

ABC TRANSPORT PLC

**CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Corporate Information

DIRECTORS:	Prince Olumide Obayomi	- Chairman	(Nigerian)
	Mr. Jude Nneji	- Managing Director	(Nigerian)
	Mr. Rex Chidi Okoro	- Executive Director	(Nigerian)
	Mr. Francis Nneji	- Non-Executive Director	(Nigerian)
	Alhaji. Kabiru Yusuf	- Non-Executive Director	(Nigerian)
	Pastor Bamidele Asije	- Non-Executive Director	(Nigerian)
	Mrs. Ifeoma Adeoye	- Non-Executive Director	(Nigerian)
	Mr Emmanuel Chilaka Nwanna	- Independent Non-Executive Director	(Nigerian)

**COMPANY SECRETARY /
LEGAL ADVISER** Onyekachukwu C Chigbo ,Esq.
KM 5, MCC/Uratta Road, Umuoba Uratta
Owerri, Imo State

**REGISTERED
OFFICE:** KM 5, MCC/Uratta Road, Umuoba Uratta
P.O. BOX 2575, Owerri Imo State
Tel: 08039600958, 08053002000,
Fax: 083-231275
E-mail: info@abctransport.com
www.abctransport.com

AUDITOR: Forvis Mazars
18, Oba Akran Avenue,
Ikeja, Lagos

**PRINCIPAL
BANKERS:** Fidelity Bank Plc
Zenith Bank Plc
Access Bank Plc
Guaranty Trust Bank Limited
United Bank for Africa Plc
Unity Bank Plc
Union Bank of Nigeria Plc

REGISTRAR First Registrars Nigeria Limited
Plot 2, Abebe Village Road
Iganmu, Lagos

INVESTOR RELATIONS ABC Transport Plc has a dedicated Investor's portal on its corporate website which can be accessed through this link:<https://www.abctransport.com/investors.html>

REGISTRATION NUMBER 219970

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 Summary of Performance

The summarised results are presented below:

	Group 2025 N'000	Group 2024 N'000	Change %	Company 2025 N'000	Company 2024 N'000	Change %
Revenue from contracts with customers	15,961,732	12,515,137	28	8,547,034	5,969,897	43
Gross profit	2,974,127	2,872,215	4	1,905,185	1,400,360	36
Profit before tax	1,393,374	918,452	52	738,353	496,456	49
Income tax expense	(314,343)	(249,264)	26	(86,020)	(244,539)	(65)
Profit for the year	1,079,031	669,188	61	652,333	251,917	159
Total asset	14,462,677	12,003,865	20	11,065,902	8,931,897	24
Shareholders' fund	1,974,255	1,040,071	90	1,894,148	1,241,815	53
Basic and diluted profit per share (Kobo)	45	28		27	11	
Number of employees	1,212	1,117		718	620	

The Directors have proposed, and subsequently approved, a dividend of 6 kobo per share to be distributed to shareholders from the profit generated during the 2025 financial year (2024: Nil).

As at the date of approval of the consolidated and separate financial statements of the Company, ABC Transport Plc's outlook for 2025 and beyond shows there is no going concern threat to the enterprise.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Report of the Directors

The Directors submit their report together with the audited consolidated and separate financial statements for the year ended 31 December 2025.

1. OPERATING RESULT	GROUP		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Profit for the year	1,079,031	669,188	652,333	251,917

2. LEGAL FORM

ABC Transport Plc was incorporated as a Private Limited Company on April 5, 1993 and also commenced operations that same year, the Company was converted to a Public Limited Liability Company on November 21, 2005. The shares are listed on the Nigerian Stock Exchange and were first quoted on December 20, 2006. As approved by the Shareholders at the Annual General Meeting of 12th August, 2011, the Company's name was changed from Associated Bus Company Plc to ABC Transport Plc.

3. PRINCIPAL ACTIVITIES

The principal activities of the Group include road transportation and logistics. It provides both long and short haul bus services as well as bus charter services; consolidated cargo and haulage services within Nigeria and the West African sub-region. It is also engaged in import/sale of vehicle spares, assembly of heavy duty trucks and the hospitality business.

4. DIRECTORS' INTEREST IN CONTRACTS

None of the Directors has notified the Company for the purpose of section 303 of the Companies and Allied Matters Act, 2020 of their direct or indirect interest in contracts or proposed contracts with the Company during the year ended 31 December 2025

5. DIRECTORS' SHAREHOLDINGS : Section 301 of the Companies and Allied Matters Act, 2020

S/N	Name	Direct Interest	Indirect	Direct Interest	Indirect
		as at Dec. 2025	Interest as at Dec. 2025	as at Dec. 2024	Interest as at Dec. 2024
1	Prince Olumide Obayomi	110,000	5,720,000	110,000	5,720,000
2	Mr. Francis Nneji	1,052,380,000	336,844,353	1,051,680,000	335,935,826
3	Mr. Jude Nneji	30,580,213	-	30,580,213	-
4	Alh. Kabiru Yusuf	1,474,000	-	1,474,000	-
5	Mr. Bamidele Asije	700,000	296,835,881	700,000	279,835,881
6	Mr. Rex Okoro	1,000,000	-	1,000,000	-
7	Mrs Ifeoma Adeoye	-	-	-	-
8	Mr. Emmanuel C. Nwanna	-	-	-	-

Prince Olumide Obayomi, Mr. Francis Nneji and Mr. Bamidele Asije have indirect shareholdings through Royal Funbay Limited, Rapido Ventures Ltd. and Drolemoc Farms Limited respectively.

6. PROPERTY, PLANT & EQUIPMENT

Movements in property, plant and equipment during the year are shown in the financial statements in note 14.

7. MAJOR SUPPLIERS:

The Company's significant local suppliers are:

F. O. Obison Int'l Agency

Chidel Ventures Ltd.

Jibeco Nigeria Limited

Kwereson Ent. Nigeria Limited – Lagos

Ideal Standard Services

1st Magnificent Energy Ltd.

Amanni Oil and Gas

Iyke Paulson Co. Nig. Ltd.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 Report of the Directors

8. DONATIONS AND GIFTS

The following amounts have been given by way of donations and gifts during the year under review.

	2025 N'000	2024 N'000
Corporate gifts	3,288	2,219
Condolences, Burial, Weddings, etc.	2,271	2,015
	<u>5,559</u>	<u>4,234</u>

There was no donation or gift made to any political party, political association or for any political purpose in the course of the year

9. EMPLOYMENT AND EMPLOYEES

a) Employment and Employees

ABC Transport Plc is an equal opportunity employer concerned with the retention of staff and strives to remain the employer of choice within the road transport sector. The Company provides a total compensation package that enables it to attract and retain highly skilled and qualified employees while recognizing the need to manage payroll costs.

b) Employment of Disabled Persons

The Company has reviewed its employment policy in line with the needs of the business. A policy of the Company stipulates that there should be no discrimination in considering applications for employment including those from disabled persons. All employees whether or not disabled are given equal opportunities to develop.

c) Work Environment

The Company strives to ensure a safe working environment for its employees. Health and safety regulations are in force within the Company's premises and employees are aware of existing regulations. Subsidies are provided to all levels of employees for medical, transportation, housing.

d) Employee Involvement, Development and Training

Training workshops and seminars are organized regularly for employees at all levels. The Company places a great premium on the involvement of its employees in the attainment of its goals. It is also committed to keeping them informed about its progress and performance. The Company equally seeks the views of its employees particularly concerning matters which directly affect them.

Formal meetings are held amongst staff within the operational zones and suggestions and opinions of employees are sought and considered on the general operations of the Company as well as matters affecting them.

Career development of each employee and succession planning are major priorities of the Company. The employees of the Company attend short and long term training programmes which are tailored to meet the needs of both the employee and Company. Employees are adequately rewarded and motivated to achieve results.

e) Health, safety at work and welfare of employees

The Company considers the health, safety and welfare of its employees of paramount importance. In pursuance of this, the Company has a group life insurance policy and pension scheme. It has also retained the services of healthcare providers across various locations. Safety standards are adhered to in the workplace. The employees of the Company are currently enrolled by the Company to the National Health Insurance Scheme.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 Report of the Directors

f) Safety Policy

ABC places a high premium on the safety of its passengers and crew while in transit. To this end, the Company organizes quarterly safety re-orientation and training programmes for its crew. All the vehicles in our fleet are fitted with tracking devices and speed limiters which monitor the speed of the vehicles. For the year under review, the accident rate of the Company's fleet was well within acceptable limits, with a large number of the recorded accidents attributable to the errors and miscalculations of other road users.

10. COMPLAINTS MANAGEMENT POLICY

ABC Transport Plc has in place a Complaints Management Policy in accordance with the requirement of the Securities and Exchange Commission. The policy sets out the broad framework for receiving, registering and handling shareholders and investors complaints in an impartial, confidential and timely manner.

11. SECURITIES TRADING POLICY

ABC Transport Plc has a Securities Trading Policy which applies to all employees and Directors. The policy applies to all employees that may at any time possess any insiders or material information about the Company. The trading policy includes the need to enforce confidentiality against external advisers.

12. AUDITOR

In accordance with Section 401(2) of the Companies and Allied Matters Act 2020, Forvis Mazars has indicated their willingness to continue in office as the Company's Auditor.

BY ORDER OF THE BOARD



Onyekachukwu C. Chigbo, Esq.
Company Secretary/Legal Adviser
FRC/2020/PRO/00000021630
Imo State,
Nigeria.
31 March 2026

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 Report of the Audit Committee

In accordance with the provision of Section 404(7) of the Companies and Allied Matters Act, 2020, the members of the Audit Committee of ABC Transport Plc having carried out our statutory functions under the Act, hereby report as follows:

1. The accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
2. The scope and planning of both the external and internal audit for the year ended 31 December 2025, are satisfactory and are in accordance with the Company's internal control system and agreed ethical practices; and
3. We are satisfied with the responses to our questions and the financial position at ABC Transport Plc.

Members of the Audit Committee and its Statutory Meetings:

The Company's Audit Committee held six meetings during the year under review, and same were held on 29th January 2025, 26th March 2025, 29th April 2025, 29th July 2025, 29th October 2025 and 12th November 2025.

The members' attendance at the meetings for the year is detailed below:

No.	Name	Status	Designation	Attendance
1	Mr. Chibuzor Eke	Shareholders' Representative	Chairman	29 th JAN. 2025 26 th MAR. 2025 29 th APR. 2025 29 th JUL. 2025 29 th OCT. 2025 13 th NOV. 2025
2	Pastor Bamidele Asije	Directors' Representative	Member	29 th JAN. 2025 26 th MAR. 2025 29 th APR. 2025 29 th JUL. 2025 29 th OCT. 2025 13 th NOV. 2025
3	Alhaji Kabiru Yusuf	Directors' Representative	Member	29 th JAN. 2025 26 th MAR. 2025 29 th APR. 2025 29 th JUL. 2025 29 th OCT. 2025 13 th NOV. 2025
4	Mr. Jude Okpala	Shareholders' Representative	Member	29 th JAN. 2025 26 th MAR. 2025 29 th APR. 2025 29 th JUL. 2025 29 th OCT. 2025 13 th NOV. 2025
5	Mr. Kenneth Nwosu	Shareholders' Representative	Member	29 th JAN. 2025 26 th MAR. 2025 29 th APR. 2025 29 th JUL. 2025 29 th OCT. 2025 13 th NOV. 2025



MR. CHIBUZOR EKE
Chairman, Audit Committee
FRC/2013/PRO/AUDITCOM/002/0000004670
31 March 2026

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Statement of Directors' Responsibilities

The Companies and Allied Matters Act, 2020 requires the Directors to prepare consolidated and separate financial statements for each financial year that give a true and fair view of the financial position of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

- (a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and Company, and comply with the requirements of the Companies and Allied Matters Act, 2020;
- (b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- (c) prepares its consolidated and separate financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, which are consistently applied.

The Directors accept responsibility for the annual consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company and of the profit or loss for the year ended 31 December 2025. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the years ahead, and particularly in twelve months from the date of approval of these financial statements.



Prince Olumide Obayomi
Director
FRC/2014/PRO/DIR/003/00000009248

31 March 2026



Mr Jude Nneji
Director
FRC/2015/PRO/00000011844

31 March 2026

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 Statement of Corporate Responsibility

In accordance with the provision of section 405 of the Companies and Allied Matters Act, 2020, we have reviewed the financial statements of the Company for the year ended 31 December 2025 and based on our knowledge certify that:

- 1 the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made;
- 2 the audited financial statements and all other financial information included in the statement fairly present, in all material respects, the financial condition and results of the operation of the Company as of and for, the year ended 31 December 2025;
- 3 the Company's internal controls have been designed to ensure that material information relating to the Company is made known to us by other officers of the Company, particularly for the reporting year;
- 4 the Company's internal controls were evaluated within 90 days prior to the audited financial statements date and are effective as of 31 December 2025;
- 5 we have disclosed to the Company's auditor and those charged with governance:
 - i. all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and has identified for the Company's auditor any material weaknesses in internal controls and;
 - ii. whether or not, there is any fraud that involves management or other employees who have a significant role in the Company's internal control; and
- 6 we have indicated where there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regards to significant deficiencies and material weaknesses.



Mr Jude Nneji
Chief Executive Officer
FRC/2015/PRO/00000011844

31 March 2026



Mr. Rex Okoro
Chief Finance Officer
FRC/2014/PRO/ICAN/001/0000007350

31 March 2026

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 Management's Report on the Assessment of Internal Control over Financial Reporting

The Board of ABC Transport Plc (the Company) is responsible for:

(a) Keeping proper accounting records that disclose, with reasonable accuracy, the financial position of the group and its subsidiaries and comply with the requirements of the Companies and Allied Matters Act, 2020.

(b) Establishing adequate internal controls to safeguard the assets of the company and its subsidiaries and detect and other irregularities.

(c) Preparing consolidated and separate financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The Investment and Securities Act (2007) mandates the Board of Directors of a public company to report on the effectiveness of the company's internal control system over financial reporting, in its annual report.

The Act equally requires the auditor of a public Company to issue a statement as to the existence, adequacy and effectiveness or otherwise of the internal control system of the company over its financial reporting.

Guidance issued by the Securities and Exchange Commission (SEC) on implementation requires companies to adopt a robust system of controls designed specifically to address risks relating to financial reporting, such as the integrated framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

ABC Transport Plc's internal control over financial reporting is an integrated multi-layered system of controls built on management structures designed for adequate coverage, and tailored to the peculiarities of the business of the Company and its subsidiaries. These controls aim at ensuring completeness, accuracy and fair presentation of all elements of the financial statements and associated disclosures.

We duly carried out assessment of our internal controls for 2025 within the timelines stipulated by law using the "Internal Control- Integrated Framework" (COSO 2013) promulgated by the Committee of Sponsoring Organizations of the Treadway Commission.

While our assessments and reviews did not reveal any material weakness in our internal control system over financial reporting, gaps were uncovered in certain areas and adequate measures taken to close them before the end of the financial year.

The effectiveness of the Company's internal control over financial reporting for the financial year 2025 has been reviewed by our external auditor (Forvis Mazars) and their opinion stated in their report which appears herein.



Mr Jude Nneji
Managing Director/CEO
FRC/2015/PRO/00000011844

31 March 2026



Mr. Rex Okoro
Chief Finance Officer
FRC/2014/PRO/ICAN/001/0000007350

31 March 2026

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS CEO's CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2025

I, Jude Nneji, certify that:

(a) I have reviewed the ICFR implementation report for ABC Transport Plc for the financial year, 2025.

(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 statement made, in light of the circumstances under which statements were made, not misleading with respect to the period covered by this report.

(c) Based on my knowledge, the financial statements, and other financial information to which this report relate, fairly present in all material respects the financial condition, result of operations and cash flows of the entity as of, and for, the period presented in this report.

(d) I, in conjunction with the Chief Financial Officer, are

1. responsible for establishing and maintaining internal controls.
2. 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 entity, and its consolidated subsidiaries, is made known to us by others within whose entities, particularly during the period in which this report is being prepared.
3. 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®.
4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days 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) We have disclosed, based on our most recent evaluation of internal control system, to the entity's auditor and the audit committee of the entity's Board of Directors:

1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
2. Any fraud, whether material or not material, that involves management or other employees who have a significant role in the entity's internal control system.

(f) We have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



.....
Mr Jude Nneji
Managing Director/CEO
FRC/2015/PRO/00000011844

31 March 2026

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS CERTIFICATION OF MANAGEMENT ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2025

Certification Pursuant to section 405(1) of Companies and Allied Matters Act 2020.

I, Rex Okoro, certify that:

- (a) I have reviewed the ICFR implementation report for ABC Transport Plc for the financial year, 2025.
- (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 statement made, in light of the circumstances under which statements were made, not misleading with respect to the period covered by this report.
- (c) Based on my knowledge, the financial statements, and other financial information to which this report relate, fairly present in all material respects the financial condition, result of operations and cash flows of the entity as of, and for, the period presented in this report.
- (d) I, in conjunction with the Managing Director, are:
1. responsible for establishing and maintaining internal controls.
 2. 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 entity, and its consolidated subsidiaries, is made known to us by others within whose entities, particularly during the period in which this report is being prepared.
 3. 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®.
 4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days 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) We have disclosed, based on our most recent evaluation of internal control system, to the entity's auditor and the audit committee of the entity's Board of Directors:
1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
 2. Any fraud, whether material or not material, that involves management or other employees who have a significant role in the entity's internal control system.
- (f) We have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Mr. Rex Okoro
Chief Finance Officer
FRC/2014/PRO/ICAN/001/0000007350

31 March 2026

Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the Members of ABC Transport Plc

Opinion

In our opinion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by the Management of ABC Transport Plc is not effective as of 31 December 2025, based on the requirements of Committee of Sponsoring Organisations of the Treadway Commission (COSO) Framework and SEC Guidance on Implementation of section 1.3 of SEC Guidance on Implementation of sections 60-63 of the Investments and Securities Act 2007 and section 1.5 of FRC Guidance on Management Report on Internal Control over Financial Reporting.

Scope

We have performed a limited assurance engagement on ABC Transport Plc's (the "Company") internal control over financial reporting as of 31 December 2025 to ascertain its effectiveness based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") and FRC's Guidance on Assurance Engagement Report on Internal Control over Financial Reporting (the "Guidance"), to report on the Company's Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the Company's Management's Assessment on Internal Control over Financial Reporting as of 31 December 2025 (the "Report").

The Company's Management 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 Assessment of Internal Control over Financial Reporting as of 31 December 2025. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our assurance engagement.

Basis for Opinion

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

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.

Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

Definition and Limitations of Internal Control over Financial Reporting

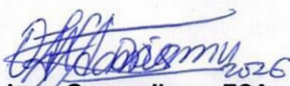
Internal control is a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) 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
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements of ABC Transport Plc and our report dated 31 March 2026 expressed an unmodified opinion.


Adams Osamudiamé, FCA
FRC/2021/004/00000023940
For: Forvis Mazars
Lagos, Nigeria



31 March 2026

**Independent Auditor's Report
To the Members of ABC Transport Plc**

Report on the audit of the consolidated and separate financial statements

Our Opinion

We have audited ABC Transport Plc's consolidated and separate financial statements which comprise of:

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

In our opinion, the consolidated and separate financial statements of ABC Transport Plc ("the Company") give a true and fair view of the financial position of the Company and its subsidiaries (together "the Group") as at 31 December 2025, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards IFRS®, and in the manner required by the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act No. 42, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Summary of Performance, Report of the Directors, Report of the Audit Committee, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Management's Annual Assessment of, and Report on ABC Transport Plc's Internal Control over Financial Reporting, CEO's Certification of Management's Assessment of Internal Control over Financial Reporting, CFO's Certification of Management's Assessment of Internal Control over Financial Reporting, Consolidated and separate Statement of Value Added, Five-year Financial Summary - Group and Five-year Financial Summary - Company but does not include the Consolidated and separate Financial Statements, the Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting and our Independent Auditor's Report thereon which we obtained prior to the date of this auditor's report, and the other sections of the ABC Transport Plc 2025 Annual Report, 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 express any form of assurance 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 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 other sections of the ABC Transport Plc 2025 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditor's Report

Responsibilities of the Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and in a manner required by the Companies and Allied Matters Act, 2020 and Financial Reporting Council of Nigeria Act No. 42, 2023, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism 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 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 the 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 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year 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 audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefit of such communication.

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements

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

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) The company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;
- iii) The company's statement of financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

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

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement and reported on management's assessment of ABC Transport Plc's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unmodified opinion in our report dated 31 March 2026.



