UAC Restaurants Limited is a quick service restaurant company that operates through the Mr Bigg's and Debonairs Pizza chain of restaurants. The company's principal place of business is Lagos State, Nigeria. In 2013, UAC divested 49% of its 100% stake in the company to Famous Brands, thereby retaining 51%. Famous Brands held a 49% stake in the company as at 31 December 2025. The loss allocated to Non-Controlling Interest (NCI) for the year 2025 is ₦877 million (2024: Loss of ₦633million) and no dividend was paid. As at 31 December 2025, the accumulated NCI in the subsidiary was a net loss of ₦2.6 billion (2024: net loss of ₦1.7 billion).

Summarised financial information

	CAP	GCL	LSF	UACR
31-Dec-25	N'000	N'000	N'000	N'000
Non-current assets	3,685,997	10,073,631	2,405,544	1,253,180
Current assets	20,780,336	11,285,835	7,712,309	2,648,739
Current liabilities	9,057,846	15,314,383	8,927,347	1,935,306
Non-current liabilities	1,114,338	1,643,621	802,799	7,301,317
Revenue	44,855,193	53,840,919	37,764,578	2,567,996
Profit/(loss) before tax	9,137,701	(5,322,957)	(2,752,806)	(1,774,795)
Total comprehensive income/(loss)	5,744,785	(4,989,452)	(2,996,962)	(1,789,964)

	CAP	GCL	LSF	UACR
31-Dec-24	N'000	N'000	N'000	N'000
Non-current assets	3,661,374	10,573,270	2,383,613	1,510,220
Current assets	16,015,798	28,566,196	20,948,242	1,184,237
Current liabilities	7,910,709	25,557,050	19,562,071	1,549,466
Non-current liabilities	1,129,983	4,191,502	385,113	4,689,730
Revenue	36,362,182	61,147,933	41,669,570	2,511,583
Profit/(loss) before tax	6,064,248	1,984,880	2,847,352	(1,278,235)
Total comprehensive income/(loss)	3,807,257	985,280	1,934,431	(1,291,897)

40. Events after the reporting period

Other than those disclosed in note 11, there are no subsequent events that could have had a material impact on the consolidated financial statements of the Group as at 31 December 2025

41. Fair Value MeasurementsFair value of investment property

An independent valuation of the group's investment property was performed by valuers to determine the fair value of investment properties as at 31 December 2025. The gain on fair valuation was credited to profit or loss and is shown in "other operating income/loss" (Note 6). The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- (i) Quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1)
- (ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2)
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The valuation of investment property results in a level 3 fair value.

There were no transfers between levels 1 and 2 during the year.

Valuation techniques used to derive level 3 fair valuesInvestment Property

Level 3 fair values for investment property has been derived using the open market value. To obtain the open market value, the following were considered, a willing buyer, a willing seller, the property is freely exposed to the market, a reasonable period within which to negotiate sale, taking into account the nature of the property and state of the market. The open market value methodology falls within the "market approach" as stipulated by IFRS 13.

Fair value of investment property (continued)

Fair value measurements as at 31 December 2025 using:

all figures in N'000 unless otherwise stated

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	N'000	N'000	N'000
Recurring fair value measurements			
Investment Property			
UACN Company	-	-	1,116,610
Group			1,116,610

Reconciliation of level 3 fair values

2025

	Investment Property (Group) N'000	Investment Property (Company) N'000
Opening balance	1,117,635	1,117,635
Disposals	(245,719)	(245,719)
Net gain from fair value adjustment on investment property	244,694	244,694
Closing Balance	1,116,610	1,116,610

Reconciliation of level 3 fair values

2024

	Investment Property (Group) N'000	Investment Property (Company) N'000
Opening balance	1,190,629	1,190,629
Disposals	(92,676)	(92,676)
Net loss from fair value adjustment on investment property	19,682	19,682
Closing Balance	1,117,635	1,117,635

Valuation process for the Group

On an annual basis, the group engages external, qualified valuers to determine the fair value of the group's investment properties, using level 3 inputs. The firm of Diya Fatimilehin & Co. (FRC/2023/COY/098756) carried out the valuation exercise of investment properties as at 31 December 2025 (2024: Diya Fatimehin(FRC/2013/NIESV/00000000754). The valuation report for 2025 was signed by the firm's managing partner Fatimilehin Adegboyega (FRC/2013/NIESV/00000000754) (2024: Mr. Fatimilehin Adegboyega (FRC/2013/NIESV/00000000754).

