UNION DICON SALT PLC

STATEMENTS OF AUDITED ACCOUNTS

FOR THE YEAR ENDED
31ST DECEMBER, 2025.

FELIX AKINYEYE & CO

(CHARTERED ACCOUNTANTS)

Corporate information

Registration number	RC 66062		
Directors	Lt. General (Rtd) T.Y. Danjuma (Chairman)	-	Chairman
	Mrs. Florence Iroye	-	Ag. Managing Director
	Engr. Kayode Erikitola, mni	-	Director
	Mrs. Nuratu Babatagarawa	-	Director
	Maj. Gen. Tafilda	-	Director
Registered office	Kirikiri Lighter Terminal Phase 2, Kirikiri Apapa, Lagos.		
Company Secretary	Barrister Alfred James Kirikiri Lighter Terminal Phase 2, Kirikiri Apapa, Lagos.		
Solicitors	B.B Dan-Habu & Co. 276, Muritala Mohammed Way Yaba, Lagos.		
Auditors	BDO Professional Services 15 CIPM Avenue, CBD Alausa Ikeja, Lagos.		
Registrar	Centurion Registrars No 33c Cameroon Road, Off Alfred Rilwan Road Ikoyi, Lagos.		
Bankers	First City Monument Bank Plc Sterling Bank Plc		

AUDIT COMMITTEE REPORT

Report of The Audit Committee

for the year ended 31st December 2025

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act 2020 (The Act) and based on our review, we report as follows:

i) That the scope and planning of the audit are in our opinion adequate.

ii) That the External Auditors Management Report for the period ended 31st December, 2025 received satisfactory response from the Management.

iii) That we ascertained that the accounting and reporting policies of the company for the year ended 31st December, 2025 are in accordance with legal requirements and agreed ethical practices.

iv) That the Audit Committee also agreed with the Auditor's Report and their opinion.

In our opinion, the scope and planning of the audit for the year ended 31st December, 2025, together with the Audited Accounts were satisfactory. The External Auditors had Discharge their duties conscientiously and satisfactorily.

We are satisfied with the Management responses to the Auditors findings.

MR. BOSUN SYLLON
(FRC/2023/PRO/AUDIT COM/002/784905) FOR:
AUDIT COMMITTEE
LAGOS NIGERIA,16 MARCH, 2026

MEMBERS OF **THE AUDIT COMMITTEE**

1. MR. BOSUN SHYLLON **(FRC/2023/PRO/AUDIT COM/002/784905)**
2. MR. ILLIYA KASA KASABA **(FRC/2021 /003/00000023906)** (REP - PS DICON)
3. ENGR. K. M. ERIKITOLA mni
4. MR. VITALS ANYIAM **(FRC/2014/CIBN/00000010484)**
5. MR. AWORENI AKINTUNDE **(FRC/2023/AUDIT COM/002/263359)**

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNION DICON SALT PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Union Dicon Salt Plc for the financial year ended 31 December 2025, which comprises the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements which include the significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the Company's financial position as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria, Act No 6, 2011 and the Companies and Allied Matters Act, 2020.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Assessment of the Going Concern

We have carried an assessment on the going concern and our opinion is unmodified.

We have to express our opinion as per the going concern of the organization, although the company have started production.

KEY AUDIT MATTERS

We have determined that the following matters are key audit matters:

- Laws and regulations risk: The Company is currently involved in two pending legal matters before the Supreme Court and the Court of Appeal. However, based on the company's solicitor's claims, in his opinion, there appears to be no reasonable contingent liability arising from these ongoing court cases.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Companies and Allied Matters Act, 2020 (as amended).

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 our audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed 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 controls

- Obtained 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.