Adams Osamudiamé, FCA
FRC/2021/004/00000023940
For: Forvis Mazars
Lagos, Nigeria



31 March 2026

ABC TRANSPORT PLC

**CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Notes	Group		Company	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Non-current assets					
Property, plant and equipment	14	10,260,542	8,250,559	8,639,401	7,109,653
Right of use assets	15	163,741	15,896	155,270	-
Intangible assets	16	22,465	21,172	21,801	20,714
Investment in subsidiaries	17	-	-	141,470	141,470
Financial assets - FVOCI	18.1	-	1,845	-	1,845
Financial assets - FVPL	18.2	-	18,876	-	18,876
Deferred tax asset	11.4	494,297	412,435	59,864	59,864
		10,941,046	8,720,783	9,017,806	7,352,422
Current assets					
Inventories	19	1,164,743	1,060,714	433,303	304,413
Trade and other receivables	20	435,205	754,988	742,493	665,698
Other assets	21	1,638,027	1,138,790	813,647	497,427
Cash and cash equivalents	22	283,657	318,781	58,654	111,938
Current tax assets	11.3	-	9,809	-	-
Total current assets		3,521,631	3,283,082	2,048,096	1,579,475
Total assets		14,462,677	12,003,865	11,065,902	8,931,897
Equity and reserves					
Share capital	23.1	1,196,311	1,196,311	1,196,311	1,196,311
Share premium	23.2	434,607	434,607	434,607	434,607
Retained earnings/(accumulated losses)	24	458,287	(513,010)	245,042	(407,291)
Other reserves	25	(114,949)	(77,837)	18,188	18,188
Shareholders' fund		1,974,255	1,040,071	1,894,148	1,241,815
Non-controlling interests	26	336,421	229,058	-	-
Total equity and reserves		2,310,677	1,269,129	1,894,148	1,241,815
Non-current liabilities					
Loans and borrowings	27	739,185	775,844	525,467	775,844
Contract liabilities	31	4,332,059	3,028,248	4,332,059	3,028,248
Lease liability	15.1	97,068	-	97,068	-
Provisions	29	317,761	141,573	317,761	141,573
Deferred tax liabilities	11.4	43,680	30,970	-	-
Total non-current liabilities		5,529,753	3,976,635	5,272,355	3,945,665
Current liabilities					
Loans and borrowings	27	901,269	1,069,285	789,025	985,930
Post employment benefits - defined contribution	28	383,938	367,058	383,106	365,338
Current tax liabilities	11.2	819,563	653,940	208,968	265,242
Trade and other payables	30	3,335,860	3,465,563	1,485,697	1,012,606
Lease liability	15.1	67,641	-	67,641	-
Contract liabilities	31	1,113,976	1,202,254	964,961	1,115,301
Total current liabilities		6,622,246	6,758,101	3,899,399	3,744,417
Total liabilities		12,152,000	10,734,736	9,171,754	7,690,082
Total equity and liabilities		14,462,677	12,003,865	11,065,902	8,931,897

The consolidated and separate financial statements and the notes on pages 17 to 85 were approved by the Board of Directors on 31st March, 2026 and were signed on its behalf by:



Prince Olumide Obayomi
Chairman
FRC/2014/PRO/DIR/003/00000009248



Mr Jude Nneji
Managing Director/CEO
FRC/2015/PRO/00000011844



Mr. Rex Okoro
Chief Finance Officer
FRC/2014/PRO/CAN/001/0000007350

The accompanying notes and statement of material accounting policy information form an integral part of these consolidated and separate financial statements.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group		Company	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Continuing operations					
Revenue from contracts with customers	5.1	15,961,732	12,515,137	8,547,034	5,969,897
Direct costs	5.2	(12,987,605)	(9,642,922)	(6,641,849)	(4,569,537)
Gross profit		2,974,127	2,872,215	1,905,185	1,400,360
Other operating income	7.1.	1,367,626	462,585	360,847	279,034
Net fair value gains on financial assets through profit or loss	7.4.	2,042	3,096	2,042	3,096
Other (loss)/gains	7.5.	(23,903)	296,388	44,615	63,706
Administrative expenses	9.1	(2,507,209)	(2,249,856)	(1,192,774)	(824,595)
Operating profit		1,812,683	1,384,429	1,119,914	921,601
Finance costs	10	(419,309)	(465,977)	(381,561)	(425,145)
Profit before tax		1,393,374	918,452	738,353	496,456
Income tax expense	11	(314,343)	(249,264)	(86,020)	(244,539)
Profit from continuing operations		1,079,031	669,188	652,333	251,917
Attributable to:					
Equity shareholders		971,297	532,807	652,333	251,917
Non-controlling interests	26	107,735	136,381	-	-
		1,079,031	669,188	652,333	251,917
Other Comprehensive income:					
Net exchange differences on translating foreign operations	25	(37,112)	(15,506)	-	-
Other comprehensive loss		(37,112)	(15,506)	-	-
Total comprehensive profit for the year		1,041,919	653,682	652,333	251,917
Attributable to:					
Equity shareholders		934,556	517,456	652,333	251,917
Non-controlling interests	26	107,364	136,226	-	-
		1,041,919	653,682	652,333	251,917
Basic and diluted profit per share (Kobo)	12	45.10	27.97	27.26	10.53

The accounting policies and notes on pages 22 to 85 form an integral part of these consolidated and separate financial statements.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS
 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2025

Attributable to equity holders - the Group

	Share capital N'000	Share premium N'000	Accumulated losses N'000	Other reserves N'000	Non controlling interests N'000	Total N'000
At 1 January 2024	<u>1,196,311</u>	<u>434,607</u>	<u>(1,045,817)</u>	<u>(62,331)</u>	<u>92,832</u>	<u>615,602</u>
Changes in equity for 2024:						
Profit for the year	-	-	532,807	-	136,381	669,188
Net exchange differences on translating foreign operations	-	-	-	(15,506)	(155)	(15,661)
At 31 December 2024	<u>1,196,311</u>	<u>434,607</u>	<u>(513,010)</u>	<u>(77,837)</u>	<u>229,058</u>	<u>1,269,129</u>
At 1 January 2025	<u>1,196,311</u>	<u>434,607</u>	<u>(513,010)</u>	<u>(77,837)</u>	<u>229,058</u>	<u>1,269,129</u>
Changes in equity for 2025:						
Profit for the year	-	-	971,297	-	107,735	1,079,031
Net exchange differences on translating foreign operations	-	-	-	(37,112)	(371)	(37,483)
31 December 2025	<u>1,196,311</u>	<u>434,607</u>	<u>458,287</u>	<u>(114,949)</u>	<u>336,421</u>	<u>2,310,677</u>

The accounting policies and notes on pages 22 to 85 form an integral part of these consolidated and separate financial statements.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

Attributable to equity holders- the Company

	Share capital N'000	Share premium N'000	Accumulated losses N'000	Other reserves N'000	Total N'000
1 January 2024	1,196,311	434,607	(659,209)	18,188	989,897
Changes in equity for 2024:					
Profit for the year	-	-	251,917	-	251,917
31 December 2024	1,196,311	434,607	(407,291)	18,188	1,241,815
1 January 2025	1,196,311	434,607	(407,291)	18,188	1,241,815
Changes in equity for 2025:					
Profit for the year	-	-	652,333	-	652,333
31 December 2025	1,196,311	434,607	245,042	18,188	1,894,148

The accounting policies and notes on pages 22 to 85 form an integral part of these consolidated and separate financial statements.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Cash flows from operating activities					
Profit before Tax		1,393,374	918,452	738,353	496,456
Adjustment for:					
Depreciation and amortisation	14.2	1,513,687	801,593	1,301,015	592,350
Fair value gain on financial assets - FVTPL	18.2	(2,042)	(3,096)	(2,042)	(3,096)
Interest expense	10	419,309	465,977	381,561	425,145
Profit on disposal of property, plant and equipment	7.5.	(107,408)	(44,967)	(107,408)	(44,967)
Unrealized exchange gain	7.5.	(2,807)	(4,477)	(2,807)	(4,477)
Impairment charge on other assets	21	(1,819)	(1,147)	633	-
Impairment charge on related parties	20.5	(34,449)	60,868	(34,449)	60,868
Impairment charge on other receivables	8	(119,676)	(42,106)	(19,413)	(9,812)
Impairment charge on staff receivables	8	7,542	(22,655)	7,542	(22,655)
		3,065,711	2,014,547	2,262,985	1,489,812
Changes in working capital					
Increase in Inventories	19	(104,028)	(53,233)	(128,890)	(27,314)
Increase/decrease in Trade and other receivables	20	319,782	(356,977)	(76,794)	(288,188)
Increase in Other assets	21	(499,237)	(321,759)	(209,314)	(126,308)
Increase in Trade and other payables	30	447,126	462,229	881,532	123,503
Increase in Contract liabilities	31	1,215,532	4,072,907	1,153,471	4,034,112
		4,444,887	5,817,714	3,882,990	5,205,618
Cash generated from operating activities					
Tax paid	11.5	(252,918)	(126,374)	(29,745)	(29,497)
		4,191,969	5,691,339	3,853,245	5,176,121
Net cash generated from operating activities					
Cash flows from investing activities:					
Investments in financial assets - FVTPL withdrawals	18.2	20,917	-	20,917	-
Purchase of property, plant and equipment	14	(3,673,219)	(4,555,278)	(3,148,519)	(4,376,324)
Purchase of intangible assets	16	(16,861)	(18,544)	(16,138)	(17,577)
Proceeds on sale of property plant and equipment		83,983	101,235	83,983	101,235
		(3,585,180)	(4,472,587)	(3,059,758)	(4,292,666)
Net cash used in investing activities					
Cash flows from financing activities:					
Additional loans and borrowings	27	1,114,905	526,548	519,000	308,000
Interest on lease liability	10	(32,802)	-	(32,802)	-
Repayment of lease liability	15.1	(17,929)	-	(17,929)	-
Repayment of loans and borrowings	27	(1,319,581)	(1,162,073)	(966,282)	(716,752)
Interest on loans and borrowings	27	(386,507)	(465,977)	(348,759)	(425,145)
		(641,913)	(1,101,502)	(846,771)	(833,897)
Net cash used in financing activities					
Net movement in cash and cash equivalents					
Cash and cash equivalents at 1 January		(35,124)	117,250	(53,284)	49,558
		318,781	201,531	111,938	62,380
		283,657	318,781	58,654	111,938
Cash and cash equivalents at 31 December	22.1				

The accounting policies and notes on pages 22 to 85 form an integral part of these consolidated and separate financial statements.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1 General information

1.1 The Group

These consolidated and separate financial statements comprise the financial statements of ABC Transport Plc (referred to as "the Company" and its subsidiaries (together referred to as "the group"). The Company which became a public liability Company in 2005 equally owns 99% in ABC Transport in Ghana, 50% equity stake in Transit Support Services Ltd, a trading Company engaged in the importation and sales of vehicle spares and installation of motor vehicle speed governing devices commenced operation on 1 June, 2008, and a 5% stake in ABC Express Courier (ABEX) Limited. In October 2014, Transit Supports Services Limited commenced the assembly of heavy duty trucks under the automotive policy of the Federal Government of Nigeria. The assembly is carried out at the Company's assembly facility located at Emene Industrial Layout, Enugu. The Cargo Division of the Company became a separate entity with effect from January 1, 2023 under the name "ABC Cargo Express Limited". ABC Transport Plc owns 99.9% equity stake in ABC Cargo Express Limited.

1.2 Corporate office

The registered office address of the Company is Kilometre 5, MCC/Uratta Road, Umuoba Uratta, P. O. Box 2575, Owerri, Imo State.

1.3 Principal activities

The principal activities of the Group are road transportation, cargo business across the road passenger network, haulage activities, importation and sales of vehicle spares, installation of motor vehicle speed governing devices, assembly of heavy duty trucks under the automotive policy of the Federal Government of Nigeria and hospitality business.

2 Basis of preparation

2.1 Statement of compliance with (IFRS®)

These consolidated and separate financial statements are the financial statements of the Company and its subsidiaries (together, "the group"). The consolidated and separate financial statements for the year ended 31 December 2025 have been prepared in line with IFRS 10 on consolidated and separate Financial Statements in accordance with the International Financial Reporting Standards (IFRS®) as issued by the International Accounting Standard Board (IASB®) and in compliance with the Financial Reporting Council of Nigeria Act, No 42, 2023.

Additional information required by local regulators are included where appropriate.

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

2.2 Basis of measurement

These consolidated and separate financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except as modified by fair valuation of financial assets and liabilities where applicable.

2.3 Use of estimates and judgements

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

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have significant effect on the amount recognised in the financial statements.

i Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI 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).

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

ii Depreciation and carrying value of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

iii Determination of impairment of property, plant and equipment, and intangible assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. The group applies the impairment assessment to its separate cash generating units. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

iv Determination of collateral Value

Management monitors market value of collateral on a regular basis. Management uses its experienced judgement and independent opinion to adjust the fair value to reflect the current circumstances. The amount and collateral required depend on the assessment of credit risk of the counterpart.

v Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair values are 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 about these factors could affect the reported fair value of financial instruments. See Note 44 for further disclosures.

2.4 Going concern consideration

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

2.5 Functional and presentation currency

These consolidated and separate financial statements are presented in Nigerian Naira, which is the group's functional currency. Except as indicated in these consolidated and separate financial statements, financial information presented in Naira has been rounded to the nearest thousand.

2.6 Basis of consolidation

The consolidated financial statements incorporate the financial statement of ABC Transport Plc and its subsidiaries made up to 31 December each year.

Subsidiaries are entities over which the Group has control. IFRS 10 defines control as having these three elements: (a) power over an investee, (b) exposure or rights to variable returns from involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns.

Although the equity interest of the Group in Transit Support Service Limited is 50%, control is predicated on the fact that: (i) The Founder of ABC Transport Plc, who is also non-executive Director in the Company owns 47% equity of the remaining equity share; (ii). The Managing Director of ABC Transport Plc represents the Company on the Board of Transit Support Services Ltd; and (iii) ABC Transport Plc is a major customer to Transit Support Services Ltd, which deals on vehicle consumable and speed governing devices.

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

All intra-group transactions, income and expenses are eliminated in full on consolidation.

Non-controlling interests represent the portion of profit or loss and net assets of subsidiaries not owned, directly or indirectly by ABC Transport Plc. Non-controlling interests are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position separately from the parent shareholders' equity.

Associates are those entities over which the Group can exercise significant influence, but not control or joint control. Investment in associate is accounted for in the financial statements using the equity method. Investment in the associate is carried in the statement of financial position at cost plus post acquisition changes in the Group's share in the net assets of associate, less any impairment in value. The statement of profit or loss reflects the Group's share of the results of the operations of associate.

2.7 Adoption of new and revised standards

2.8 Standards Issued and Effective on or after 1 January 2025

Lack of exchangeability (Amendments to IAS 21)

The amendments contains guidance on how an entity can assess if a currency is exchangeable and how they can determine a spot exchange rate when exchangeability is lacking. The amendments further require disclosure of information that will enable the users of the financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The effective date is 1 January 2025.

New standards, amendments and interpretations not yet adopted

The following new pronouncements, considered relevant to the Company, are not yet effective as at 31 December 2025 and have not been early adopted by the Company. The Company's assessment of the impact of these new standards, interpretations or amendments is set out below.

Presentation and Disclosure in Financial Statements - IFRS 18

This new standard deals with the presentation and disclosure of information in general-purpose financial statements; new requirements:

- specified totals or subtotals within the statement of profit or loss.
- disclosure of management-defined performance measures; over the coverage period.
- aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes; and
- consequential amendments to other accounting standards.

The effective date is 1 January 2027.

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

This new standard requires entities to disclose information about sustainability-related risks and opportunities that are useful to users relating to providing resources to the entity.

- Entities are required to disclose information about sustainability-related risks and opportunities reasonably expected to affect the prospects.
- Prescribes how the entity prepares and reports its sustainability-related disclosures, setting out general requirements for content an presentation thereof.
- To provide an understanding of the entity's governance processes & controls, strategy to manage, identification processes & controls an performance in relation to the sustainability-related risks and opportunities and targets set.

The mandatory adoption date is 1 January 2028.

The amendments are effective for annual reporting periods beginning on or after 1 January 2028, with earlier application permitted.

The amendment will be appropriate applied when the circumstances to demand

3 Summary of significant accounting policies

The significant accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements unless otherwise indicated.

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3.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group is principally engaged in the following businesses

1. Road passenger transportation
2. Cargo and courier logistics
3. Haulage
4. Importation, assembly and sales of motor vehicles and motor vehicle spare parts and speed limiting devices.
5. Hospitality services.

The Group considers and applies the five-step model of IFRS 15 in the measurement and recognition of revenue from contracts with customers, as follows:

Contracts with the customers

The Group enters into several forms of contract in the ordinary course of business.

- Contracts with passengers through the issue of travel tickets.
- Contracts with manufacturing companies for dedicated trucking services.
- Contracts with guests for accommodation.
- Contracts for third-party assembly of vehicles at the Transit Support Services Ltd assembly facility.
- Contracts for sale of both locally assembled and imported vehicles, vehicle spare parts and speed limiting devices
- Contracts for delivering of loads and parcels
- After sales servicing contracts for motor vehicles and speed limiting devices.

Contracts with passengers, for delivery of loads and parcels as well as hospitality are usually short-term with payments for the service made in advance. Contractual terms are therefore usually as indicated on ticket foils, waybill leaflets, website and on-line booking platforms, notices and advertorials, and verbally.

Contracts for dedicated trucking are usually of a longer term and are material on a stand-alone basis. These contracts are usually consummated by Service Level Agreements (SLA) which detail performance obligations of both parties. Obligations usually include capacity requirement, delivery destinations, lead times, safety standards, payment terms, surcharges etc. The Group ensures that the duration of all contracts as well as terms for subsequent renewals and termination, are well spelt out in the contracts. Payment under this arrangement is made at agreed intervals usually on a monthly basis.

For the trading business, contracts are reflected in pro-forma invoices issued to customers and purchase orders placed thereon.

The Group is sometimes engaged to carry out vehicle assembly for third parties at her assembly plant. The terms of these contracts are usually captured in well documented agreements specifying the specifications of the vehicles, production timelines product testing, payment terms, amongst others.

There are also arrangements with clients in e-commerce business, where wallets are maintained for cargo shipment to various locations to the customers of the clients. These wallets are replenished on a continuous basis.

Collectability: The Group carries out credit appraisals before extension of credit to customers in the cargo delivery business. Such clients are usually required to transact with the Company on cash basis for some period of time before consideration for credit facility. Clients in the dedicated haulage segment are usually blue-chips with good credit rating. Over 80% of the Groups revenue is collected upfront.

Revenue recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable in respect of the performance obligation(s) identified in the contract with the customer.

The Group recognizes revenue when performance obligations are satisfied as follows:

·Passenger business- on successful conveyance of passengers to their destinations. Refunds from service failures are deducted from gross proceeds from ticket sales.

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On presentation of 10 tickets, a customer is awarded a free ticket for the next travel, hence revenue from passenger operations has two distinct obligations i.e obligation to convey passengers in the immediate to their destinations and award credit that will entitle a customer to a free ticket if he/she presents 10 tickets within the stipulated time frame. The consideration initially received for each travel is allocated between revenue and the award credit. The consideration allocated to award credits represents the amount that the entity has received for accepting an obligation to supply services to qualifying customers. This represents both the fair value of the awards on stand-alone basis and the Group's expectations regarding the proportion of credits that will be redeemed. A customer loyalty award obligation is recognized as a liability until the Group fulfill its obligations on them or the claim expires. Claims in respect of a particular year expire at the end of February of the succeeding year.

- Cargo delivery business- for first mile delivery contracts, revenue is recognized as soon as the shipment arrive the destination and for last mile, when the consignee acknowledges receipt of shipment.
- Dedicated haulage services. Revenue is recognized on successful delivery of consignments. Billings are however made at intervals not exceeding one month on the number of successfully completed trips. All issues relating to surcharges, penalties, demurrage etc are resolved with every invoicing.
- Hospitality- room revenue is recognized as soon the guest enjoys the accommodation for the period paid for. Revenue from incidental services such as food and beverages is recognized as the services are rendered to the customers.
- Sale contracts- revenue is recognized when control of the assets is passed on to the buyer.
- Third party assembly contracts- for third party vehicle assembly projects, it is usual for the customer provides the parts to be assembled into fully built units using the assembler plant and labour. The critical performance obligation under such contracts is the aggregation of the discrete parts into functional fully-built vehicles. Revenue under this circumstance will be recognized based on the number of fully-built units certified by the customer.