The external valuations of the level 3 investment properties have been performed using the Open Market Approach. The external valuers have determined these inputs based on the size, age, condition of the land and buildings, willing buyer, willing seller, the state of the local economy and a reasonable period within which to negotiate sale, taking into account the nature of the property and state of the market.

Information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value as at 31 December 2025	Fair value as at 31 December 2024	Valuation Technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Investment Property - UACN Company	1,116,610	1,117,635	Fair Market Value Approach	The price range used per square meter is N8,804 - N317,731 (2024: N6,143 - N215,382), which was determined by demand and the availability of property of that quality in that location	The higher the estimated price per square meter, the higher the value

Other National Disclosures

UAC of Nigeria PLC

Shareholding Structure/Free Float Status

Company Name:	UAC of Nigeria Plc			
Board Listed:	Main Board			
Year End:	31-Dec			
Reporting Period:	31-Dec-25			
	31-Dec-25		31-Dec-24	
Share Price at end of reporting period:	91.00		31.5	
Shareholding Structure/Free Float Status				
Description	Units	Percentage	Units	Percentage
Issued Share Capital	2,926,131,655	100%	2,926,131,655	100%
Substantial Shareholdings (5% and above)				
Themis Capital Management	586,289,403	20.04%	586,289,403	20.04%
Fund, LP - Main NTC Kuroto	146,734,619	5.01%	146,734,619	5.01%
Total Substantial Shareholdings	733,024,022	25.05%	733,024,022	25.05%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Mr. Folasope Aiyesimoju (Direct)	86,014,099	2.94%	59,941,884	2.05%
Mr. Folasope Aiyesimoju (Indirect - representing Themis Capital Management and AM&P Advisory services)	70,780,314	2.42%	70,780,314	2.42%
Mrs. Babafunke Ijaiya-Oladipo (Direct)	19,694,903	0.67%	6,693,933	0.23%
Mr. Adebolanle Badejo (Direct)	14,444,189	0.49%	6,643,607	0.23%
Mr. Khalifa Biobaku (Indirect - representing Themis Capital Management and Dalio Property Development Limited)	-	-	-	-
Mrs. Suzanne Iroche	-	-	-	-
Mr. Karl Toriola	-	-	-	-
Ms. Obi James	-	-	-	-
Mrs. Amina Muhtar	-	-	-	-
Mr. Daniel Agbor (Indirect) (a)	-	-	35,000,000	1.20%
Mr. Bolaji Odunsi (b)	-	-	-	-
Total Directors' Shareholdings	190,933,505	6.53%	179,059,738	6.12%
Other Influential Shareholdings				
SITLUAC LTIP	109,874,127	3.75%	52,822,300	1.81%
Dalio Property Development Limited	45,197,311	1.54%	172,693,669	5.90%
Total Other Influential Shareholdings	155,071,438	5.30%	225,515,969	7.71%
Free Float in Units and Percentage	1,847,102,690	63.12%	1,788,531,926	61.12%

Declaration:

UAC of Nigeria PLC with a free float percentage of 63.12% as at 31 December 2025 is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(a) Mr. Daniel Agbor resigned from the board of UAC effective 7 February 2025.

(b) Mr. Bolaji Odunsi retired from the board of UAC effective 31 March 2025.