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

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Company's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicated with the directors regarding, among other matters, the planned scope and timing of the audit, and significant audit findings and any significant deficiencies in internal control that we identified during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies and Allied Matters Act (CAMA) 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. In our opinion, proper books of account have been kept by the Company iii. The Company statements of financial position, and statements of profit or loss and other comprehensive income are in agreement with the books of account

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0344760

Lagos Nigeria,
24-Mar-26

Felix I Akinyeye
FRC.2013/ICAN/0000005573

UNION DICON SALT PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER, 2025

	NOTE	2025 =N='000	2024 =N='000
Revenue	7	11,884	-
Cost of Sales	8	(9,703)	
Gross Profit/(Loss)		**2,181**	**-**
Other Operating Income	9	417,851	268,033
Admimistrative Expenses	10	(288,897)	(370,455)
Profit/(Loss) before tax	11	131,135	(102,422)
Income Tax Expenses	13 (i)	**(50,351)**	**(1,340)**
Profit/(Loss) for the year		80,784	(103,762)
Other Comprehensive Income			
Item that will be reclassified to profit or loss			
Item that may not be reclassified to profit or loss:			
Actuarial gain on gratuity	19 (e)	-	-
Total Comprehensive Profit/(loss) for the year Net of Tax		**80,784**	**(103,762)**

UNION DICON SALT PLC

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER, 2025

	Notes	2025	2024
ASSET		=N='000	=N='000
Property, Plant and Equipment	14	231,333	47,461
Investment in subsidiary	15	3,228	-
		234,561	**47,461**
CURRENT ASSET			
Inventories		55,904	
Other Receivables	16	209,798	86,456
Cash and Cash Equivalents	17	14,107,716	641,842
		14,373,418	**728,298**
CURRENT LIABILITIES			
Trade and Other Payables	18	15,833,606	2,046,564
Current Tax liabilities	13 (iii)	50,351	85,957
		15,883,957	**2,132,521**
NET CURRENT LIABILITIES			
TOTAL ASSETS LESS CURRENT LIABILITIES		**(1,275,978)**	**(1,356,762)**
NON-CURRENT LIABILITIES			
Employee Benefit Liabilities	19 (d)	60,002	60,002
Deferred Tax Liabilities	13 (v)	11,413	11,413
		71,415	**71,415**
NET LIABILITIES		**(1,347,393)**	**(1,428,177)**
EQUITY			
Share Capital	20 (a)	136,673	136,673
Share Premium	20(b)	250,638	250,638
Actuarial Valuation Reserve	21	65,692	65,692
Revenue Reserve	22	(1,800,396)	(1,881,180)
TOTAL EQUITY		**(1,347,393)**	**(1,428,177)**

The financial statements were approved by the Board of Directors on, 26th March, 2026 and signed on its behalf by:

(i) LT. General T.Y Danjuma (RTD), GCON — Chairman — FRC/2013/IODN/00000003130

(ii) Florence S. Iroye — Ag. Managing Director — FRC/2021/002/00000023527

(iii) Peter A. Adelowo — Financial Controller — FRC/2025/PRO/ICAN/001/208881

UNION DICON SALT PLC

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST DECEMBER, 2025

	NOTES	2025 =N='000	2024 =N='000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation		131,135	(102,422)
Adjustment for non cash items			
Depreciation of property, plant and equipment	14	19,166	1,694
Income Tax Expense	13(i)	-	-
Operating profit before capital changes		**150,301**	**(100,728)**
Changes in working capital			
(Increase)/Decrease in Inventories		(55,904)	
(Increase)/Decrease in other receivables	16	(123,342)	(72,911)
(Decrease)/Increase in Employee Benefit Liabilities	19(d)	-	817
Increase/(Decrease) in Trade and other payables	18	13,787,042	765,601
Tax paid	13	(85,957)	(1,715)
NET CASH FLOW FROM OPERATING ACTIVITIES		**13,672,140**	**591,064**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of PPE	14	(203,038)	(2,808)
Investment in subsidiary	15	(3,228)	-
Net cash flow from investing activities		**(206,266)**	**(2,808)**
Net increase/decrease in cash and equivalents		13,465,874	588,256
cash and cash equivalent at beginning		641,841	53,585
cash and cash equivalent at the end of the year	22	**14,107,715**	**641,841**
REPRESENTED BY:			
BANK BALANCE AS AT 31ST DECEMBER 2025		14,107,716	641,842
Bank facilities		-	-
		14,107,716	**641,842**