Variable consideration

Where a contract includes variable considerations, the Group estimates the amount of the variable consideration to which it will be entitled under the contract. The variable consideration is estimated at the inception of the contract and constrained until it is highly probable that a significant reversal will not occur in the cumulative revenue recognized when the associated uncertainty that could result in variability is resolved. While some form of variable consideration relating to route diversions, surcharges and penalties are contained in a few haulage contracts, these are of little or no impact as all variations are resolved in monthly cycles and adjustments duly reflected in the revenue of the periods to which they relate.

Significant financing component

The Group receives short-term deposits from e-commerce clients and sometimes on vehicle sales transactions. Short term credits are also extended to customers in the ordinary course of business. The Group (applying the practical expedient in IFRS 15) does not consider these arrangements as having significant financing component since these deposits and credits are usually for periods below 12 months.

Contract assets and liabilities

Contract assets relate to an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. By the nature of the Group's business and contracts, contract assets will rarely arise, as contracts are short term with billings raised and recognized in the same period with the performance obligations are discharged.

Contract liabilities are an entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer. Consideration received for cargo and parcels yet to be delivered as well as deposits from customers at the of the accounting are treated as deferred income and duly disclosed in the financial statements.

3.1.1 Trade receivables

Trade receivables arise from an entity's right to consideration in the ordinary course of business where such right is unconditional (only the passage of time is required before the payment of the consideration is due). Trade receivables are presented under current assets in the statement of financial position with relevant disclosures under the notes to the financial statements.

3.1.2 Investment return

Investment return consists of dividend, interest and rent receivable, movement in amortized cost on debt securities and other loan and receivables and realized gains and losses.

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3.1.3 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

3.1.4 Rental income

Rental income is recognized on an accrued basis.

3.1.5 Realised gains and losses

The realised gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and its original or amortised costs as appropriate.

3.1.6 Proceed from disposal of property, plant and equipment

Proceeds from the disposal of property, plant and equipment are excluded from revenue, they form part of other income as gains or losses from disposal of property, plant and equipment. Gains or losses on the remeasurement of non-current assets classified as held for sale that does not meet the definition of discontinued operations are included in profit or loss from continuing operations.

3.1.7 Customer loyalty programme

On presentation of 11 manual tickets or 10 e-tickets, a customer is awarded a free ticket for the next travel, hence revenue from passenger operation (coach) is regarded as a multiple-component sales i.e the components being revenue and award credit.

The Group grants award credits for each sale/travel which is accumulated for each passenger up to the number required for redemption of the award. The consideration initially received for each travel is allocated between revenue and the award credit. The consideration allocated to award credits represents the amount that the entity has received for accepting an obligation to supply awards if customers redeem the credits. This amount reflects both the value of the awards and the Group's expectations regarding the proportion of credits that will be redeemed, i.e. the risk of a claim being made. A customer loyalty award obligation is recognized as a liability until the Group fulfils its obligations to deliver awards to customers or when the risk of a claim has expired. Claims in respect of a particular year expire at the end of February of the succeeding year. Hence, revenue relating to award credits is recognized as the risk expires, i.e. based on the number of award credits that have been redeemed relative to the total number expected to be redeemed. This is in accordance with International Financial Reporting Interpretation Committee 13 (IFRIC 13).

3.2 Property, plant and equipment

3.2.1 Recognition

The fair value of land and buildings have been adopted as the deemed cost for these assets. All other assets have been recognized at their historical costs.

Property, plant and equipment are stated at cost less accumulated depreciation and any recognized impairment loss. Bus terminals and other buildings are carried at their historical cost less accumulated depreciation and any impairment loss. Durability of such items is considered before capitalisation. Major spare parts of motor vehicles which include axle, gear box, engine, body and other significant components are capitalised when they are replaced and depreciated over the remaining useful lives of the assets. The values of the replaced parts are derecognised on replacement.

Buildings on leasehold lands are depreciated over their estimated useful lives unless there are indications that the lease will not be renewable at the expiration of the extant lease terms, in which case the buildings are depreciated over the remaining life of the lease. In such a case a decommissioning cost is capitalised and discounted over the remaining life of the lease in accordance with IAS 37.

3.2.2 Subsequent costs

Major refurbishments and renovations are capitalized as part of the item of the property, plant and equipment and are depreciated over the remaining useful lives of the assets.

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3.2.3 Depreciation of property, plant and equipment

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

Asset class	Useful lives
Luxury buses and trucks	5-10 years
Trailer beds	7-10 years
Shuttle buses	2-5 years
Pool buses	4-6 years
Computers	3-5 years
Furniture and equipment	4-5 years
Buildings	15-20 years

Depreciation commences when assets are available for use.

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted as may be appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value. Gain and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the income statement under other gains/losses.

Asset classified as held for sale are carried at the lower of carrying amount and fair value less cost to sell in accordance with IFRS 5. Items of property, plant and equipment classified as held for sale are not depreciated in accordance with IFRS 5 non-current assets held for sale and discontinued operations.

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

Borrowing costs relating to self constructed items of property, plant and equipment are capitalised in line with IAS 23 borrowing costs.

3.2.4 Derecognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

3.2.5 Reclassification

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

3.3 Inventories

Motor vehicles assembled for sale, spare parts and other stock items are valued at the lower of cost and net realisable value. Cost includes purchase cost and other cost incurred in bringing the stocks to their present location and condition. The weighted average cost method is used to determine cost.

3.4 Intangible assets

Separately acquired intangible assets are shown at historical cost. These intangible assets have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated on the straight-line method to allocate the cost of the intangible assets over their estimated useful lives. The Company's intangible asset is as shown below:

Software	10 years
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3.5 Discontinued operations and non-current assets held for sale

Discontinued operations and non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

Discontinued operations and non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell.

This is the case, when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and the sale is considered to be highly probable.

A sale is considered to be highly probable if the appropriate level of management is committed to a plan to sell the asset (or disposal group), and an active programme to locate a buyer and complete the plan has been initiated. Furthermore, the asset (or disposal group) has been actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale is expected to qualify for recognition as a completed sale within one-year from the date that it is classified as held for sale.

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3.6 Impairment

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the asset does not belong to a cash generating unit, its fair value is determined and compared to its carrying amount to determine its recoverable amount. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of previous revaluation gains, with any residual impairment recognised as an expense.

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

Indicators of impairment

The Group's motor vehicle performance report provides the primary reference for motor vehicles impairment review. The report has such indicators as number of breakdowns per vehicle, spares consumption per vehicle, number of operation run per vehicle, accidented vehicles etc. Secondary indicators include market prices technology and the general economic situation in the country.

3.7 Provisions

The Group recognises a provision if, and only if:

- i. A present obligation (legal or constructive) has arisen as a result of past event;
- ii. Payment is probable (more likely than not); and
- iii. The amount can be reliably estimated.

A possible obligation i.e. a contingent liability is disclosed but not accrued. However, disclosure is not made if payment is remote.

Provision for settlement of litigation is measured at the most likely amount payable, as advised by the Group's solicitors. Provision for warranties is measured at a probability weighted expected value. Both measurements are at discounted present values using a pre-tax discount rate that reflects the current market assessment of the time value of money specific to the liability.

3.8 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the entities within the group. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

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

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

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3.9 Taxation

3.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expenses that are taxable or deductible in future years and items that are never taxable or deductible. The group and Company liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.9.2 Deferred tax

Deferred tax is recognized on temporary difference between the carrying amounts of asset and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized. Such deferred tax asset and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in transactions that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset raised, based on tax rates (and tax laws) that have been enacted or substantively enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and asset reflect the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period to recover or settle the carrying amount of its assets and liabilities.

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

3.9.3 Capital gains tax

Capital gains tax is included in the tax expense for the period to which it relates.

3.9.4 Value added tax

Non-recoverable VAT paid in respect of an item of non-capital nature is written off to statement of comprehensive income. Non-recoverable VAT paid in respect of an item of property, plant and equipment is capitalized as part of the cost of the property, plant and equipment.

The net amount owing to or due from the tax authority is included in debtors or creditors.
Output VAT is excluded from the revenue shown in the statement of comprehensive income.

3.9.5 Withholding tax

The withholding tax credit is used as set-off against income tax payable. Tax credit which is considered irrecoverable is written-off as part of the tax charge for the year.

3.10 Financial assets and liabilities

3.10.1 Initial recognition

The Group initially recognises Trade receivables, equity securities and/or other debt financial assets on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gains/(losses) from financial instruments. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

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Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss

Effective interest rate method

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

For purchased or originated credit-impaired ("POCI") financial assets - assets that are credit-impaired at initial recognition, the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired financial assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

3.10.2 Financial assets - Subsequent measurement

a) Debt instruments

The classification and subsequent measurement of debt instruments depend on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Based on these factors, the Group classifies its debt instruments into one of the following measurement categories:

Amortised cost: Assets that are held within a business model whose objective is collection of contractual cash flows and where such cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss due to impairment or upon derecognition of a debt investment that is subsequently measured at amortised cost is recognised in profit or loss. Interest income from these financial assets is included in "Interest and similar income" using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Financial assets that are held within a business model whose objective is achieved both by collection of contractual cash flows and by selling the assets, where those cash flows represent solely payments of principal and interest, and are not designated at fair value through profit or loss, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for recognition of impairment gains and losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Net other gains/(losses)". Interest income from these financial assets is included in "Interest and similar income" using the effective interest rate method.

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Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the profit or loss statement within "Net gains/(losses) from financial instruments classified as held for trading" in the period in which it arises. Interest income from these financial assets is included in "Interest and similar income".

Business Model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
 - how the performance of the portfolio is evaluated and reported to the group's management;
 - the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
 - how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected.
 - the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity.
- However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing financial assets is achieved and how cash flows are realized.

SPPI assessment

Principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money - e.g. periodical rate of interest

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Reclassifications

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Modifications

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss.

If such a modification is carried out because of financial difficulties of the Customer, then the gain or loss is presented together with impairment losses. In other cases, it is presented as "Net gains/(losses)".

b) Equity instruments

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

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

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3.10.3 Impairment of financial assets

Overview of the ECL principles

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

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

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering if it is 30 days past due.

For Trade receivables that do not contain a financing component, impairment allowance are made on a LTCEL basis as practical expedient.

POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

Credit-impaired financial assets

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

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

- there is significant financial difficulty of a customer (potential bad debt indicator);
- there is a breach of contract, such as a default or delinquency in interest or principal payments;
- the Group, for economic or legal reasons relating to the Customer's financial difficulty, granting to the Customer a concession that the Group would not otherwise consider.
- it becomes probable that a counterparty/Customer may enter bankruptcy or other financial reorganisation;
- there is the disappearance of an active market for a financial asset because of financial difficulties; or
- observable data indicates that there is a measurable decrease in the estimated future cash flows from a group of financial assets.
- the financial asset is 90 days and above past due.

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

3.10.4 Presentation of allowance for ECL

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

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: the loss allowance is recognised as a provision, and
- debt instruments measured at FVOCI: no loss allowance is recognised in the consolidated statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

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Write-off

The Group writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasing enforcement activity and where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of redemption of the carrying amount of the financial asset.

The Company may write-off financial assets that are still subject to enforcement activity.

3.10.5 Financial liabilities

Classification and subsequent measurement

In both the current and prior period, all financial liabilities are classified and subsequently measured at amortised cost except for loan commitments and financial guarantee contracts.

Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Financial guarantee contracts , loans and borrowings and other commitments

Financial guarantees contracts are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of the debt instrument. Such financial guarantees are given to banks, other financial institutions on behalf of subsidiary, connected entity, directors, staff to secure loans, overdrafts and other banking facilities.

Loans and borrowings and other commitments are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or commitments to provide a loan at below-market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently, they are measured at the higher of the amount of loss allowance and the premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

For loans and borrowings and other commitments and financial guarantee contracts, the loss allowance is recognised as a provision.

'3.11 Right of use assets

The right of use (Land) relates to a long term lease contract for land on which factory premises of have been built. Up to 2018 the lease was reported as prepayment under other assets in the financial statements, while the yearly amortizations were treated as rent expenses in the profit or loss account. With the adoption of IFRS 16, this asset has been reclassified to Right of use assets. The right of use incidental to short term leases are reported accordingly.

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3.12 Segmental reporting

The management of ABC Transport Plc has determined the operating segments of the Group based upon the information provided to the Managing Director who is considered to be the chief operating decision maker.

The Group is primarily organized on a business basis and it includes the following:

- Coach operation
- Shuttle operation
- Sprinter operation
- Haulage service
- Cargo service
- Hospitality service; and
- Trading (Truck assembly, sale of spares and speed governors).

This is consistent with the way the group manages itself and the format of the Group's internal financial reporting. The second analysis is presented according to the geographic markets comprising Nigeria and Ghana. The Group's geographical segments are determined by the location of the Group's assets and operations.

3.13 Trade and other receivables

Trade and other receivables are recognised and carried at the lower of their original value and recoverable amount. Allowance is made where there is evidence that the balances will not be recovered in full.

3.14 Employee benefits

3.14.1 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value. In relation to the defined contribution plan, the group has in place the Pension fund scheme.

Pension fund scheme

In accordance with the provisions of the Pension Reform Act, 2004 as amended the Group has instituted a Contributory Pension Scheme for its employees, where Group presently contribute 11% of employee gross emolument (statutory benchmark is 10%) and while employee contribute 8% which is the statutory benchmark

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

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

3.14.2 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plan is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any recognized past service costs and fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligation and that are denominated in the currency in which the benefit are expected to be paid.

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3.14.3 Termination benefits

Termination benefits are recognized as an expense when the group is demonstrably committed without realistic possible withdrawals to a formal detail 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 is recognized as expenses if the group has made an offer of voluntary redundancy and it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

3.14.4 Short term employee benefits

These are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.15 Leases

The Group recognizes a lease where a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is deemed to be conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from the use.

3.15.1 As Lessee

At the commencement of a lease, the Group recognizes a right-of-use asset and a lease liability for leases with tenor exceeding 12 months. For short term leases (leases with tenor of 12 months and below), rentals are expensed immediately to profit or loss. The right-of-use asset is initially measured at the amount of the lease liability plus initial direct costs. Where applicable, lease incentives, payments at or prior to commencement and decommissioning obligations are adjusted for. Subsequently, the right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment. Depreciation is at the shorter of the lease term and the useful lives of the assets

Lease liabilities are initially measured at the present value of the lease payments payable over the lease term discounted at the rate implicit in the lease. Where the rate implicit in the lease cannot be readily determined, the Company's incremental borrowing rate is used. Variable lease payments that depend on an index are included in the initial measurements of the lease liability. Sums expected to be payable by the Group under residual value guarantees are also included. Variable lease payments that are not included in the measurement of the lease liability are recognized in profit or loss. Where there is a subsequent re-measurement due to a revision of any of the initial variables, the resulting difference is treated as an adjustment to the right-of-use asset.

3.15.2 As Lessor

The Group classifies each lease as an operating lease or a finance lease. A finance lease is recognized when the contract transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise an operating lease is recognized.

At the commencement of the lease, the Group recognizes assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The net investment in the lease is the gross investment in the lease (aggregate of the minimum lease receipts plus any unguaranteed residual value) discounted at the interest rate implicit in the lease. Finance income is recognized over the lease term based on the pattern reflecting a constant period rate of return on the net investment.

The Group recognizes operating lease payments as income on a straight line basis.

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'3.16 Trade and other payables+B73

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due with one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

'3.17 Borrowing costs

Borrowing cost are interest and other costs that the Group incurs in connection with borrowing of funds, these include interest expenses calculated using effective interest rate method, finance charges in respect of finance leases and exchange differences arising from foreign currency borrowings' interest cost. Where a range of debt instruments is used to borrow funds or where the financing activities are coordinated centrally, a weighted average capitalization is applied.

3.18 Equity instruments

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

Where any company purchases the Group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the group's equity holders. Where such shares are subsequently sold, re-issued or otherwise disposed of any consideration received is included in equity attributable to the Group's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

3.19 Finance income and finance costs

Finance income comprises interest income on fund invested (including available-for-sale financial assets); gain on the disposal of available-for-sale financial assets. Finance income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprises interest expense on borrowing, unwinding of the discount on provision, interest expense on factoring of trade receivables and impairment losses recognised on financial assets except financial costs that are directly attributable to the acquisition, construction or production of a qualifying assets which are captured as part of the related assets. Finance cost are recognise in profit or loss using the effective interest method.

3.20 Statement of cash flows

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cashflows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items, have been eliminated for the purpose of preparing the statement.

3.21 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand; cash balances with bank and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

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3.22 Share capital

The Group has one class of shares, ordinary shares. Ordinary shares are classified as equity. Where new shares are issued, they are recorded in share capital at their par values. The excess of the issue over the per value is recorded in the share premium reserve. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

'3.23 Share premium

This relates to amount received by ABC Transport Plc over and above the face value of its shares.

'3.24 Dividend distribution

Dividend distribution to the Group's shareholders is recognized as a deduction in the revenue reserve in the year in which the dividend is approved by the Company's shareholders.

'3.25 Unclaimed dividend

Unclaimed dividend are amounts payable to shareholders in respect of dividend previously declared by the Group which have remained unclaimed by the shareholder in compliance with section 429 of the Companies and Allied Matters Act, 2020. Unclaimed dividend are transferred to revenue reserves after twelve years.

'3.26 (Loss)/Earnings per share

The Group presents basic (loss)/earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the number of shares outstanding during the year.

'3.27 Reserves

The translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the net assets of overseas operations.

'3.28. Government grants

Government grants are recognized where there is reasonable assurance that the Group will comply with the conditions attached to it, and that the grant will be received. Where government grant is by the extension of interest free loans or below-market rate of interest, the benefit of the interest free/below market interest rate is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. Government grants are recognized in the profit or loss on a systematic basis over the periods in which the group recognizes as expenses the related costs for which the grants are intended to compensate.

3.29 Financial risk management

Overview

Our risk management objective is to ensure sustainable business growth with stability by promoting a pro-active approach in identifying, evaluating, mitigating and reporting risks associated with the business. In order to achieve these objective, we have established a structured and disciplined approach to Risk Management, including the development of the Risk Matrix, in order to guide decisions of the Group on risk related issues. ABC Group has a risk management system embedded in our day to day business activities which guides our business operations and is being followed in a consistent and systematic manner to increase value to our shareholders. Our Enterprise Risk Management framework focuses on enterprise wide risk of ABC Transport Group with the objective to protect and enhance each entity's value and by extension the Group's value.

ABC Transport Plc and its subsidiaries (ABC Group) - Risk Management framework

The Board of Directors sets our overall risk appetite, approve the risk management strategy and is ultimately responsible for the effectiveness of the risk management process and system of internal control within ABC Group.

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Specific objectives of the Group's Risk Management framework are:

- * To ensure that all the current and future material risk exposures of ABC Group are identified, assessed, quantified, appropriately mitigated and managed.
- * To establish a framework for ABC Group risk management process and to ensure group-wide implementation.
- * To ensure systematic and uniform assessment of risks related with the Group's operations.
- * To reduce operational surprises and losses.
- * To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- * To assure business growth with financial stability.

The Board oversees risk management through the following Committees:

Board Risk Management Committee

The Board Risk Management Committee is responsible for developing and monitoring the Group's risk management policies which are established to identify and analyse the risks faced by the Group, to set appropriate risk limit and controls, monitor risks and adherence to risk limits. The Committee ensures that risk management policies are integrated into ABC Group's culture. The Committee also reviews quarterly risk management reports and direct appropriate actions to be taken by senior management. The committee reports quarterly to the Board of Directors on its various activities.

Statutory Audit Committee

The Audit Committee reviews the adequacy of the system of internal controls and takes appropriate actions to remedy any deficiencies.

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Corporate Governance and Remuneration Committee

The Corporate Governance and Remuneration Committee assists the Board in fulfilling its responsibilities in relation to Corporate Governance & remuneration matters by ensuring the Group meets the legal and regulatory requirements, thus protecting the Group from incurring operational and reputational liabilities that can affect the achievement corporate goals and objectives.

Performance Review Committee

This is a Management Committee of ABC Group comprising functional heads and other top management staff, which convenes monthly to review performance and other pertinent matters bordering on business survival and growth. The committee is saddled with the responsibility of ensuring the business is run in accordance with the stipulations of the Board.

Credit Risk Management Committee

The Credit Risk Management Committee assess the credit risk of ABC Group. The Committee review and approve credit request in line with the Group's credit policy.