UAC of Nigeria PLC

Other national disclosures

Statement of Value Added
for the year ended 31 December 2025

	Group				Company			
	2025		2024		2025		2024	
	=N=Million	%	=N=Million	%	=N=Million	%	=N=Million	%
Turnover	340,473		196,901		3,560		2,030	
Share of associated companies' profits	3,423		723		-		-	
Dividend income	101		97		1,232		827	
Interest received & other income	17,240		15,825		8,370		13,239	
Cost of materials and services:								
Imported	(102,298)		(11,828)		-		-	
Local	(203,420)		(150,922)		(5,230)		(1,598)	
Value Added	55,519	100	50,795	100	7,932	100	14,499	100
Applied as follows:								
To pay employees								
Salaries, wages and other benefits	25,392	46	17,596	35	3,449	43	2,913	20
To pay government								
Taxes	5,706	10	8,836	17	(1,229)	(15)	2,645	18
To pay providers of capital								
Interest charges	6,685	12	3,558	7	13,098	165	2,165	15
To pay shareholders								
Dividend	644	1	644	1	644	8	644	4
Retained for replacement of assets and business growth:								
Depreciation and Amortisation	7,828	14	4,494	9	210	3	196	1
Non-controlling interest	(679)	(1)	1,772	3	-	-	-	-
To augment reserves	9,943	18	13,895	27	(8,240)	(104)	5,936	41
	55,519	100	50,795	100	7,932	100	14,499	100

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

Other national disclosures

Group five-year financial summary for the year ended 31 December 2025

Naira millions	2021	2022	2023	2024	2025
Funds Employed					
Equity attributable to equity holders of the Company	45,981	41,964	50,747	62,737	67,600
Non-controlling interest	4,857	3,317	2,434	3,673	2,170
Creditors due after one year	5,349	5,980	6,673	19,352	232,691
	56,187	51,260	59,855	85,762	302,462
Employment of funds					
Property, plant and equipment, Intangible assets, Investment Property and Other non-current assets	31,298	35,276	35,027	35,590	290,772
Long term investments	11,238	11,259	13,851	17,702	15,147
Net current assets/(liabilities)	13,650	4,724	10,976	32,470	(3,457)
	56,187	51,260	59,855	85,762	302,462

Results	2021	2022	2023	2024	2025
Turnover	101,377	109,270	120,528	196,901	340,473
Profit from operations	5,014	(2,384)	9,093	18,865	28,498
Share of (loss)/profit of associated companies	(894)	103	860	723	3,423
Taxation	(1,440)	823	(9,237)	(9,237)	(6,517)
Profit/(loss) after tax	2,587	(3,993)	8,908	16,311	9,908
(Loss)/profit for the year retained	(1,651)	(3,081)	8,544	13,895	9,943
Share prices: High (kobo)	1,145	1,450	1,800	3,700	10,680
Low (kobo)	710	840	790	1,060	2,660
Earnings per share (kobo)	62	(107)	314	497	362
Earnings per share (kobo) - adjusted	62	(107)	314	497	362
Net assets per share (kobo)	1,764	1,547	1,817	2,679	2,384

Other national disclosures

Company five-year financial summary for the year ended 31 December 2025

Naira millions	2021	2022	2023	2024	2025
Funds Employed					
Equity attributable to equity holders of the Company	31,805	31,287	39,166	43,154	29,535
Creditors due after one year	456	315	625	8,930	59,029
	32,261	31,602	39,791	52,085	88,564
Employment of funds					
Property, plant and equipment, Intangible assets, Investment Property and Other non-current assets	7,746	6,614	7,326	11,868	55,802
Long term investments	26,769	27,099	28,728	25,459	44,423
Net current (liabilities)/assets	(2,254)	(2,111)	3,737	14,757	(11,660)
	32,261	31,602	39,791	52,085	88,564

Results					
	2021	2022	2023	2024	2025
Turnover	877	1,009	1,142	2,030	3,560
Profit from operations	1,481	442	6,537	1,601	2,402
Taxation	(143)	(49)	(2,722)	(2,722)	1,229
Profit/(loss) after tax	2,345	682	6,580	6,580	(7,596)
Dividend - proposed	(1,873)	(644)	(644)	(644)	(644)
Profit/(loss) for the year retained	(1,113)	(1,193)	7,896	4,809	(11,479)
Share prices: High (kobo)	1,145	1,450	1,800	3,700	10,680
Low (kobo)	710	840	790	1,060	2,660
Market capitalisation (period-end)	27,372	29,993	37,601	92,173	266,278
Dividend per share (kobo)	65	22	22	22	22
Dividend per share (kobo) - adjusted	65	22	22	22	22
Earnings per share (kobo)	63	24	295	225	(260)
Earnings per share (kobo) - adjusted	63	24	295	225	(260)
Net assets per share (kobo)	1,104	1,069	1,330	1,654	1,009
Dividend cover (times)	1.0	1.1	13.4	10.2	n/m