UNION DICON SALT PLC
STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER, 2025

	Share Capital =N='000	Share Premium =N='000	Reserve For Actuarial Valuation =N='000	Retained Earnings =N='000	Total Equity =N='000
Balance as at 1 January 2025	136,673	250,638	65,692	(1,881,181)	(1,428,178)
Comprehensive Income for the year	-	-	-	-	-
Profit for the year	-	-	-	80,784	80,784
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	80,784	80,784
Transaction with owners recorded directly in equity					
Balance at 31 December 2025	**136,673**	**250,638**	**65,692**	**(1,881,181)**	**(1,428,178)**
Balance as at 1 January 2024	136,673	250,638	65,692	(1,777,419)	(1,324,416)
Comprehensive Income for the year:					
Profit for the year	-	-	-	(103,762)	(103,762)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(103,762)	(103,762)
					-
Transaction with owners recorded directly in equity	-	-	-	-	-
Balance at 31 December 2024	**136,673**	**250,638**	**65,692**	**(1,881,181)**	**(1,428,178)**

UNION DICON SALT PLC
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2025

14 Property, Plant and Equipment

	LEASEHOLD LAND & BUILDING N'000	PLANT AND MACHINERY N'000	FURNITURE & FITTINGS N'000	COMPUTER EQUIPMENT N'000	TOTAL N'000
COST					
At 1 January 2024	66,082	1,131,666	169,936	14,829	1,382,513
Additions	-	-	-	2,808	2,808
Disposal	-	-	-	-	-
At 31 December 2024	**66,082**	**1,131,666**	**169,936**	**17,637**	**1,385,321**
At 1 January 2025	66,082	1,131,666	169,936	17,637	1,385,321
Additions	**39,797**	**156,770**	**-**	**6,471**	**203,038**
Disposal	**-**	**-**	**-**	**-**	**-**
At 31 December 2025	**105,879**	**1,288,436**	**169,936**	**24,108**	**1,588,359**
Accumulated depreciation and impairment					
At 1 January 2024	24,374	1,131,666	167,527	13,218	1,336,785
Charge for the year	-	-	373	702	1,075
At 31 December 2024	**24,374**	**1,131,666**	**167,900**	**13,920**	**1,337,860**
At 1 January 2025	24,374	1,131,666	167,900	13,920	1,337,860
Charge for the year	**796**	**15,677**	**373**	**2,320**	19,166
At 31 December 2025	**25,170**	**1,147,343**	**168,273**	**16,240**	**1,357,026**
CARRYING AMOUNTS					
At 31 December 2025	**80,709**	**141,093**	**1,663**	**7,868**	**231,333**
At 31 December 2024	**41,708**	**-**	**2,036**	**3,717**	**47,461**

(a) None of the company's assets is held under lease
(b) None of the company's assets is pledged as collateral for loan
(C) No contractual commitment to acquire asset during the year.

1) **Corporate information and principal activities**

Dicon Salt Limited and Union Salt Limited were incorporated as private limited liability companies on 11 October 1984 and 30 May 1991 respectively. The principal activity of the Company is the processing of crude salt. The issued share capital of the Company is held thus: 28% by Aims Limited, 19% by

Its registered office is at Phase 2, NPA Kirikiri Lighter Terminal Apapa Lagos.