Risk Profile

In the course of daily operations, the Group is exposed to various risks. The risks to which the Group is exposed can be classified under the following major categories: Operational risk (HSE risk), Financial risk (credit risk, liquidity risk, market risk, capital management risk), Reputational risk and Strategic risk.

Operational Risk

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

The Group's objective is to manage operational risk to be within its risk appetite thus ensuring that the overall control processes and procedures does not restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall group standards for the management of operational risk in the following areas:

- * Requirements for appropriate segregation of duties, including the independent authorization of transactions/processes.
- * Requirements for the reconciliation and monitoring of transactions.
- * Compliance with regulatory and other legal requirements.
- * Documentation of controls and procedures.
- * Requirements for the year assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- * Requirements for the reporting of operational losses and proposed remedial action.
- * Development of contingency plans
- * Training and professional development
- * Ethical and business standards
- * Risk mitigation approach such as adequate insurance cover on the assets of ABC Group Plc.

The Operational risk of the Group is identified and monitored through risk management review of operational processes and procedures across departments and subsidiaries with the use of Risk Management tool kit such as Risk Registers, Control Self- Assessments, Top 25 Risk of the business and Key Risk Indicators Review.

The functional/business unit heads are responsible for ensuring compliance with risk management procedures. The Internal Audit function is saddled with the responsibility of monitoring compliance and reporting to Board Risk Management Committee.

HSE Risk

ABC Group is committed to managing a Health, Safety & Environmental system that promotes a safe working environment for all employees, contractors, customers and visitors to our sites. At ABC Group, Health and Safety has equal importance with all other business activities.

It is the policy of the Group to carry out its activities in a manner that guarantees health and safety of its workers and other stakeholders, the protection of the Company's facilities and the environment and compliance with all regulatory and industry requirements. The Group consider health, safety and environmental issues as very important due to the nature of her core business.

Our objective is to minimize the number of cases of occupational accidents, illnesses, damage to property and environmental degradation.

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Financial Risk

ABC Group Plc's overall risk management focuses on the unpredictability of financial markets and the adverse effect on the company's financial and operational performance. The Group has a risk management function that manages the financial risks relating to the Group's operations under the policies approved by the Board of Directors.

The Group has exposure to the following risks from its use of financial instruments:

Credit Risk
Liquidity Risk
Market Risk
Foreign Exchange Risk
Interest Rate Risk
Other Market Risk

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a policy of only dealing with creditworthy customers as a means of mitigating the risk of financial loss from defaults. Credits are also secured with Bank Guarantees from selected Banks where necessary.

The Group uses other publicly available financial information and its own trading records to evaluate its major customers. All credits are administered in line with ABC Transport's Credit policy.

Warning signs for default are promptly identified based on Credit Management & Reporting tools. Mitigating actions such as reduced credit term, aggressive cash collection and downward review of credit limits are highlighted and implemented for high-risk customers based on approval by Executive Management and Management Credit Committee.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable and avoidable losses or risking damage to the Group's reputation. Liquidity forecast is performed by the treasury unit of ABC Group Plc to anticipate the cash & liquidity requirements of the Group.

The Group has a clear focus on ensuring sufficient access to capital to finance growth and to refinance maturing debt obligations. As part of the liquidity management process, the Group has various credit arrangements with some banks and related parties which can be utilised to meet its liquidity requirements.

The Group manages its liquidity process by:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Monitoring balance sheet liquidity ratios against internal requirements.
- Managing the concentration and debt profile.
- Usage of overdraft facility to meet liquidity needs

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Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign Exchange Risk

The Group transacts some of its purchases and sales in foreign currency and is exposed to foreign exchange risk on these transactions. The Group has no long term assets or liabilities denominated in foreign currency.

Foreign exchange risks are minimized by a reduction in direct import transactions while increasing local purchases from importers. Credit lines from overseas suppliers are utilized prudently to minimize the foreign exchange exposures.

Currency Risk

The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than its functional currency. The Group is exposed primarily to US Dollars (USD) and the New Ghanaian Cedis (GHS).

The Group monitors the movement in currency rates on an ongoing basis to mitigate the risk that the movements in the exchange rates may adversely affect the Group's income or value of their financial instruments.

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence at all times and to sustain future development and growth of the business. The Board of Directors monitors capital on the basis of the gearing ratio. Board of Directors also monitors the level of dividends to ordinary shareholders.

The Group manages its capital structure to achieve capital efficiency, maximise flexibility and give the appropriate level of access to debt markets at attractive cost levels. Also, The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group does not have a defined share buy-back plan.

Reputational Risk

Reputational risk is the risk that operations and activities of ABC Group, its related parties or affiliates will negatively affect its image or public perception.

The Group understands the fact that the losses stemming from reputational exposure may not be quantifiable, thus we have implemented structures and procedures which will help protect the company against such losses.

The Board through the Risk Management committee monitor closely, the activities of ABC Transport Group through Brand and Corporate Communications Unit (BCC) who ensures controls for mitigating reputational risk are active at all times.

The Group also regularly engage and interact with stakeholders to know how ABC Transport Group is fulfilling their expectations and improve our performance based on the feedback obtained. Major stakeholders include customers, investors, employees, suppliers, government, regulators, special interest & consumer groups, media and the general public.

Strategic Risk

The Group organizes strategy review sessions to deliberate on issues relating to changes in operating environment that may impact strategy execution and implementation. These include issues on competition, availability of loans and borrowings, forex for importation, currency devaluation, changes in government policies and macroeconomic variables which have implications for profitability, product availability and business growth.

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Failure to manage this risk could have a wide-ranging impact. It could lower revenues, profitability and returns to shareholders, and severely impair our ability to meet other financial and non-financial objectives.

The Board has the ultimate responsibility for approving strategic plans, initiatives and changes to strategic direction. In addition, ABC Group employs robust strategy development processes which consider the implications of economic, industrial, market, technological and customer developments and trends. Business Performance Review Meeting is carried out monthly for Strategic Business Units to review business performance against target.

4 Critical accounting estimates and judgement

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

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

a) Impairment of property, plant and equipment and intangible assets

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

b) Property, plant and equipment

Property, plant and equipment represent the most significant proportion of the asset base of the group, accounting for about 80% of the Group's total assets. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Group's financial position and performance.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in the reduced depreciation charge in the consolidated income statement.

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated to write off the cost of property, plant and equipment other than land and work-in-progress on a straight-line basis over the estimated useful life of the respective classes of assets.

Buildings on owned land are depreciated over the period management expects to derive benefit from their use and this period is reviewed annually for appropriateness. Judgment is however applied on the useful lives of buildings constructed on lands held on short-term leases which are only depreciated over a period extending beyond the expiry of the lease if there is reasonable expectation that the lease will be renewed.

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Depreciation charged in the income statement together with the carrying amounts will differ significantly should an expected renewal of short-term fail to materialize. This is in view of the undercharge resulting from the shorter useful lives and the possible impacts of un-capitalized decommissioning costs.

c) **Provisions and contingent liabilities**

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

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

Judgment is equally exercised in assessing the likelihood that a pending litigation will succeed, or a liability will arise and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in the foregoing evaluation processes, actual outcomes may be different from the originally estimated provisions.

d) **Non-current assets held for sale**

On retirement of items of property, plant and equipment (usually operational motor vehicles) from operations, they are fair-valued and reclassified to a non-current-assets-held-for-sale account at the lower of their NBVs and fair-value less cost to sell with any differences arising thereon taken to profit or loss. Since there are no active markets dealing in second-hand vehicles, the Group exercises judgment in placing realistic values to the assets classified as held-for-sale by reference to the circumstances of previous disposals taking cognizance of physical conditions, vehicle brands, age, economic realities etc. These valuations are usually carried out by an assets disposal committee comprising the head of materials management, head of administration, head of internal audit, head of finance and the service engineer. The gross value of these assets are usually material and future results could be affected where actual proceeds differ materially from the valuations.

e) **Allowances for trade receivables**

The group exercises judgment in measuring and recognizing allowance for trade receivables. Impairment allowance is made when there is objective evidence that the company/group will not be able to collect the debts. The allowance raised is the amount needed to reduce the carrying value to the present value of expected future cash receipts.

Receivables resulting from barter arrangements are not subject to the aged-analysis above as judgment is exercised by management in determining the position of such receivables.

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f) Taxes

i) Uncertainties exist with respect to the amount and timing of future taxable income. Given the complexities of existing contractual agreement, differences arising between the actual results and the assumptions made could necessitate future adjustment to tax income and expenses already recorded. The group establishes provisions based on reasonable estimates.

ii) Deferred taxes are recognised for all deductible temporary difference to the extent that it is probable that taxable profit will be available against which these 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.

5 Revenue and direct costs

5.1 Revenue from contracts with customers

The following is an analysis of the Company's and Group's revenue for the year from continuing operations (excluding investment income).

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
The Group's revenue comprises:				
Transport earnings	3,254,473	2,622,565	3,170,653	2,644,670
Haulage operations	4,848,221	2,947,908	4,848,221	2,947,908
Loads and waybill	4,961,719	4,121,041	24,706	22,119
Hospitality	503,454	355,199	503,454	355,199
Sale of vehicle spares and speed governors	2,393,866	2,468,423	-	-
	15,961,732	12,515,137	8,547,034	5,969,897

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. The entity recognises its revenue over time.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
5.2 Direct costs				
Personnel costs	1,678,675	1,284,071	829,595	589,741
Hospitality expenses	201,024	166,695	201,024	166,695
Drivers training academy expenses	27,433	25,259	27,433	25,259
Depreciation and amortisation	1,407,849	733,791	1,209,944	550,885
Repairs and maintenances	1,633,896	1,135,778	1,032,985	754,204
Transport and travelling	4,449,954	3,748,850	2,705,453	2,183,745
Insurance expenses	259,583	120,926	250,809	112,152
Rent expenses	134,120	98,874	47,124	17,905
Oil and lubricant	232,505	146,251	134,238	82,265
Loading and offloading	212,695	100,355	123,129	47,848
Purchase of truck and vehicles parts	1,841,630	1,734,538	-	-
Fines	2,183	2,371	1,773	1,781
Food items, drinks, etc.	11,825	2,129	4,783	2,129
Packaging	113,947	56,390	-	-
Other direct expenses	780,286	286,642	73,559	34,928
	12,987,605	9,642,922	6,641,849	4,569,537

Other direct expenses includes staff uniform, and passengers manifest insurance expenses etc

Gross profit	2,974,127	2,872,215	1,905,185	1,400,360
Gross margin	19%	23%	22%	23%

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5.3 The Company is into a barter arrangement with Federal Radio Corporation of Nigeria - FRCN, in which it extends travel operation services in exchange for advert placement on the their broadcast media. Revenue on this arrangement is recognized at the fair value of the services rendered which is the aggregate value of tickets issued. Included in transport earnings above is the sum of N5.7million (2024 : N19.70 million) earned from the barter arrangement for the period. Invoices on advert placements are included in advertisement expenses. The barter credits utilized for advert placement in 2025:N3.3m (2024; 7.108m). All barter income were earned by the parent Company.

5.4. Information about major Customers

ABC Transport Plc (The Company) earned 55% of its revenue in 2025 from Lafarge Africa Plc (2024; 48%). Revenue from Lafarge (Haulage segment) for 2025 amounted to N4.732billion (2024; N2.87 billion)

ABC Cargo Express Limited earned 10.53% of its revenue in 2025 from Perfetti Van Melle Limited (2024; 12.3%). Revenue from Perfetti(Loads and waybill segment) for 2025 was N520.88m. (2024;N501.24m)

Transit Support Services Limited earned 10% of its revenue in 2025 (N483.4m) from ABC Cargo Express Limited (2024: 150m).

6 Segment information

6.1. Description of segments

Management has determined the operating segments based on the reports reviewed by the Budget Committee (chaired by the Managing Director), which are used to make strategic decisions. The Budget Committee currently comprises the Managing Director, the Chief Financial Officer, the Head of Planning, the Chief Internal Auditor, the Head of Human Resources, and the operating divisional heads.

The Committee considers the business from an operational perspective based on services, which are subject to differing risks and return patterns, and has identified the reportable segments as follows:

Coach passenger operations	-	long distance service using luxury buses.
Sprinter passenger operations	-	long distance service using midi buses.
Shuttle passenger service	-	relatively shorter distance service using mini buses.
Haulage services	-	dedicated long distance haulage servicing manufacturers.
Cargo services	-	consolidated cargo services including mails and light.
Hospitality CTI	-	budget accommodation targeted at sleep-over passengers.
Corporate and others	-	head office revenue and others.
Trading	-	vehicle assembly, sale of spares and speed governors by Transit Support Services Ltd.

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6.2.a Business segment - 2025

	Coach N'000	Sprinter N'000	Shuttle N'000	Cargo N'000	Haulage N'000	CTI N'000	Trading (Truck / Spare parts sales N'000	Others N'000	Total N'000
Income:									
Gross segment revenue	678,798	2,123,364	476,997	4,937,013	4,848,221	503,454	2,393,866	-	15,961,713
Intersegment revenue	107,093	184,416	19,827	-	-	-	-	-	311,336
Total revenue	785,891	2,307,780	496,825	4,937,013	4,848,221	503,454	2,393,866	-	16,273,049
Other income	-	98,911	119,108	1,038,776	-	-	(19,451)	193,487	1,430,830
	785,891	2,406,691	615,932	5,975,789	4,848,221	503,454	2,374,415	193,487	17,703,880
Less: Direct costs									
Material	287,120	905,795	211,839	2,842,137	1,504,858	108,659	1,851,490	-	7,711,899
Wages & salaries	46,330	144,546	62,738	702,810	149,866	29,324	57,111	-	1,192,725
Depreciation-direct	64,395	167,427	10,303	32,909	991,680	26,402	19,486	-	1,312,601
Depreciation-apportioned	1,431	8,088	3,609	-	2,053	-	-	-	15,181
Finance lease charges	6,247	96,894	4,390	8,723	272,515	4,633	29,025	-	422,426
Operating lease charges	-	-	-	184,783	-	-	-	-	184,783
Intersegment Expenses	-	-	-	311,336	-	-	-	-	311,336
Other direct overheads	248,048	490,772	109,353	622,395	1,275,457	103,674	29,340	26,974	2,906,011
Total direct cost	653,570	1,813,522	402,232	4,705,092	4,196,428	272,692	1,986,451	26,974	14,056,962
Contribution to profit	132,321	593,169	213,700	1,270,697	651,792	230,762	387,963	166,513	3,646,918
Less: Apportioned costs									
Workshop charge	16,983	40,759	27,173	-	6,989	-	-	-	91,903
General administration	112,527	289,689	180,043	916,774	409,130	100,942	152,536	-	2,161,640
	129,510	330,448	207,216	916,774	416,119	100,942	152,536	-	2,253,544
Total expenses	783,080	2,143,970	609,448	5,621,866	4,612,547	373,633	2,138,988	26,974	16,310,505
Profit before tax	2,811	262,722	6,485	353,923	235,674	129,820	235,427	166,513	1,393,374

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6.2b Business segment - 2024

	Coach N'000	Sprinter N'000	Shuttle N'000	Cargo N'000	Haulage N'000	CTI N'000	Trading (Truck / Spare parts sales N'000	Others N'000	Total N'000
Income:									
Gross segment revenue	615,355	1,661,476	345,600	4,098,922	2,947,908	355,199	2,468,334	-	12,492,795
Intersegment revenue	143,532	98,186	10,761	-	-	-	-	-	252,479
Total revenue	758,886	1,759,662	356,361	4,098,922	2,947,908	355,199	2,468,334	-	12,745,274
Other income	22,395	61,587	74,162	215,000	-	-	285,686	210,088	868,918
	781,282	1,821,249	430,523	4,313,922	2,947,908	355,199	2,754,020	210,088	13,614,192
Less: Direct costs									
Material	284,698	828,945	144,467	2,096,665	1,095,665	81,049	1,752,289	19,238	6,303,017
Salaries and wages	62,683	111,333	32,125	604,783	86,983	22,807	53,427	-	974,140
Depreciation - direct	71,297	116,873	33,392	10,548	288,656	16,696	4,719	-	542,182
Depreciation - apportioned	4,909	11,738	12,379	-	7,043	-	-	-	36,068
Finance lease charges	12,869	28,879	6,974	-	369,255	7,168	40,832	-	465,977
Operating lease charges	-	-	-	124,493	-	-	-	-	124,493
Intersegment expenses	-	-	-	252,479	-	-	-	-	252,479
Other direct overheads	204,399	393,068	84,455	220,881	639,071	99,246	45,597	5,336	1,692,053
Total direct cost	640,855	1,490,836	313,792	3,309,849	2,486,673	226,967	1,896,863	24,574	10,390,409
Contribution to profit	140,426	330,413	116,732	1,004,073	461,235	128,233	857,157	185,514	3,223,783
Less: Apportioned costs									
Workshop charge	17,054	29,333	21,829	-	7,310	-	-	-	75,526
General administration	142,591	245,256	182,516	654,087	219,370	60,000	712,621	13,364	2,229,805
	159,645	274,589	204,345	654,087	226,681	60,000	712,621	13,364	2,305,332
Total expenses	800,500	1,765,425	518,137	3,963,936	2,713,354	286,967	2,609,484	37,938	12,695,740
(Loss)/profit before tax	(19,218)	55,824	(87,614)	349,986	234,555	68,233	144,536	172,150	918,452

While Coach segment did not meet the quantitative thresholds of IFRS 8, It has been reported separately as management believes that information about the segment will enable users evaluate the passengers business.

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	2025			2024		
	Nigeria N'000	Ghana N'000	Total N'000	Nigeria N'000	Ghana N'000	Total N'000
6.3. Geographical segment						
Revenue from contracts with customers and other income	17,307,497	395,156	17,702,653	13,277,207	231,074	13,508,281
Earnings before depreciation, interest and tax	2,031,964	66,583	2,098,547	2,031,964	(72,429)	1,959,535
Finance cost	(419,309)	-	(419,309)	(465,977)	-	(465,977)
Income tax expenses	(296,147)	(18,196)	(314,343)	(238,027)	(11,273)	(249,300)
Segment assets	10,260,542	-	10,260,542	8,250,559	114,118	8,364,677
Capital expenditure	4,573,822	-	4,573,822	4,573,822	-	4,573,822

6.4 Segment assets and liabilities

	Coach N'000	Sprinter N'000	Shuttle N'000	Cargo N'000	Haulage N'000	Truck/ Spare parts sales	Corporate and others	Total N'000
						N'000	N'000	
Segment assets								
2025	105,723	617,862	94,366	1,083,403	7,156,106	1,026,247	176,835	10,260,542
2024	149,850	568,728	126,935	526,745	5,642,287	1,018,403	217,613	8,250,561
Segment liabilities								
2025	-	-	-	-	-	-	-	12,152,000
2024	-	-	-	-	-	-	-	10,734,736
Capital expenditure								
2025	81,636	386,460	79,273	772,625	2,252,254	35,017	65,953	3,673,219
2024	59,894	191,905	80,005	139,217	4,057,574	21,401	23,827	4,573,823

Segment asset is made up of items of property, plant and equipment and held for sale assets. Other assets like debtors, prepayment, etc are not reported to the Chief Operating Decision Maker on a segment basis, hence they are not included in this report. Liabilities are also not reviewed by the Chief Operating Decision Maker on a segmental basis, hence it has been provided on the Group basis.

In compliance with IFRS 8, Sales of Spare Parts and Vehicle assembly are aggregated and reported as operating segment, considering that they have similar economic characteristics and they are regularly reviewed by the entity's chief operating decision maker.

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	Group	
	2025 N'000	2024 N'000
6.5 Segment reconciliation		
Revenue		
Total revenue from reportable segments	15,961,713	12,745,274
Other revenues	1,430,830	868,918
Group revenue	17,392,543	13,614,192
Profit		
Total profit/(loss) from reportable segments	1,393,374	918,452
Income tax expense	(314,343)	(249,264)
Group profit/(loss)	1,079,031	669,188
Assets		
Total property, plant and equipment	10,260,542	8,250,559
Other non-current assets	680,504	470,224
Current assets	3,521,631	3,283,082
Group assets	14,462,677	12,003,865

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
7 Other income				
7.1. Other operating income /(loss)				
Insurance indemnity	29,255	91,436	-	3,000
Operating rental income (Note 7.1.1)	15,432	17,253	46,882	48,703
Training income	85,973	68,747	85,973	68,747
Other income	733,134	3,884	183	3,258
Sale of scrap/other assets	6,976	15,100	6,976	15,100
Sale of promotional items	7	-	7	-
Unrealized exchange gain	2,807	4,477	2,807	4,477
Demurrage on waybills	257	456	-	-
Franchise income	493,785	261,232	218,019	135,749
	1,367,626	462,585	360,847	279,034

7.1.1 Operating rental income relates to income accruing from short term leases of operating assets to ABC Cargo Express Limited and lease of small portions of owned property as warehouses and to operators of restaurants and marts. The payments are usually made 100% upfront with rental income recognised on a straight line basis.

7.1.2 Other income in 2025 relates to unloading & loading income, handling charges, and packaging charges

7.1.3 Exchange gain resulted from payment of debts denominated in foreign currency at year end.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
7.3 Net fair value gains on financial assets at fair value	2,042	3,096	2,042	3,096
7.4 Other gains				
Profit on disposal of property, plant and equipment	107,408	44,967	107,408	44,967
Others (Note 7.4.1)	(131,312)	251,421	(62,794)	18,738
	(23,903)	296,388	44,615	63,706
7.4.1 This represents write back of over-provisions, miscellaneous Income on staff fines, drivers negligence and other damages of company properties by the staff in the organisation which have been recovered from the staff.				
8 Net Impairment (write back)/charge				
Impairment losses relating to property, plant and equipment for the Company and Group in 2025 is Nil. (2024 : Nil).				
Other assets	(1,819)	(1,147)	633	-
Trade and other receivables	(119,676)	(42,106)	(19,413)	(9,812)
Staff receivables	7,542	(22,655)	7,542	(22,655)
Related parties	(34,449)	60,868	(34,449)	60,868
Total	(148,402)	(5,039)	(45,687)	28,401
The net impairment losses were based on fair value				
9 Expenses by nature				
Staff cost	1,803,976	1,463,794	854,397	659,992
Hospitality	231,698	190,752	213,137	175,144
Materials consumed	3,719,857	3,018,697	3,633,020	2,838,607
General and other expenses	6,559,626	5,383,043	550,148	550,148
Bank charges	60,443	53,237	24,945	21,218
Levies, rates and fines	87,064	55,485	51,798	35,919
Printing, stationery and ICT costs	80,830	43,171	20,312	16,931
Rent expenses	219,577	122,270	64,280	28,610
Road expenses and transportation	347,074	210,330	224,500	133,042
Advert and promotional expenses	41,901	69,534	21,635	20,857
Accident, compensation and donations	140,351	147,743	62,345	61,485
Utility expenses	127,306	103,415	63,139	51,196
Professional fees	129,274	40,139	22,897	24,779
Insurance	432,151	200,462	411,162	183,856
Depreciation and amortization	1,513,687	790,595	1,301,015	592,350
	15,494,815	11,892,666	7,518,731	5,394,132

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'9.1 Administrative expenses				
Personnel expenses	458,553	351,699	221,187	173,497
Medical and first aid expenses	25,921	28,759	24,747	16,997
Depreciation and amortisation	105,839	56,804	91,071	41,464
Repairs and maintenances	76,876	46,691	48,875	28,738
Transport and travelling expenses	165,312	177,196	103,492	77,923
Insurance expenses	172,568	79,535	160,353	71,704
Compensation, commissions and accident expenses	72,911	96,833	19,685	19,650
Rent and rate expenses	85,457	23,395	17,155	10,705
Licensing/registration	84,881	53,114	50,025	34,138
Director's emolument	54,534	56,127	37,147	39,284
Director's fees	11,500	3,800	10,000	2,300
Public relations, promotions and advertisements	41,901	69,534	21,635	20,857
Donations, subscriptions & dues	67,440	50,910	42,661	41,835
Electricity and lighting	127,306	103,415	63,139	51,196
Bank charges and commission	60,443	53,237	24,945	21,218
Audit fees	16,716	13,960	6,658	6,100
Legal and professional charges	112,558	26,178	16,239	18,678
Printing, stationeries, printed & promotional materials	80,830	43,171	20,312	16,931
Hotel expenses	16,552	9,826	12,113	8,449
Investigation and security expenses	137,547	90,093	45,442	32,547
Cleaning, sanitation and clearing expenses	33,659	26,326	14,137	9,933
Telephone, postages and newspaper expenses	226,961	39,314	25,389	22,990
Impairment losses on trade, other receivable and other assets	3,095	(5,039)	(45,687)	28,401
Exchange loss	(34,322)	586,299	9	5
Entertainment expenses	14,123	14,231	8,622	7,649
AGM expenses	6,793	8,633	6,793	8,633
Office expenses	16,920	11,053	16,175	10,690
General expenses	264,335	134,759	130,455	2,083
	2,507,209	2,249,856	1,192,774	824,595
General expenses include overhead costs that are not classified under the specific expense categories listed above. These typically comprise items such as office water purchases, key replacements, ITF contributions, and other similar miscellaneous expenses.				
'9.2 Expenses by function				
Direct costs (Note 5.2)	12,987,605	9,642,922	6,641,849	4,569,537
Administrative expenses (Note 9.1)	2,507,209	2,249,856	1,192,774	824,595
	15,494,815	11,892,779	7,834,623	5,394,132
10 Finance costs				
Financial liabilities held at amortized cost:				
Interest on loans and borrowings	386,507	465,977	348,759	425,145
Interest on lease liability	32,802	-	32,802	-
Total finance costs	419,309	465,977	381,561	425,145

10.1 All finance charges for the Group were as a result of interest on loans and borrowings taken by the Group.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2025 N'000
11 Taxation				
11.1 Income tax expense				
Back duty assessment: - Income tax	-	-	-	-
- Education tax	-	48,974	-	48,974
-Police levy	-	1,623	-	1,623
Income tax	262,131	13	-	13
Education tax	121,364	481,316	86,020	160,868
Nigerian Police Trust Fund	-	66,585	-	33,036
Total current tax expense	383,495	598,560	86,020	244,539
Deferred tax on origination and reversal of temporary differences:				
Total deferred tax charge/(income)	(69,152)	(349,296)	-	-
Total income tax expense	314,343	249,264	86,020	244,539

The Nigeria Police Trust Fund Act, 2019 imposes a levy of 0.005% on the Group's operating business in Nigeria, calculated on profit before tax. This levy remained applicable during the 2025 financial year.

However, the Nigeria Tax Act, 2025, effective 1 January 2026, repealed the Education Tax, Police Levy, and other similar levies, replacing them with a uniform Development Levy of 4% on assessable profits. Accordingly, while the Police Levy applies to the 2025 financial year, the Development Levy will apply from the 2026 financial year onward.

Factors affecting tax expenses for the year

(Loss)/Profit before tax as shown in the consolidated income statement

	1,393,374	918,452	738,353	496,456
Expected income tax expense on profit at statutory tax rate (30%)	418,012	275,536	221,506	148,937
Effect of portion of income taxed on a different basis - education tax	122,526	66,634	86,020	33,061
Effect of permanent differences on investment allowance	-	-	-	-
Effect of expenses that are not deductible in determining taxable profit	89,971	204,011	41,115	23,347
Effect of income and expenses that are exempt from taxation	(50,587)	(44,708)	(40,288)	(18,063)
Accelerated capital allowance on property, plant and equipment	(223,381)	(9,229)	(241,398)	8,209
Effect of tax on disposal of property, plant and equipment	21,468	(1,562)	19,065	(1,562)
Effect of temporary differences on foreign exchange difference	(81,862)	(352,571)	-	-
Effect of additional tax on income derived from Ghana	-	11,640	-	-
Effect of taxation on foreign entity-ABC Ghana Ltd	18,196	48,903	-	-
Effect of Loss relief - Transport Support Services Limited	-	-	-	-
Effect of minimum taxation on loss making subsidiary - Transit Support Services Limited	-	-	-	-
Adjustment recognized in current year in relation to current tax of prior years	-	50,610	-	50,610
	314,343	249,264	86,020	244,539
Effective tax rate	23%	27%	12%	49%

No income tax was recognised directly in equity

No income tax was recognised in other comprehensive income

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
11.2 Current tax liabilities				
Income tax payable (Note 11.5)	827,402	653,940	208,968	265,242
11.3 Current tax assets				
Income tax asset	-	9,809	-	-
11.4 Deferred tax balances				
The following is the analysis of the deferred tax assets and liability presented in the consolidated and separate statements of financial position:				
Deferred tax assets	494,297	412,435	59,864	59,864
Less : Deferred tax liability	43,680	30,970	-	-
Net deferred tax assets	450,617	381,465	59,864	59,864

The Group has adopted the International Accounting Standard, IAS 12 on deferred taxation, which is computed using the liability method. The deferred tax computation for the Company has resulted into a deferred tax asset of N782 million which has not been recognised in these financial statements on the grounds of prudence.

	Group			Company		
	At 1 January balance N'000	Recognised in profit or loss N'000	At 31 December balance N'000	At 1 January balance N'000	Recognised in profit or loss N'000	At 31 December balance N'000
11.4a 2024						
Deferred tax assets in relation to:						
Property, plant and equipment	2,142	-	2,142	2,142	-	2,142
Retirement benefit obligations	16,101	-	16,101	16,101	-	16,101
Provision for doubtful debts	26,832	352,571	379,403	26,832	-	26,832
Impairment	14,789	-	14,789	14,789	-	14,789
	59,864	352,571	412,435	59,864	-	59,864
Deferred tax liabilities						
Property, plant and equipment	27,695	3,275	30,970	-	-	-
11.4b 2025						
Deferred tax assets in relation to:						
Property, plant and equipment	2,142	-	2,142	2,142	-	2,142
Retirement benefit obligations	16,101	-	16,101	16,101	-	16,101
Provision for doubtful debts/exchange rate	379,403	81,862	461,265	26,832	-	26,832
Impairment	14,789	-	14,789	14,789	-	14,789
	412,435	81,862	494,297	59,864	-	59,864
Deferred tax liabilities						
Property, plant and equipment	30,970	12,710	43,680	-	-	-

There are no unrecognised deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
*11.5 Current tax liabilities				
Analysis of movements in the current tax balance during the year:				
At 1 January	653,940	441,332	265,242	138,810
Income tax	262,131	481,316	-	160,868
Education tax	122,526	66,585	86,020	33,036
Nigerian Police Trust Fund	-	49	-	25
Back duty	-	50,610	-	50,610
Adjustment	146,433	(160,873)	-	10,095
Tax paid during the year	(252,918)	(126,374)	(29,745)	(29,497)
Withholding tax credit notes utilised for tax payments	(112,549)	(98,705)	(112,549)	(98,705)
At 31 December	819,563	653,940	208,968	265,242

Factors affecting the tax charge in future years

Factors that may affect the Group's future tax charge include the impact of corporate restructurings, the resolution of open issues, future planning opportunities, corporate acquisitions and disposals, the use of brought forward tax losses and changes in tax legislation and tax rates.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
12 Basic earning per share				
Profit after taxation	1,079,031	669,188	652,333	251,917
Number of shares				
Weighted average number of shares for basic earning per share	2,392,622	2,392,622	2,392,622	2,392,622
Weighted average number of shares for diluted earnings per share	2,392,622	2,392,622	2,392,622	2,392,622
(Loss)/Profit per share (kobo)				
- Basic	45.10	27.97	27.26	10.53
- Diluted	45.10	27.97	27.26	10.53

Profit per shares have been computed based on loss after tax and number of issued and fully paid ordinary shares of N0.50 each.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
13 Operating profit				
Operating profit has been arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	1,462,418	769,731	1,301,015	592,350
Amortization of intangible assets	15,568	21,201	15,051	19,858
Impairment (write back)/losses	(148,402)	(5,039)	(45,687)	28,401
Staff costs	1,803,976	1,463,794	854,397	659,992
Gain on disposal of property, plant and equipment	(107,408)	(44,967)	(107,408)	(44,967)
Audit fees	16,716	13,960	6,658	6,100

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14. Property, plant and equipment

The Group	Freehold Land N'000	Buildings N'000	Motor vehicle N'000	Equipment furniture and fittings N'000	Computer equipment N'000	Work-in progress N'000	Total N'000
Cost:							
At 1 January 2024	299,528	1,378,432	6,837,735	585,198	105,264	831,164	10,037,321
Additions	7,930	21,520	4,293,588	82,749	14,438	135,053	4,555,278
Reclassifications	-	-	-	20,044	-	(20,044)	-
Disposals	-	-	(80,750)	(3,586)	-	-	(84,336)
At 31 December 2024	307,458	1,399,952	11,050,573	684,405	119,702	946,173	14,508,263
At 1 January 2025	307,458	1,399,952	11,050,573	684,405	119,702	946,173	14,508,263
Additions	85,170	190,554	3,131,924	103,355	22,525	139,691	3,673,219
Reclassifications	-	-	-	-	-	(205,376)	(205,376)
Disposals	-	-	(248,691)	4,634	-	-	(244,057)
At 31 December 2025	392,628	1,590,506	13,933,806	792,394	142,227	880,488	17,732,048
Accumulated depreciation							
At 1 January 2024	-	954,303	4,064,620	484,114	82,358	-	5,585,395
Charge for the year	-	53,513	659,379	47,670	9,169	-	769,731
Disposal	-	-	(93,835)	(3,586)	-	-	(97,422)
At 31 December 2024	-	1,007,816	4,630,164	528,197	91,527	-	6,257,704
At 1 January 2025	-	1,007,816	4,630,164	528,197	91,527	-	6,257,704
Charge for the year	-	61,107	1,333,326	56,937	11,048	-	1,462,418
Disposal	-	-	(248,615)	-	-	-	(248,615)
At 31 December 2025	-	1,068,923	5,714,875	585,134	102,575	-	7,471,507
Carrying amount:							
31 December 2024	307,458	392,136	6,420,409	156,208	28,175	946,173	8,250,559
31 December 2025	392,628	521,583	8,218,931	207,260	39,652	880,488	10,260,542

i). A summary of property, plant and equipment pledged as collateral for borrowings as at 31 December 2025 indicated in Note 27 is presented below:

	Cost N'000	NBV N'000
Buildings	618,712	174,774
	618,712	174,774

Included in the depreciation charge for the year is N102.6 million (December 2024: N61.356 million) recognised in administrative expenses, and N1.36 billion (December 2024: N603.342 million) charged to direct costs in the statement of profit or loss and other comprehensive income for the Group. These amounts represent depreciation on Coaches, Sprinter and Shuttle Buses, and Cargo and Haulage Trucks used for passenger and parcel transportation, goods movement, and other logistics services.

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14 Property, plant and equipment

The Company	Freehold Land	Buildings	Motor vehicle	Equipment furniture and fittings	Computer equipment	Capital Work-in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost:							
At 1 January 2024	179,528	1,378,432	6,604,834	477,352	104,514	-	8,744,661
Additions	7,930	4,912	4,187,788	69,681	4,629	101,384	4,376,324
Disposals	-	-	(80,750)	(3,586)	-	-	(84,336)
At 31 December 2024	<u>187,458</u>	<u>1,383,344</u>	<u>10,711,872</u>	<u>543,448</u>	<u>109,143</u>	<u>101,384</u>	<u>13,036,648</u>
At 1 January 2025	187,458	1,383,344	10,711,872	543,448	109,143	101,384	13,036,648
Additions	85,170	190,554	2,657,061	92,914	11,118	111,703	3,148,519
Transfers	-	-	-	-	-	(201,122)	(201,122)
Disposals	-	-	(248,691)	-	-	-	(248,691)
At 31 December 2025	<u>272,627</u>	<u>1,573,897</u>	<u>13,120,242</u>	<u>636,362</u>	<u>120,261</u>	<u>11,965</u>	<u>15,735,355</u>
Accumulated depreciation							
At 1 January 2024	-	954,303	3,852,914	410,774	82,340	-	5,300,330
Charge for the year	-	53,513	619,630	29,460	8,048	-	710,651
Written off in the year	-	-	(80,401)	(3,586)	-	-	(83,987)
At 31 December 2024	<u>-</u>	<u>1,007,816</u>	<u>4,392,143</u>	<u>436,647</u>	<u>90,388</u>	<u>-</u>	<u>5,926,995</u>
At 1 January 2025	-	1,007,816	4,392,143	436,647	90,388	-	5,926,995
Charge for the year	-	60,071	1,307,554	42,036	7,914	-	1,417,574
Elimination on disposals	-	-	(248,615)	-	-	-	(248,615)
At 31 December 2025	<u>-</u>	<u>1,067,887</u>	<u>5,451,082</u>	<u>478,684</u>	<u>98,302</u>	<u>-</u>	<u>7,095,954</u>
Carrying amount:							
31 December 2024	<u>187,458</u>	<u>375,528</u>	<u>6,319,729</u>	<u>106,800</u>	<u>18,755</u>	<u>101,384</u>	<u>7,109,653</u>
	<u>187,458</u>	<u>375,528</u>	<u>6,319,729</u>	<u>106,800</u>	<u>18,755</u>	<u>101,384</u>	
31 December 2025	<u>272,627</u>	<u>506,011</u>	<u>7,669,160</u>	<u>157,678</u>	<u>21,960</u>	<u>11,965</u>	<u>8,639,401</u>

14.1 Pledged assets

All property, plant and equipment pledged as collateral for borrowings as at 31 December 2025, as disclosed in Note 27 of these financial statements, belong to the parent company. The corresponding values are presented below:

	Cost N'000	NBV N'000
Buildings	<u>618,712</u>	<u>174,774</u>

14.2 Depreciation charge

	2025 N'000	2024 N'000
Computed depreciation charge	1,417,574	710,651
Transfer to related parties	(159,006)	(138,159)
Total PPE depreciation charge	<u>1,258,568</u>	<u>572,492</u>

Depreciation and amortization have been allocated as follows:

Note	2025			2024		
	Admin expense	Direct cost	Total	Direct cost	Admin expense	Total
Depreciation charge on PPE	14	88,100	1,170,468	532,417	40,074	572,492
Right of use amortization	15	1,918	25,479	-	-	-
Intangible assets amortization	16	1,054	13,998	18,468	1,390	19,858
		<u>91,071</u>	<u>1,209,944</u>	<u>550,886</u>	<u>41,465</u>	<u>592,350</u>

i) The depreciation charge for the year amounted to N1.417 billion, of which N159 million was transferred to related parties for their use of ABC Transport assets in generating revenue. The remaining N1.258 billion was allocated between direct costs and administrative expenses. Included in the depreciation charge for the year is N88.1 million (December 2024: N30.35 million) recognised in administrative expenses, and N1.17 billion (December 2024: N403.288 million) charged to direct costs in the statement of profit or loss and other comprehensive income. These amounts represent depreciation on Coaches, Sprinter & Shuttle Buses, and Cargo & Haulage Trucks used for passenger and parcel transportation, goods movement, and other logistics services.

ii) Capital work-in-progress represents on-going building construction works.

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	Office Building			Motor Vehicle		
	Group	Group	TOTAL	Company	Company	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000
15 Right-of-Use Asset						
Cost						
At 1 January 2024	89,288	-	89,288	-	-	-
Addition	-	-	-	-	-	-
At 31 December 2024	89,288	-	89,288	-	-	-
At 1 January 2025	89,288	-	89,288	-	-	-
Addition	880	182,667	183,547	-	182,667	182,667
At 31 December 2025	90,168	182,667	272,835	-	182,667	182,667
Accumulated depreciation						
At 1 January 2024	(62,731)	-	(62,731)	-	-	-
Charge for the year	(10,661)	-	(10,661)	-	-	-
At 31 December 2024	(73,392)	-	(73,392)	-	-	-
At 1 January 2025	(73,392)	-	(73,392)	-	-	-
Charge for the year	(8,305)	(27,396)	(35,701)	-	(27,396)	(27,396)
At 31 December 2025	(81,697)	(27,396)	(109,093)	-	(27,396)	(27,396)
Carrying amount:						
At 31 December 2025	8,471	155,270	163,741	-	155,270	155,270
At 31 December 2024	15,896	-	15,896	-	-	-

The right of use (Land) relates to a ten year lease contract for land on which factory premises of Transit Support Services Ltd is built. Up to 2018 the lease was reported as prepayment under other assets in the financial statements, while the yearly amortizations were treated as rent expenses in the profit or loss account. With the adoption of IFRS 16, this asset has been reclassified to PPE. The right of use incidental to short term leases are reported under note 21 to the financial statements.

Motor vehicle right-of-use assets relate to leases entered into by ABC Transport Plc. The Company has recognised right-of-use assets and corresponding lease liabilities for motor vehicles in accordance with IFRS 16. The lease agreement has a term of four years with monthly rental payments.

The right-of-use asset is depreciated on a straight-line basis over the contract period and recognised in the income statement, while the finance cost component of the lease liability is recognised as a finance charge.

Included in the amortisation charged for the year was N2.4m (2024: nil) in the administrative expenses and a charge of N33.2m (2024 : Nil) to direct costs in the statement of profit or loss and other comprehensive income.

15.1 Lease liability	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
At 1 January				
Addition during the year	182,637	-	182,637	-
Payment during the year	(50,730)	-	(50,730)	-
Interest on lease liability during the year	32,802	-	32,802	-
At 31 December	164,708	-	164,708	-

15.2 Lease liability (Current & Non current)	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Lease liability-Current Portion	67,641	-	67,641	-
Lease liability-None Current Portion	97,068	-	97,068	-
Total Lease Liability	164,708	-	164,708	-

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15.a Goodwill

There was no goodwill arising from business combinations on acquisition of the subsidiaries. This was due to the fact that the subsidiaries were acquired on start-up i.e. there were no retained earnings pre-acquisition. The purchase consideration paid by ABC Transport Plc in ABC Transport Ghana Limited and Transit Support Services Limited formed the net assets of the subsidiaries therefore they were equal and no goodwill earned.

		Group		
		Computer software N'000	Others N'000	Total N'000
16	Intangible assets			
	Cost:			
	At 1 January 2024	80,504	33,499	114,003
	Additions	18,164	380	18,544
	At 31 December 2024	98,668	33,879	132,547
	At 1 January 2025	98,668	33,879	132,547
	Additions	5,109	11,753	16,861
	At 31 December 2025	103,777	45,632	149,409
	Accumulated impairment losses and amortization:			
	At 1 January 2024	67,099	23,075	90,175
	Amortization charge for the year	18,283	2,918	21,201
	At 31 December 2024	85,382	25,993	111,376
	At 1 January 2025	85,382	25,993	111,376
	Amortization charge for the year	9,543	6,024	15,568
	At 31 December 2025	94,926	32,018	126,943
	Carrying amount:			
	At 31 December 2024	13,286	7,886	21,172
	At 31 December 2025	8,851	13,614	22,465

a. This relates to purchase of Computer software and other intangibles like Vehicle tracking software, speed limiters etc

b. Included in the amortisation charged for the year was N1.090 (2024: N91.484m) in the administrative expenses and a charge of N14.4m (2024 : N19.917m) to direct costs in the statement of profit or loss and other comprehensive income.

c. There was no impairment of any intangible asset during the year.

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	Company		
	Computer software N'000	Others N'000	Total N'000
'16. Intangible assets			
Cost:			
At 1 January 2024	79,690	33,042	112,732
Additions	17,197	380	17,577
At 31 December 2024	96,887	33,422	130,309
At 1 January 2025	96,887	33,422	130,309
Additions	5,109	11,030	16,138
At 31 December 2025	101,996	44,452	146,447
Accumulated impairment losses and amortization:			
At 1 January 2024	66,754	22,982	89,737
Amortization charge for the year	17,753	2,106	19,858
At 31 December 2024	84,507	25,088	109,595
At 1 January 2025	84,507	25,088	109,595
Amortization charge for the year	12,154	2,897	15,051
At 31 December 2025	96,661	27,985	124,646
Carrying amount:			
At 31 December 2024	12,380	8,334	20,714
At 31 December 2025	5,335	16,466	21,801

a. This relates to purchase of Computer software and other intangibles like Vehicle tracking software, speed limiters etc

b. Included in the amortisation charged for the year was N1.05M (2024: N1.39m) in the administrative expenses and a charge of N13.99M (2024: N18.468m) to direct costs in the statement of profit or loss and other comprehensive income.

c. There was no impairment of any intangible asset during the year.

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Computer software

The useful life of computer software is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. This usually represents management's view of expected period over which the Group will receive benefits from the software but not exceeding the licence term. Computer software are amortised on a straight-line basis over a period of 3 - 5 years which usually do not exceed the term of the software licences. This is applicable to both software licences purchased off-the-shelf and software uniquely developed for the Group by software vendors.

Impairment of intangibles

Impairment will arise where there are indications that the Group will not obtain future economic benefits commensurate with the carrying amounts of the software licence. This could occur in instances of software sub-optimality or due to technological and business process advancements or outright cut-over to another software. Significant use of judgement will be required where there are indications of impairment to software licences to either write-down/write off the carrying amounts or/and reduce the useful lives. Impairment in the current year amounts to Nil (2024 : Nil).

Amortization is charged on intangible assets at cost less residual value over the estimated useful lives using the straight line method as follows:

Asset class	Estimated useful life
Franchise	5 - 10 years
Vehicle tracking software	3 - 5 years
Ticketing systems	5 years
ERP software	5 - 7 years
On-board montage	5 - 7 years
Website	5 - 7 years
Anti-virus software	3 - 5 years

	Number of shares held (Units)	% voting power	Group		Company	
			2025	2024	2025	2024
	In thousand		N'000	N'000	N'000	N'000
'17 Investment in subsidiaries						
ABC Ghana Limited (Note i)	600,000	99%	-	-	6,470	6,470
ABC Cargo Express	100,000,000	99%	-	-	100,000	100,000
Transit Support Services Limited (Note ii)	100	50%	-	-	35,000	35,000
			<u>-</u>	<u>-</u>	<u>141,470</u>	<u>141,470</u>

i) **ABC Ghana Limited:** A Company incorporated in Ghana on the 3rd May, 2007. It commenced road passenger transportation services within Ghana and the West Coast between Lagos, Nigeria and Accra, Ghana. The Company also offer passenger and cargo handling services to ABC Transport Plc.

ii) **Transit Support Services Limited (TSS Limited):** A Company incorporated in Nigeria in 2007 and engaged in the importation and sales of motor vehicles, motor vehicle spares and installation of motor vehicle speed governing devices.

iii) **ABC Cargo Express Limited (ABC Logistics):** A Company incorporated in Nigeria in 2020 (commenced operations in 2023)

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'17.1 Subsidiary with significant non-controlling interests

a. Name of Subsidiary: Transit Support Services Limited

ABC Transport Plc owns a 50% equity stake in Transit Support Services Limited a company incorporated in Nigeria in 2007 and engaged in the importation and sales of motor vehicles, motor vehicle spares and installation of motor vehicle speed governing devices. A summary of the results and financial position of Transit Support Services Limited together with relevant disclosures relating to non-controlling interests is provided below in accordance with the requirements of IFRS 12:

Summary of results:	Group	Subsidiary	Group	Subsidiary
	2025 N'000	2025 N'000	2024 N'000	2024 N'000
Summary of financial position:				
Current assets	3,521,631	1,597,050	3,283,082	1,302,372
Non-current assets	10,941,046	1,368,681	8,720,783	1,371,726
Current liabilities	(6,622,246)	(2,587,961)	(9,786,349)	(2,501,359)
Non-current liabilities	(5,529,753)	(9,566)	(948,387)	(112,979)
Equity attributable to owners of the Company	1,974,255	184,102	1,040,071	86,370
Non-controlling interests	336,421	184,102	229,058	86,370
Summary of statement of profit or loss and other comprehensive income:				
Revenue from contracts with customers	15,961,732	3,340,410	12,515,137	2,685,211
Other operating incomes	1,345,765	(19,451)	762,070	285,685
Expenses	(16,228,466)	(3,088,242)	(12,608,019)	(2,826,361)
Profit for the year	1,079,031	232,717	669,188	144,535
Profit attributable to owners of the Company	971,297	116,358	532,807	125,322
Profit attributable to the non-controlling interests	107,735	116,358	136,381	125,322
Profit for the year	1,079,031	232,717	669,188	250,644
Other comprehensive loss attributable to owners of the Company	(37,112)	-	(15,506)	-
Other comprehensive loss to the non-controlling interest	(371)	-	(155)	-
Other comprehensive income for the year	(37,483)	-	(15,661)	-
Total comprehensive income attributable to owners of the Company	934,556	116,358	517,456	125,322
Total comprehensive income to the non-controlling interest	107,364	116,358	136,226	125,322
Total comprehensive income for the year	1,041,919	232,717	653,682	250,644
Dividends paid to non controlling interest	-	-	-	-
Summary of cash flows:				
Net cash in flow from operating activities	4,191,969	229,316	5,691,339	5,176,121
Net cash out flow from investing activities	(3,585,180)	(35,740)	(4,472,587)	(4,292,666)
Net cash out flow from financing activities	(641,913)	(148,065)	(1,101,502)	(833,897)
Net cash inflow/(outflow)	(35,124)	45,511	117,250	49,558

'17.2 Change in the Group's ownership interest in a subsidiary

There is no changes in the Group's ownership interest in the subsidiaries during the year.

'17.3 Significant restrictions

There are no significant restrictions on the Company's or subsidiary's ability to access or use the assets and settle the liabilities of the Group.

'17.4 Financial support

The Group has not given any financial support to a consolidated structured entity.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
18 Investment securities:				
18.1 Financial assets - FVOCI				
Unlisted securities:	-	1,845	-	1,845
Equities (Note 18.1a)				
18.1a Unlisted equity securities movement:				
At 1 January	1,845	1,845	1,845	1,845
Fair value loss	(1,845)	-	(1,845)	-
At 31 December	-	1,845	-	1,845

Financial assets- FVOCI equities is analysed as follows:

	No. of shares Thousand	Cost per unit N	Total Cost N'000
18.1b ABC Express Courier (ABEX) Limited	1,845	1	1,845
Current		-	-
Non Current		-	1,845
		-	1,845

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
18.2 Financial assets - FVTPL				
At 1 January	18,876	15,779	18,876	15,779
Withdrawal	(20,917)	-	(20,917)	-
Fair value gain (Note 7.4)	2,042	3,096	2,042	3,096
At 31 December	-	18,876	-	18,876

The entire amount reported for the Group was invested by the parent company.

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	Group		Company	
	2025 N'000	2025 N'000	2024 N'000	2024 N'000
19 Inventories				
Motor vehicle & MV spares	1,056,354	1,000,011	324,914	243,710
Fuel and diesel	58,167	30,221	58,167	30,221
Stationeries and printed materials	18,011	9,129	18,011	9,129
Oil and lubricants	26,478	18,053	26,478	18,053
Uniform and promotional materials	1,342	773	1,342	773
Sanitation materials	203	172	203	172
City Transit Inn (CTI)	4,188	2,355	4,188	2,355
	<u>1,164,743</u>	<u>1,060,714</u>	<u>433,303</u>	<u>304,413</u>

(a). Inventories value of N1.164b (2024 : N1.06b) were carried at net realisable value. The amount charged to statement of profit or loss and other comprehensive income in respect of written down value of inventories to net realizable value is N12.69 million (2024 : N11.23 million). There are no inventories pledged as securities for liabilities. CTI inventory include food items, food and beverage consumables, house-keeping items, etc while TSSL inventory are tyres, oil filters, air filters, fuel filters, flat beds and auto control products held for sale. The Group expects to consume all inventory existing at the reporting date within twelve months thereafter.

(b). Inventory consumed by the Group within the year included in direct cost amounted to N8.37billion (2024.392 billion).

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
20 Trade and other receivables				
Included within current assets:				
Trade receivables	359,086	697,654	151,520	446,711
Allowance for trade receivables (Note 20.2)	<u>(105,475)</u>	<u>(64,589)</u>	<u>(9,311)</u>	<u>(28,724)</u>
	253,610	633,065	142,208	417,987
Amounts owed by staff (Note 20.3)	181,595	121,923	100,919	79,399
Amounts due from related parties (Note 20.5)	-	-	499,365	168,312
	<u>435,205</u>	<u>754,988</u>	<u>742,492</u>	<u>665,698</u>

'20.1 Trade receivables

i. Allowance is made for all receivables ranging from age zero to 365 days and above. The Group has recognised 100% allowance for debts over 365 days because historical experience has shown that debts in this category are usually irrecoverable. Allowances are also made for debts between 61 days and 365 days based on percentages that reflect the best estimate of collection with reference to entity's historical experience and an analysis of the debtor's financial position.

ii. Included in the amount due (to)/from related parties is an amount of N1.6 million (2024:N1.6 million) owed by ABEX express parcel service. ABC Transport Plc has a 5% equity stake in Abex Ltd. The amounts owed by Abex Ltd. has been fully impaired.

iii. There is barter arrangement with the Federal Radio Corporation of Nigeria (FRCN),Guardian Newspapers and Daily Trust Newspapers. The amounts charged against these barter customers are technically not receivable from the customer but can be used at anytime by the Group for advert placement.

iv. All trade receivables are included within current assets and are stated after making allowance for bad and doubtful balances and analysed below:

Allowances are made for all Group debts.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'20.2 Movement in the allowance for doubtful debt-trade receivables				
At 1 January	64,589	65,493	28,724	38,537
Impairment losses recognised on receivable	(19,413)	(904)	(19,413)	(9,812)
Amounts written off as bad debt during the year	60,299	-	-	-
At 31 December	105,475	64,589	9,311	28,724

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

'20.3 Staff receivables

The entity also has receivables from staff who owe the Group. Staff debts are either in form of loans or unretired IOUs charged directly to the staff's account.

The staff debts for the Group are 100% attributable to the parent company

Gross amount owed by staff	334,768	278,915	254,092	232,528
Allowances for staff debts (Note 20.4)	(155,625)	(156,992)	(153,173)	(153,129)
Staff receivables (net)	<u>179,143</u>	<u>121,923</u>	<u>100,919</u>	<u>79,399</u>

The Group makes specific allowances for staff receivables based on parameters such as the employment status of the staff concerned (whether dormant or disengaged) and/or if the debt is an unretired IOU. 100% allowances are made for unretired IOUs immediately they become due (usually 7 days).

Interests are not charged on overdue debts that arise as a result of IOUs.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'20.4 Movement in the allowance for doubtful debt-staff receivables				
At 1 January	155,581	175,783	153,129	175,783
Impairment losses recognised on staff receivable	45	(22,655)	45	(22,655)
At 31 December	155,625	153,129	153,173	153,129

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20.5 Receivables from related parties

The Group has receivables/payables from related parties. The bulk of these amounts do not arise from trade activities but usually from shared costs and other reimbursable.

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

Related Parties	Nature of Transactions	Relationship	Group		Company	
			2025 N'000	2024 N'000	2025 N'000	2024 N'000
Due from related parties						
Due from Abex Express	Sales	Investee Company	1,651	1,651	1,651	1,651
Due from ABC Ghana	Advance	Subsidiary	-	-	288,927	304,536
Due from Transit Support services			-	-	348,198	35,985
			1,651	1,651	638,776	342,172
Impairment on intercompany receivables			(1,651)	(1,651)	(139,411)	(173,860)
			-	-	499,365	168,312
Due to related parties						
Due to Mayfair Suite	Advance	Related party to core investor	-	-	-	-
Due to Rapido Ventures	Advance	Related party to core investor	11,609	13,680	(7,959)	(5,887)
Due from ABC Cargo	Advance	Subsidiary	-	-	(711,446)	(245,228)
Amounts due to related parties (Note 20.5)			11,609	13,680	(719,405)	(251,115)
Net Due to related companies			11,609	13,680	(220,040)	(82,803)

i. The amounts outstanding are unsecured and will be settled in cash.

ii. Intra-group receivables/payables have been eliminated on consolidation.

iii. Mr Francis Nneji, the immediate past MD of the company is the largest shareholder in both Rapido Ventures Ltd and ABC Transport Plc and is equally the Chairman of Rapido Ventures Ltd.

iv. All transactions with these related parties were priced at arm's length

v. ALLOWANCES ON RELATED PARTY RECEIVABLES

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Closing balance-ABEX LTD	1,651	1,651	1,651	1,651
Impairment recognised-ABC Ghana Ltd	-	-	137,760	172,209
	1,651	1,651	139,411	173,860

Total impairment in related party receivables stood at N139.411m as at 31 December 2025, N1.65m relates to balance from ABEX Ltd arising in the ordinary course of business. 100% allowance was made as the debt has been outstanding for over 365 days. N172.2m relates to inter-company balance due from ABC Ghana Ltd. Operations of the subsidiary was halted due to cessation of operations along the West Coast of Africa due to the COVID-19 pandemic which impaired its ability to pay the outstanding debt. The whole operation returned to the corridor in 2022. Activity is at present considerably lower than the pre-covid levels

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'21. Other assets				
Prepaid rent-Right of Use	237,999	110,655	124,616	21,257
Prepaid insurance	83,828	80,978	75,997	73,982
Withholding taxes recoverable	556,226	406,064	495,193	388,267
Deposits for vehicle and spares	752,067	440,079	140,260	35,687
Others-deferred expense	32,759	102,161	-	-
	<u>1,662,878</u>	<u>1,139,937</u>	<u>836,066</u>	<u>519,194</u>
Impairment allowance (Note 21.1)	<u>(24,851)</u>	<u>(1,147)</u>	<u>(22,399)</u>	<u>(21,767)</u>
	<u>1,638,027</u>	<u>1,138,790</u>	<u>813,666</u>	<u>497,427</u>

Other deferred expenses relate to payments for government stickers and emblems that extend beyond the current accounting period, as well as bulk purchases of operational materials for Cargo Express—such as mail bags, tapes, packaging items, and other printing materials—which are used in operations but not held as inventory items.

The Prepaid rent-right of use relates to prepaid rent on a short term basis(usually 12 months) of property for operations and crew guest houses. Initial direct costs are added to the prepayments and amortised on a straight line basis.

	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'21.1 Movement in the impairment charge:				
At 1 January	1,147	8,493	21,767	21,767
Impairment (written back)/ charged in the year	<u>23,704</u>	<u>(7,346)</u>	<u>633</u>	<u>-</u>
At 31 December	<u>24,851</u>	<u>1,147</u>	<u>22,399</u>	<u>21,767</u>

A write-off on other assets relates to 10% allowance on Withholding tax recoverable and other assets.

22 Cash and cash equivalents

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

Cash and bank balances as presented in the statement of financial position

	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Cash in hand	26,575	40,666	11,304	14,768
Cash at bank	<u>257,082</u>	<u>278,115</u>	<u>47,349</u>	<u>97,170</u>
Gross cash and bank balances	<u>283,657</u>	<u>318,781</u>	<u>58,654</u>	<u>111,938</u>
Cash and cash equivalents as per statement of financial position	283,657	318,781	58,654	111,938
'22.1 Bank overdrafts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents as per statement of cash flows	<u>283,657</u>	<u>318,781</u>	<u>58,654</u>	<u>111,938</u>

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
23 Share capital				
23.1 Issued and fully paid:				
At 31 December 2,392,622,000 ordinary shares of 50k each	1,196,311	1,196,311	1,196,311	1,196,311
'23.1a Issued share capital comprises of:				
420,000,000 ordinary shares at 50k each (December 2005)	210,000	210,000	210,000	210,000
420,000,000 ordinary shares at 50k each (April 2006)	210,000	210,000	210,000	210,000
666,700,000 ordinary shares at 50k each (September 2006)	333,500	333,500	333,500	333,500
150,700,000 ordinary shares at 50k each (September 2015)	75,350	75,350	75,350	75,350
7,349,220 Right issue shares at 50k each (May 2022)	367,461	367,461	367,461	367,461
At 31 December	1,196,311	1,196,311	1,196,311	1,196,311
'23.2 Share premium computation				
420,000,000 ordinary share premium at 50k each (December 2005)	210,000	210,000	210,000	210,000
420,000,000 ordinary share premium at 50k each (April 2006)	210,000	210,000	210,000	210,000
666,700,000 ordinary share premium at 50k each (September 2006)	333,500	333,500	333,500	333,500
	753,500	753,500	753,500	753,500
Total direct expenses on the issue of shares	(318,893)	(318,893)	(318,893)	(318,893)
At 31 December	434,607	434,607	434,607	434,607
24 Retained earning/(accumulated losses)				
At 1 January	(513,010)	(1,045,817)	(407,291)	(659,209)
Profit for the year	971,297	532,807	652,333	251,917
At 31 December	458,287	(513,010)	245,042	(407,291)

'24.1 Dividend

The Directors have proposed, and subsequently approved, a dividend of 6 kobo per share to be distributed to shareholders from the profit generated during the 2025 financial year (2024: Nil).

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
25 Other reserves				
Actuarial valuation reserves	(77,837)	(62,331)	18,188	18,188
Exchange differences on translating foreign operations (Note 25.1)	(37,112)	(15,506)	-	-
	<u>(114,949)</u>	<u>(77,837)</u>	<u>18,188</u>	<u>18,188</u>

'25.1 The exchange differences arose from the translation of the results and net assets of the Group's foreign operations from the functional currency to the group's presentation currency (i.e translating ABC Ghana's results from cedis to naira). These are recognised directly in other comprehensive income and accumulated in the foreign exchange reserve.

	Group	
	2025 N'000	2024 N'000
26 Non-controlling interests		
At 1 January	229,058	92,832
Share of profit for the year	107,735	136,381
Other comprehensive income reserve:		
Exchange differences on translating foreign operations	(371)	(155)
At 31 December	<u>336,421</u>	<u>229,058</u>

'26.1 These are the net assets of the non-controlling interests in the group.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'27. Loans and borrowings				
a. Secured amounts:				
Term loans (Note 27.1)	1,640,454	1,845,129	1,314,492	1,761,774
Total borrowed fund	<u>1,640,454</u>	<u>1,845,129</u>	<u>1,314,492</u>	<u>1,761,774</u>
b. Analysis by maturity:				
Current - due within 1 year	901,269	1,069,285	789,025	985,930
Non-current - due after 1 year	739,185	775,844	525,467	775,844
	<u>1,640,454</u>	<u>1,845,129</u>	<u>1,314,492</u>	<u>1,761,774</u>

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'27.1 Movement in borrowings other than overdraft				
At 1 January	1,845,129	2,480,654	1,761,774	2,170,526
Additional loans and borrowings	1,114,905	526,548	519,000	308,000
Finance charges	386,507	465,977	348,759	425,145
Repayments of loans and borrowings	(1,319,581)	(1,162,073)	(966,282)	(716,752)
Repayments of interest on loans and borrowings	(386,507)	(465,977)	(348,759)	(425,145)
At 31 December	1,640,453	1,845,129	1,314,492	1,761,774

'27.2 Summary of borrowing arrangements

(i) In March 2022, ABC Transport Plc contracted a 5-year 16.5% Senior Secured bond due 2027. The bond is secured by a legal mortgage over the Company's property at Plot 7, Cadastral Zone 5, Abuja.

(ii) ABC Transport Plc acquired 30 haulage trucks in 2022 from Lafarge Africa Plc, under Lafarge's truck financing scheme. Repayment is by 36 monthly deductions in equal installments from the freight payable to the company (trucks are dedicated to the financier's cement manufacturing business at Mfamosing, Cross River State). Another 20 trucks were acquired in November 2023 under the same arrangement but with a tenor of 48 months. Borrowings incidental to the first batch of 30 trucks were fully liquidated in 2025.

(iii) In March 2025, ABC Transport Plc acquired a facility of N229m from Access Bank with a tenor of 36 months and interest at 32% per annum. This was to finance the purchase of four units of Toyota Hiace buses to enhance the Company's passenger operations. Securities pledged for the facility are legal mortgage over properties belonging to the Company located at C79 Oba Kayode Akinyemi Way, Amuwo-Odofin Industrial Layout, Lagos and Elioju Junction, East-West Road by Elioju Flyover, Port-Harcourt, Rivers State, as well as the personal guarantee of the Founder/Director, Mr Francis Nneji, supported by a notarized statement of net worth. As at 31st December 2025, the balance on the facility was N171.75m.

(iii) In October 2025, ABC Transport Plc acquired a facility of N290m from Access Bank with a tenor of 12 months and interest at 30% per annum. This was to part finance working capital requirements for the Company's haulage business. Securities pledged for the facility are legal mortgage over properties belonging to the Company located at C79 Oba Kayode Akinyemi Way, Amuwo-Odofin Industrial Layout, Lagos and Elioju Junction, East-West Road by Elioju Flyover, Port-Harcourt, Rivers State, as well as the personal guarantee of the Founder/Director, Mr Francis Nneji, supported by a notarized statement of net worth. As at 31st December 2025, the facility had a balance of N266.30m.

(iv) Transit Support Services Limited has a loan facility of N310 million from Bank of Industry (BOI) with a tenor of 50 months with 9 months moratorium on principal repayment. The purpose of the facility was for the procurement of plant and machinery for assembly and sales of heavy duty trucks and buses. Securities pledged for the facility are Third party mortgage over ABC Transport plc's Terminal located in Port Harcourt, Rivers State. Third Party Legal Mortgage over property located at km 5 MCC/Uratta Owerri, Imo State, Legal Mortgage over bus terminal located at C79, Oba Kayode Akinyemi Way, Amuwo Odofin Industrial Layout Lagos State, Legal Mortgage over property situated at Plot 44/45 Rd 57, VGC Lagos, Personal guarantee of Mr Francis Nneji (Director) supported by sworn affidavit of personal networth and continuous comprehensive insurance over the underlying properties noting Access Bank Plc as the first loss payee. The lending interest rate is 10% (Subject to review) and a monitoring fee of 0.25% of the outstanding loan balance payable at the end of each quarter. As at 31 December, 2025, the facility balance was N7.58m (2024; N83.55m).

(v) Transit Support Services Limited has an overdraft facility of N200m with Fidelity Bank Plc with a tenor of 365 days (90 days clean-up cycle). It was taken to meet up with some working capital needs. Securities pledged for the facility are legal mortgage on property located at Plot 7, Zone 5 Utako District Abuja (a two-storey building used as bus terminal inclusive of newly developed 4-floors hotel within the property). Property at 52 Ikorodu Road, Jibowu Lagos, Legal ownership of assets/Yaxing Luxury buses, Corporate guarantee from ABC Transport Plc and Personal Guarantee of MD/CEO, Mr Francis Nneji supported with notarized statement of networth. The lending interest rate was reviewed upwards in August 2024 from 27% to 35%. The account was not over-drawn as at December 31, 2025.

(vi) ABC Cargo Express Limited contracted a term Loan of N321.60M in October 2025 with First City Monument Bank (FCMB) with a tenor of 36 months. The purpose of the facility was to part finance the acquisition of six units of light-duty trucks for operations. Securities pledged for the facility are Legal Mortgage over the trucks to be acquired, Legal Mortgage on a property located at 26 Oshodi-Apapa Expressway belonging to Rapido Ventures Limited, Personal Guarantee of the MD/CEO, Mr Jude Nneji for the full facility amount and Corporate Guarantee of the parent company (ABC Transport Plc). The lending rate was 32%. At 31 December 2025, the facility amount was N321.6m (2024: Nil)

28. Post employment benefits

The Group operates a contributory pension scheme of 19% where both employer and employee contribute 11% and 8% each of the gross emolument. A gratuity scheme for staff that have been in the employment of the Company for a minimum of five (5) years and a long service grant of two hundred thousand naira (N200,000) for drivers who have served the Company up to ten (10) years was discontinued in April 2019.

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	2025 N'000	2024 N'000	2025 N'000	2024 N'000
28.1 Statement of financial position				
Defined contribution schemes (Note 28.2)	383,938	367,058	383,106	365,338
Amount presented in the statement of financial position	<u>383,938</u>	<u>367,058</u>	<u>383,106</u>	<u>365,338</u>
'28.2 Movement in defined contribution scheme:				
At 1 January	367,058	343,027	365,338	341,307
Deducted in the year	89,602	82,840	90,491	82,840
Remitted in the year	(72,722)	(58,807)	(72,723)	(58,808)
At 31 December	<u>383,939</u>	<u>367,059</u>	<u>383,106</u>	<u>365,338</u>
'29. Provisions				
At 1 January	141,573	63,635	141,573	63,635
Write back during the year	176,189	77,938	176,189	77,938
At 31 December	<u>317,761</u>	<u>141,573</u>	<u>317,761</u>	<u>141,573</u>

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'29.1. The provisions in the financial statements relate to judgement sums (N45.85 million) on cases decided by the courts against the the Company which have gone on appeal and penalties (N25.64 million) on unremitted statutory deductions. The Group is optimistic that the ultimate liabilities on these cases will be lesser than the amount provided.

i. The number of grants expected to crystallize under the customer loyalty programme is immaterial hence no provision has been made in connection thereto.

ii. There are no other constructive or legal obligations for which the entity is expected to make provisions as at 31 December 2025.

iii. All provisions reported by the group are attributable to the parent Company.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'30. Trade and other payables				
Trade payables	1,210,793	1,448,724	160,274	147,710
Accruals	139,111	293,653	56,505	149,920
Amounts due to related parties (Note 20.5)	-	256,755	719,405	251,115
Industrial Training Fund Levy	15,769	11,836	13,734	10,307
Nigeria Social & Industrial Training Fund	168	9,547	(187)	9,291
Unclaimed dividends	34,192	46,102	34,192	46,102
Co-operative liabilities	28,338	15,433	28,338	15,433
Staff welfare liabilities	249	157	249	157
Other payables	1,907,239	1,383,356	473,187	382,571
	3,335,860	3,465,563	1,485,697	1,012,606

Accruals represent expenses incurred but not yet paid for terminal utilities.

Other payables includes Value added tax Liabilities,Withholding tax Liabilities,Pay-As-earn Liabilities,Bus franchise scheme, security deposits and present liabilities of defined benefit scheme reclassified to staff payable upon cessation of the scheme .

	2025		2024	
	N'000	N'000	N'000	N'000
30.1 Movement in staff payable:				
At 1 January	129,700	129,700	104,663	129,700
payment during the year	(63,389)	(25,037)	(62,500)	(25,037)
At 31 December	66,311	104,663	42,163	104,663

Detailed in note 30.1 is the movement of staff payable reclassified from defined benefit plan.

All the liabilities above are classified as current

a.i) The average credit period for the purchases of major items is 30 days. However, with certain arrangement with major suppliers, payment terms can be renegotiated for longer periods.

a.ii) Trade and other payables are non-interest bearing and hence approximate their fair values. The Group does not have any derivative financial instrument.

b) Statutory liabilities such as VAT, WHT, PAYE, ITF, NSITF are expected to be settled in line with the relevant laws/regulations setting them up. With the exception of ITF which is payable yearly, the rest are payable monthly. The entity has defaulted in remitting VAT on a monthly basis and expects future liabilities arising from penalties from the tax authorities. Probable amounts of charges arising from unremitted statutory liabilities have been estimated and provision accordingly made (see Note 29).

c) Unclaimed dividend represents the total unclaimed dividend pool to several shareholders as at 31 December 2025. The amounts have been invested in line with the provisions of the Investment and Securities Act 2007.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'31. Contract liabilities				
Deferred income from cargo operations	148,805	86,744	-	-
Deferred income from leased warehouse	64,334	7,938	64,125	7,938
Deferred income from staff recoveries & Training income	97,925	97,947	97,925	97,947
Lafarge Advance fee payment	5,134,970	4,037,664	5,134,970	4,037,664
Deferred fair value gain on borrowed fund	-	209	-	-
	5,446,035	5,441,760	5,297,020	4,143,549

31.1 Contract liabilities(Current & Non current)

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Contract liabilities- Non current portion	4,332,059	3,028,248	4,332,059	3,028,248
Contract liabilities- current portion	1,113,976	1,202,254	964,961	1,115,301
Total Contract liabilities	5,446,035	4,230,502	5,297,020	4,143,549

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31.1. Movement in deferred income from cargo operations and Advance payment of Freight Fees is as follows

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2025 N'000
At 1 January	4,124,409	47,949	4,037,664.30	-
Recognition in Profit or Loss within the year	(2,590,890)	(47,949)	(1,139,825)	-
Addition	3,750,255	4,124,408	2,237,131	4,037,664
At 31 December	5,283,773	4,124,409	5,134,970.12	4,037,664

Deferred income from cargo represents contract liabilities relating to cargo items that were either yet to be shipped or were still in transit as at 31 December 2025. Advance payment of freight fees relates to amounts paid by Lafarge to ABC Transport Plc in respect of services yet to be rendered. These advance payments are recoverable against monthly invoices issued to Lafarge in accordance with the contractual terms.

'32. Commitments

The Group had no commitments as at 31 December 2025 (31 December 2024: Nil).

'33. Provisions

Legal proceedings - The Group's solicitors reviewed all the outstanding cases at the end of each financial period and advised on the possibility or otherwise of each particular case resulting in a liability against the Group after taking due cognisance of the peculiar circumstances of the case in question, the possibility of settling out of court on mutually agreed terms or by arbitration. The solicitors equally advised on the likely timing for the judgement or settlement and amount of the liability.

Appropriate provision has been made in these consolidated financial statements for likely liabilities arising from these cases. See Note 29 for details.

'34. Related parties

'34.1 Directors and key management compensation

Directors

Aggregate emoluments of the Directors of the Company were as follows:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Salaries, fees and sitting allowances	66,034	69,447	47,147	68,087
	-	-	-	-
	66,034	69,447	47,147	68,087

Key management compensation

Aggregate compensation for key management, being the Directors and members of the executive management was as follows:

Short-term employee benefits	137,609	134,811	64,260	70,452
Post employment benefits				
Defined contribution schemes	3,530	3,294	2,082	2,400
	141,138	111,311	66,342	91,085

Executive management refers to the management staff from the level of Assistant General Manager and above.

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'34.2 Related party transactions

The Group's related party transactions are with ABEX Courier Ltd , ABC Cargo Express , Rapido Ventures Ltd and Mayfair Suites and Conference Centre. At 31 December 2025, the total invoices to and from the related parties are analysed below:

	Abex N'000	ABC Cargo Express Limited N'000	Rapido N'000	Mayfair N'000	Total N'000
2025					
Group to the related parties	<u>-</u>	<u>311,336</u>	<u>-</u>	<u>-</u>	<u>311,336</u>
Related party invoices to the Group	<u>-</u>	<u>6,184</u>	<u>-</u>	<u>14,202</u>	<u>20,386</u>
2024					
Group to the related parties	<u>-</u>	<u>252,479</u>	<u>-</u>	<u>-</u>	<u>252,479</u>
Related party invoices to the Group	<u>-</u>	<u>7,409</u>	<u>-</u>	<u>7,204</u>	<u>14,613</u>

Abex Express Parcel Services Limited

ABC Transport Plc owns 5% of the share capital of Abex Express Parcel Services Limited. Included in trade receivables at 31 December 2025 is the sum of N1,650,757.73 (2024 : N1,650,757.73) due from Abex to ABC Transport Plc, which has been fully impaired. The Group provided no cargo services to ABEX Express Parcel Services for the year ended 31 December 2025 (2024 : Nil) while Abex Limited provided no courier services (2024 : Nil) to the Company. The services were provided at arm's length.

Rapido Ventures Limited

The founder of ABC Transport Plc, Mr Francis Nneji is the largest shareholder in both Rapido Ventures Limited and ABC Transport Plc and is equally the Chairman of Rapido Ventures Limited. ABC Transport Plc owed Rapido Ventures the sum of N7.95 million as at 31 December 2025 (2024: N5.87million) which is reported as part of other payables. The nature of the major transactions between the group and Rapido are the reimbursable costs of operation which include the diesel issued to Rapido, sales of sausage rolls for onboard entertainment, shared cost of administrative and building costs, since they share the same premises. The group sometimes helps with cargo delivery on behalf of Rapido. Rapido invoices to the group mainly involves rent of premises to ABC Transport Plc and Transit Support Services Ltd. All transactions are carried out at arm's length.

Mayfair Hotels and Suites

The wife of the founder of ABC Transport Plc is the Managing Director of Mayfair Hotels and Suites, which provides hospitality services to ABC Transport Plc. As at 31 December 2025, ABC Transport Plc owed Mayfair Hotels N1.75 million (2024: N1.19 million) in respect of services rendered.

Mayfair Hotels serves as the Group's official hospitality provider, catering to clients and guests of the Group. Standard room rates are applied, except in instances where discounts are granted at the discretion of hotel management. In addition, the Group—principally through the parent company—supplies diesel to Mayfair Hotels on standard commercial terms.

Transactions with directors other than compensation

During the twelve months ended 31 December 2025, neither any Director nor any other executive officer, nor any associate of any Director or executive officer, was indebted to the Company.

During the same period, the Company was not a party to any material transaction, nor were there any proposed transactions, in which any member of key management personnel (including Directors, executive officers, senior management, or any spouse or relative of any such individuals, or any relative of such spouse) had, or was to have, a direct or indirect material interest.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
'35. Employees				
The average employee headcount by nature of activity and by segment is shown below:				
By Activity:				
Operations	808	780	373	347
Accounts	52	43	41	33
Audit	28	20	25	18
Customer service and marketing	15	10	8	5
Materials management	27	27	25	24
Fleet maintenance	158	104	131	71
Hospitality	37	31	37	31
Legal	3	3	3	3
Human resources/administration	63	79	60	75
Cost control and planning	2	2	2	2
General management	19	18	13	11
	1,212	1,117	718	620
By Segment:				
a) Business segment				
Coach	26	23	26	23
Sprinter	58	25	58	25
Shuttle	37	35	37	35
Trading-Transit Support Services Ltd	22	22	-	-
Cargo	472	472	-	-
Haulage	131	129	131	129
CTI	37	31	37	31
Others	429	380	429	377
	1,212	1,117	718	620
b) Geographical segment				
Nigeria	1,209	1,114	718	620
Ghana	3	3	-	-
	1,212	1,117	718	620
The total cost incurred in respect of these employees (including directors)				
Wages and salaries and allowances etc	1,778,067	1,435,035	829,663	642,996
Medical expenses	25,909	28,759	24,734	16,997
	1,803,976	1,463,794	854,397	659,992

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36 Financial instruments risk management

The exposure on staff loans is equally managed by profiling staff for purposes of granting loans and advances. Gross allowance on doubtful staff debts was N153.173 million as at 31 December 2025 (2024 : N153.128 million).

The Group's exposure to risks arising from financial instruments as at 31 December 2025 are as presented below:

	Group and Company	
	2025	2024
	N'000	N'000
Cash and cash equivalents	283,657	318,781
Trade and other receivables	540,681	819,577
Total	824,337	1,138,358

Credit risk management

The Group has a high credit risk exposure on trade receivables. Credit exposures arise from the haulage and consolidated cargo business as proceeds from passenger business are received in advance. The haulage business services big manufacturing concerns with billings done at intervals (usually a period of one month) and payments after another interval depending on the contractual terms. While a major part of the cargo revenue is received on cash basis, about 15%-20% credit is granted to institutional customers with a credit period of about one month. Billings for haulage are done in two cycles on a monthly basis. For the trading (Transit Support Services Ltd) customers are required to make deposits with the balance payment made on delivery of the motor vehicles and/or spares. In some instances, however, credits are extended to customers based on the specific circumstances of each transaction with consideration to risk. Though there is a subsidiary that operates in Ghana, the bulk of the credit risk is concentrated in Nigeria within the Haulage and cargo business segments as mentioned above.

Gross allowance on doubtful trade receivables was N124 million as at 31 December 2025 (2024 : N42.66 million).

The Group manages the credit risk from trade receivables through adequate profiling of customers, granting credit to only blue-chip companies in the haulage business. Credit limits are equally placed on cargo debtors according to their established credit profiles. The treasury units monitor credit with follow-up for collection upon maturity.

The exposure on staff loans is equally managed by profiling staff for purposes of granting loans and advances. Gross allowance on doubtful staff debts was N155.62 million as at 31 December 2025 (2024 : N156 million).

'37 Liquidity risk

The Group faces the risk of liquidity as a result of the gap between the payment by trade debtors for services rendered and the pressure of immediate payment for inputs, repayment of borrowings, taxes and other obligations. Liquidity risk is managed as follows:

- Negotiation of credit terms with suppliers.
- Negotiation of instalments plan with the tax and other relevant authorities.
- Follow-up on matured credits for prompt collection.
- Stocking of only vital inventory items.
- Negotiation of overdraft facilities in periods of immense pressure leveraging on the Group's high credit rating.
- Maintaining a portfolio of borrowings with a varied maturity profile.

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'38 Maturity of borrowings

The maturity profile of the anticipated future cash flows including interest in relation to the Group's non-derivative financial liabilities on an undiscounted basis which therefore differs from both the carrying value and fair value is as follows:

	Bank and other loans N'000	Trade payables N'000	Other payables N'000	Total N'000
31 December 2025				
Within 6 months	468,175	1,210,793	2,125,067	3,804,035
In 6 to 12 months	466,462	-	-	466,462
In 12 to 18 months	363,802	-	-	363,802
In 18 to 24 months	227,882	-	-	227,882
In more than 24 months	114,134	-	-	114,134
	1,640,455	1,210,793	2,125,067	4,976,314
31 December 2024				
Within 6 months	701,990	1,448,724	6,054,503	8,205,218
In 6 to 12 months	335,736	-	-	335,736
In 12 to 18 months	265,320	-	-	265,320
In 18 to 24 months	247,511	-	-	247,511
In more than 24 months	294,572	-	-	294,572
	1,845,129	1,448,724	6,054,503	9,348,356

'39. Interest rate risk

The Group finances the acquisition of vehicles through bank borrowings which are often secured on the assets of the Group, the vehicles acquired and the personal guarantees of the directors. The employment of this source of funding is substantial in comparison with the equity holders funds and presents a key source of uncertainty and risk in view of the impact of interest rate fluctuations on financing costs, the pressure of repayments on liquidity and the adverse consequences of repayment defaults.

The Group has a track record of keeping with the terms, conditions and covenants of its borrowings which has accorded it a very high credit rating within the financial community. This, it exploits to negotiate financing at concessionary interest rates with its financiers with relative ease. In recent times there has been an increasing shift in focus for fund sourcing from the traditional financial institutions whose interest rates are benchmarked in line with the Central Bank of Nigeria's monetary policy rates (MPR) to industrial banks providing cheaper financing targeted at the development of critical sectors of the economy in line with the government's fiscal objectives.

An analysis of the borrowings at 31 December 2025 with the associated interest rates is provided under note 27.1 to these financial statements. Interest on borrowings is usually benchmarked against the Monetary Policy Rate (MPR) of the Central Bank of Nigeria which represents the rate at which the CBN lends to banks. The Company only had two bank borrowings (Access Bank loan of N229m with a 36 months tenor and interest at 32% per annum and Access Bank loan of N290m with a tenor of 12 months and interest rate at 30% per annum,) at December 31, 2025. Transit Support Services however had some exposure to bank facilities that are subject to MPR changes at December 2025. (Overdraft of N260m with no utilized portion but a balance of N53m at 31/12/2025 and a revolving term loan of N300m with no outstanding balance at 31/12/2025). The other facility for Transit Support is a Bank of Industry facility with a balance of N7.58m at December 31, 2025. The Bank of Industry facility has a fixed interest rate. The Bank of Industry facility has a fixed interest rate. ABC Cargo Express had a facility of N321.6m with FCMB, with a tenor of 36 months and interest at 32% per annum, while ABC Ghana Limited had no outstanding borrowing as at 31/12/2025.

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40 Foreign exchange risk

The Group is exposed to foreign exchange risk in the repatriation of funds generated in foreign currency on its west coast operations, in the transfer of funds to overseas for vehicle spares, and on balances on its domiciliary accounts. Funds generated from foreign operations are usually lodged in interest bearing accounts with banks of the country where they were generated and transferred to Naira denominated correspondent banks targeting periods of favourable exchange rates between the Naira and the foreign currency. Procurements are equally planned to ensure transfers to overseas suppliers are made in periods of favourable exchange rates.

The Group is exposed to foreign exchange risk arising from fluctuations in exchange rates between the Naira and the Ghanaian Cedi, and the Naira against the USD. The results of the Group's foreign operations in Ghana are converted to Naira at the average rates prevailing within the period. Foreign operations which accounts for approximately 10% of Group's turnover, was recognized in the income statement at an average exchange rate of N124.27/GHS (2024; N101.79/GHS). Transactions through the domiciliary accounts (for the Company are converted at the rates ruling on the dates of transaction while balances at the end of the reporting period are converted at the CBN official ruling rate at the end of the reporting period with differences taken to profit or loss. Naira is usually purchased at the rate prevailing on transactions dates and paid into the USD denominated domiciliary account for overseas procurement of vehicles spares and payment to foreign software vendors. Transactions through the domiciliary accounts in 2025 (majorly for payment of overseas software vendors) amounted to USD 16,117 (2024; USD 7,252.79) While the exchange rate closed officially at N1,429/USD in 2025(2024: N1,535/USD), the rate was a little higher(Between N1,475 and N1,500/USD) at the parallel market (2024;N1,600-N1,700/USD). The Company often source foreign exchange from the parallel market for transfers to overseas suppliers due to the delay associated with obtaining forex at the official rate through the banks and other official dealers.

Transit Support Services Ltd has a credit line of USD 3.096Million with one of her major foreign partners Shaanxi Heavy Duty Import and Export Ltd China for importation of Semi-Knocked-down parts(SKD) for local vehicle assembly, fully built vehicles and spare parts, all for resale. A total of USD77,000.00 was repaid within the year with outstanding balance of USD 213,791.24 as at 31/12/2025.

Transit Support Services also has another credit line from Yangzhou Yaxing Motor Coach Co.Ltd,China for the importation of fully built Yaxing Luxury Buses for ABC Transport Plc and other customers.On reconciliation of ABC/Yaxing transactions,an outstanding balance of USD292,020.79 was established.A total of USD15,000 was repaid with the year. As at 31 December, 2025, the balance outstanding on the credit line was USD509,820.88

Foreign exchange risk incidental to the above is managed by (1) utilization of the credit majorly to service prepaid orders (2)Conversion of proceeds of sales immediately into USD and (3) Opening up of several sources for forex supply to ensure steady forex supply to service the credit. An exchange gain of N34m was recorded in the credit lines in 2025.

41 Capital management

The following table summarizes the capital of the Group and Company:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Cash and cash equivalents	283,657	318,781	58,654	111,938
Borrowings and leases	1,640,454	1,845,129	1,314,492	1,761,774
Net debt	1,924,111	2,163,910	1,373,146	1,873,712
Equity	2,089,205	1,117,908	1,875,960	1,223,627
Capital	4,013,316	3,281,818	3,249,106	3,097,339

The Group's policy is to ensure that some profit is retained to finance further growth which is complemented with bank borrowings where funds cannot be fully sourced internally.

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of debt (which includes the borrowings and finance lease obligations) disclosed in Notes 27 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the relevant notes in the financial statements. The Group is not subject to any externally imposed capital requirements. The management of the Group reviews the capital structure on a frequent basis to ensure that gearing is within acceptable limit.

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		Carrying amount				
		Amortised Cost N'000	FVTPL N'000	FVTOCI N'000	Non- financial N'000	Total N'000
Group						
'42	Categories of financial instruments (Cont'd)					
	31 December 2024					
	Assets					
	Property, plant and equipment	-	-	-	8,250,559	8,250,559
	Right of use assets	-	-	-	15,896	15,896
	Intangible assets	-	-	-	21,172	21,172
	Financial assets - FVOCI	-	-	1,845	-	1,845
	Financial assets - FVTPL	-	18,876	-	-	18,876
	Deferred tax asset	-	-	-	412,435	412,435
	Inventories	-	-	-	1,060,714	1,060,714
	Trade and other receivables	633,065	-	-	121,923	754,988
	Current tax asset	-	-	-	9,809	9,809
	Other assets	-	-	-	1,138,790	1,138,790
	Cash and cash equivalents	318,781	-	-	-	318,781
	Total assets	951,846	18,876	1,845	11,031,299	12,003,865
		Carrying amount				
		Amortised cost N'000	FVTPL N'000	Non- financial N'000	Total N'000	
	Liabilities					
	Loans and borrowings	1,845,129	-	-	-	1,845,129
	Provisions	-	-	-	141,573	141,573
	Deferred tax liabilities	-	-	-	30,970	30,970
	Current tax liabilities	-	-	-	866,548	866,548
	Trade and other payables	1,448,724	-	-	6,054,503	7,503,228
	Contract liabilities	-	-	-	192,838	192,838
	Total liabilities	3,293,853	-	-	7,286,432	10,580,285

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		Carrying amount				
		Amortised Cost N'000	FVTPL N'000	FVTOCI N'000	Non- financial N'000	Total N'000
Company						
42	Categories of financial instruments (Cont'd)					
	31 December 2025					
	Assets					
	Property, plant and equipment	-	-	-	8,639,401	8,639,401
	Intangible assets	-	-	-	21,801	21,801
	Investment in subsidiaries	-	-	-	141,470	141,470
	Deferred tax asset	-	-	-	59,864	59,864
	Inventories	-	-	-	433,303	433,303
	Trade and other receivables	142,208	-	-	600,284	742,493
	Other assets	-	-	-	813,647	813,647
	Cash and cash equivalents	58,654	-	-	-	58,654
	Total assets	200,862	-	-	10,709,769	10,910,632
	Liabilities					
	Loans and borrowings	1,314,492	-	-	-	1,314,492
	Provisions	-	-	-	317,761	317,761
	Deferred tax liabilities	-	-	-	-	-
	Current tax liabilities	-	-	-	208,968	208,968
	Trade and other payables	160,274	-	-	1,325,423	1,485,697
	Contract liabilities	-	-	-	964,961	964,961
	Total liabilities	1,474,766	-	-	2,817,114	4,291,880

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Company	Carrying amount				
	Amortised Cost N'000	FVTPL N'000	FVTOCI N'000	Non-financial N'000	Total N'000
42 Categories of financial instruments (Cont'd)					
31 December 2024					
Assets					
Property, plant and equipment	-	-	-	7,109,653	7,109,653
Intangible assets	-	-	-	20,714	20,714
Investment in subsidiaries	-	-	-	141,470	141,470
Financial assets - FVOCI	-	-	1,845	-	1,845
Financial assets - FVTPL	-	18,876	-	-	18,876
Deferred tax asset	-	-	-	59,864	59,864
Inventories	-	-	-	304,413	304,413
Trade and other receivables	417,987	-	-	247,712	665,698
Other assets	-	-	-	497,427	497,427
Cash and bank balances	111,938	-	-	-	111,938
Total assets	529,925	18,876	1,845	8,381,252	8,931,897

	Carrying amount			
	Amortized cost N'000	FVTPL N'000	Non-financial N'000	Total N'000
Liabilities				
Loans and borrowings	1,761,774	-	-	1,761,774
Provisions	-	-	141,573	141,573
Current tax liabilities	-	-	265,242	265,242
Trade and other payables	147,710	-	4,902,560	5,050,270
Contract liabilities	-	-	105,885	105,885
Total liabilities	1,909,484	-	5,415,260	7,324,744

	Group		Company	
	Carrying value 2025 N'000	Fair value 2025 N'000	Carrying value 2025 N'000	Fair value 2025 N'000
43. Carrying value and fair value information				
Financial liabilities measured at amortized cost:				
Loans and borrowings	4,244,616	4,244,616	4,161,261	4,160,389
Total	4,244,616	4,244,616	4,161,261	4,160,389

43. Carrying value and fair value information

Financial liabilities measured at amortized cost:

	Group		Company	
	Carrying value 2024 N'000	Fair value 2024 N'000	Carrying value 2024 N'000	Fair value 2024 N'000
Loans and borrowings	4,244,616	4,244,616	4,161,261	4,160,389
Total	4,244,616	4,244,616	4,161,261	4,160,389

	Group		Company	
	Carrying value 2024 N'000	Fair value 2024 N'000	Carrying value 2024 N'000	Fair value 2024 N'000
Loans and borrowings	4,244,616	4,244,616	4,161,261	4,160,389
Total	4,244,616	4,244,616	4,161,261	4,160,389

a. The fair values are calculated using discounted cash flows with a discount rate based on the coupon interest rates of the individual loans and leases at the reporting date.

b. The disclosed fair values above fall within level 2 in the fair value hierarchy of IFRS 13 as the cash flows and discount rates used in the measurements are market corroborated.

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	Level 1 N'000	Level 2 N'000	Level 3 N'000	Not applicable N'000	Total N'000
44 Fair value information:					
The table below sets out the valuation					
Non-current assets					
Property, plant and equipment	-	-	-	10,260,542	10,260,542
Intangible assets	-	-	-	23,829	23,829
Right of use assets	-	-	-	163,741	163,741
Deferred tax asset	-	-	-	494,297	494,297
Current assets					
Inventories	-	-	-	1,164,743	1,164,743
Trade and other receivables	-	-	-	435,205	435,205
Other assets	-	-	-	1,638,027	1,638,027
Cash and cash equivalents	-	-	-	283,657	283,657
Total assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,464,040</u>	<u>14,464,040</u>
Equity and liabilities					
Issued share capital	-	-	-	1,196,311	1,196,311
Share premium	-	-	-	434,607	434,607
Retained earnings	-	-	-	458,287	458,287
Loans and borrowings	-	-	-	1,640,454	1,640,454
Provisions	-	-	-	317,761	317,761
Deferred tax liabilities	-	-	-	43,680	43,680
Current tax liabilities	-	-	-	819,563	819,563
Trade and other payables	-	-	-	3,335,860	3,335,860
Contract liabilities	-	-	-	1,113,976	1,113,976
Total equity and liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,360,499</u>	<u>9,360,499</u>

(i) Upon loss of significant influence in Abex Ltd, IFRS required the measurement of the remaining shareholding of 5% as an investment at fair value. The fair value was determined by recourse to the disposal in December 2014 of 35.2% shareholding at a value determined by a professional valuation of Abex Ltd using the adjusted book value basis. This method which the Group considered more representative of fair value than other income based valuations, considered the net worth of Abex Ltd plus assets not recognized in the statement of financial position plus adjustments for goodwill and revaluation of assets. The shares were sold to an existing shareholder that is knowledgeable in the business position and dynamics of Abex Ltd. The fair value of the investment stated in the financial statements has been impaired.

(ii) Stanbic IBTC Assets Management Ltd investment has been liquidated and proceed transfer to First Registrars Investment Service Ltd

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

45 Financial commitments

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

46 Financial commitments

The Directors are of the opinion that there were no capital commitments at 31 December 2025 (2024 : Nil).

47 Events after reporting date

No event or transaction has occurred since the reporting date, which would have had material effect on the financial statements as at that date or which needs to be mentioned in the financial statements in the interest of fair presentation of the Company's financial position as at the reporting date or its results for the year that ended.

48 Contingent liabilities

The Company is subject to various pending litigations arising in the normal course of business. The cases are of different ages and at different stages of adjudication with some dating as far back as 2005. A provision is made in the accounts at the point a judgment is given against the Company even if the case proceeds on appeal. provisions relating to pending litigations are reported under note 29 to the financial statements.

49 Comparative figure

Certain prior year balances have been re-classified to ensure proper disclosure and uniformity with current year's presentation. The reclassifications have no net impact on these consolidated financial statements.

50 Non-audit services

During the year, Forvis Mazars did not perform any non-audit services for ABC Transport PLC. (2024: Nil).

ABC TRANSPORT PLC

**CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
OTHER NATIONAL DISCLOSURES**

Other National Disclosures

ABC TRANSPORT PLC

**CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Group				Company			
	2025 N'000	%	2024 N'000	%	2025 N'000	%	2024 N'000	%
Revenue from contracts with customers	15,961,732		12,515,137		8,547,034		5,969,897	
Other income	1,345,765		762,070		407,503		345,836	
	17,307,497		13,277,207		8,954,537		6,315,734	
Bought-in-material and services:								
- Local	(9,396,148)		(6,994,617)		(5,562,652)		(4,161,992)	
- Imported	(2,832,271)		(2,667,910)		-		-	
Value added	5,079,078	100	3,614,680	100	3,391,885	100	2,153,741	100
Applied as follows:-								
To pay employees								
- Wages, salaries and other staff costs	1,803,976	36	1,463,794	40	854,397	25	659,992	31
To pay government								
- Corporate tax	383,495	8	598,560	17	86,020	3	244,539	11
To pay provider of capital								
- Interest expense and similar charges	419,309	9	465,977	13	381,561	11	425,145	20
To provide for replacement of assets dividend to shareholders and development of business								
- Depreciation of property, plant and equipment	1,462,418	29	769,731	21	1,417,574	42	572,148	36
Profit for the year	1,079,031	20	669,188	19	652,333	19	251,917	-
Value added	5,079,078	100	3,614,680	110	3,391,885	100	2,153,741	97

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

ABC TRANSPORT PLC

CONSOLIDATED AND SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS FIVE-YEAR FINANCIAL SUMMARY - GROUP FOR THE YEAR ENDED 31 DECEMBER 2025

31 DECEMBER	2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Statement of financial position					
Assets employed					
Non current assets	10,941,046	8,720,783	4,579,800	4,126,211	3,163,781
Current assets	3,521,631	3,283,082	2,443,696	2,516,690	2,917,609
Total assets	14,462,677	12,003,865	7,023,496	6,642,903	6,081,389
Liabilities					
Current liabilities	6,622,246	9,786,349	4,649,970	3,725,589	4,519,840
Non current liabilities	5,529,753	948,387	1,757,925	1,660,245	502,525
Total liabilities	12,152,000	10,734,736	6,407,894	5,385,834	5,022,365
Net Asset	<u>2,310,677</u>	<u>1,269,129</u>	<u>615,602</u>	<u>1,257,069</u>	<u>1,059,024</u>
Capital employed					
Share capital	1,196,311	1,196,311	1,196,311	1,196,311	828,850
Share premium	434,607	434,607	434,607	434,607	558,916
Retained earnings/(accumulated losses)	458,287	(513,010)	(1,045,817)	(834,601)	(770,478)
Other reserves	(114,949)	(77,837)	(62,331)	2,048	27,262
Non-controlling interests	336,421	229,058	92,832	458,703	414,475
Total equity	<u>2,310,677</u>	<u>1,269,129</u>	<u>615,602</u>	<u>1,257,069</u>	<u>1,059,024</u>
Statement of profit or loss account and other comprehensive income					
Revenue from contracts with customers	15,961,732	12,515,137	7,331,982	7,625,866	6,569,540
Direct costs	(12,987,605)	(9,642,922)	(5,666,980)	(6,321,302)	(5,488,683)
Gross profit	2,974,127	2,872,215	1,665,001	1,304,565	1,080,857
Administrative expenses	(2,507,209)	(2,249,856)	(1,780,691)	(1,232,165)	(1,291,702)
Other income	1,345,765	762,070	155,889	482,306	548,358
Finance costs	(419,309)	(465,977)	(408,813)	(275,482)	(196,830)
Profit/(loss) before tax	1,393,374	918,452	(368,614)	279,225	140,683
Income tax expense	(314,343)	(249,264)	(171,941)	(219,119)	(229,232)
Profit/(Loss) after tax	<u>1,079,031</u>	<u>669,188</u>	<u>(540,555)</u>	<u>60,106</u>	<u>(88,549)</u>
Earning/(Loss) per share - basic (kobo)	<u>45</u>	<u>28</u>	(22.6)	2.5	(5.3)

Earning/(Loss) per share is based on (loss)/profit after tax divided by the number of ordinary shares of 50 kobo each in issue at the end of each financial year.

Net assets per share is based on the net assets divided by the numbr of 50 kobo each in issue at the end of each financial year.

ABC TRANSPORT PLC

ANNUAL REPORT AND CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FIVE-YEAR FINANCIAL SUMMARY - COMPANY FOR THE YEAR ENDED 31 DECEMBER 2025

31 DECEMBER	2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Assets employed					
Non current assets	9,017,806	7,352,422	3,686,284	3,125,746	2,366,848
Current assets	2,048,096	1,579,475	1,088,108	1,135,759	993,332
Total assets	11,065,902	8,931,897	4,774,392	4,261,505	3,360,180
Liabilities					
Current liabilities	3,899,399	6,772,665	2,233,898	1,928,517	2,467,007
Non current liabilities	5,272,355	917,417	1,550,597	1,455,173	288,999
Total liabilities	9,171,754	7,690,082	3,784,495	3,383,689	2,756,006
Net Asset	1,894,148	1,241,815	989,897	877,816	604,174
Capital employed					
Share capital	1,196,311	1,196,311	1,196,311	1,196,311	828,850
Share premium	434,607	434,607	434,607	434,607	558,916
Retained earnings/(accumulated losses)	245,042	(407,291)	(659,209)	(771,290)	-801,780
Other reserves	18,188	18,188	18,188	18,188	18,188
Total equity	1,894,148	1,241,815	989,897	877,816	604,174
Statement of profit or loss account and other comprehensive income					
Revenue from contracts with customers	8,547,034	5,969,897	3,536,677	5,487,806	4,464,144
Direct costs	(6,641,849)	(4,569,537)	(2,645,493)	(4,447,755)	(3,769,548)
Gross profit	1,905,185	1,400,360	891,184	1,040,051	694,596
Administrative expenses	(1,192,774)	(824,595)	(691,294)	(1,028,658)	(1,156,865)
Other income	407,503	345,836	408,840	270,059	503,033
Finance costs	(381,561)	(425,145)	(347,794)	(198,547)	(158,615)
Profit before taxation	738,353	496,456	260,936	82,905	(117,851)
Income tax expense	(86,020)	(244,539)	(112,965)	(92,415)	(145,917)
Profit / (Loss) after taxation	652,333	251,917	147,971	(9,510)	(263,767)
Earning/(Loss) per share - basic (kobo)	27	11	6	-	(16)

(Loss)/earnings per share is based on (loss)/profit after tax divided by the number of ordinary shares of 50 kobo each in issue at the end of each financial year.

Net assets per share is based on the net assets divided by the numbr of 50 kobo each in issue at the end of each financial year.