2) **Basis of preparation**

a **Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in compliance with the requirements of the Companies and Allied Matters Act, 2020 and Financial Reporting Council of Nigeria Act No 6, 2011.

b **Basis of measurement**

The financial statements have been prepared under the historical cost concept except for certain financial instruments which were measured at fair

c **Functional and presentation currency**

The Company's functional and presentation currency is the Nigerian Naira. The financial statements are presented in Nigerian Naira and have been rounded up to the nearest thousand except where otherwise stated.

d **Use of estimates and judgement**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3 **New standards, interpretations and amendments**

(a) **New standards, interpretations and amendments adopted from 1 January 2022**

New standards effective for adoption in the annual financial statements for the year ended 31 December 2022 but had no significant effect or impact

Standard/Interpretation		Date Issued by IASB	Effective date periods beginning on or after
IAS 37	Onerous Contracts - Cost of Fulfilling a Contract	14 May 2022	1 January 2022
Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual Improvements to IFRS Standards 2018-2020	14 May 2020	1 January 2022
IAS 16	Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)	14 May 2020	1 January 2022
IFRS 3	Reference to the Conceptual Framework	14 May 2020	1 January 2022

(b) The following are the new standards and interpretations that have been issued, but are not mandatory for the financial year ended 31 December 2022.

In terms of International Financial Reporting Standards, the company is required to include in its financial statements disclosure about the future
At the date of authorisation of the financial statements of the Company for the year ended 31 December 2022, the following standards and

Standard/Interpretation		Date issued by IASB	Effective date periods beginning on or after
IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	12 February 2021	1 January 2023
IAS 8	Definition of Accounting Estimates (Amendments to IAS 8)	12 February 2021	1 January 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a single Transaction (Amendments to IAS 12)	7 May 2021	1 January 2023
IFRS 16	Lease liability in a Sale and Leaseback (Amendments to IFRS 16)	22 September 2022	1 January 2024
IAS 1	Non-current liabilities with covenants	31 October 2022	1 January 2024
IAS 1	Classification of liabilities as current or non-current	31 October 2022	1 January 2024

*All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not applicable to the Entity).

4) **Critical accounting estimates and judgements**

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience as well as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future,

i) ***Legal proceedings***

The Company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Company's management as to how it will respond to the litigation, claim or assessment.

ii) **Income and deferred taxation**

The Company incurs corporate tax liability and recognises changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules to recognise changes in applicable rules and in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

iii) **Impairment of property, plant and equipment and intangible assets**

The Company assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Company's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iv) **Estimates of useful lives and residual value**

The estimates of useful lives and residual values of property, plant and equipment impact the annual depreciation charge. The useful lives and residual values are based on management experience and the condition of the assets. Consideration is given to management's intended usage policy for the assets in the future and potential market prices of similar assets.

5) **Summary of significant accounting policies**

The Company's accounting policies set out below have been applied consistently to all years presented in these financial statements.

a) **Foreign currency transactions**

In preparing the financial statements of the Company, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions and any exchange differences arising are included in the income statement of the reporting period.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

All foreign exchange gains and losses recognised in the income statement are presented net in the Income statement within other operating income and operating expenses respectively. Foreign exchange gains and losses on other comprehensive income items are presented in other comprehensive income within the corresponding item.

b) **Revenue**

The Company supplies salt in the wholesale market. Sales are recognized when control of the goods has transferred, being when the goods are

The goods is often sold with volume discounts based on aggregate sales value over a 12 months period. Revenue from these sales is recognized
A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the

c) **Finance income and finance expense**

Interest income on short-term deposits is recognised 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 asset's net carrying

Dividend income from investments is recognised in the income statement when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company) and the amount of income can be measured reliably.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss where the Company holds such financial assets and impairment losses recognised on financial assets (other than

d) **Property, plant and equipment**

i) Recognition and measurement

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

ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is then derecognised. The costs of the day-to-day servicing and maintenance of an item of property, plant and equipment are recognised in the income statement during the period in which they are incurred.

iii) **Depreciation**

Depreciation is calculated on items of property, plant and equipment to write down the cost of each asset to its residual value over its estimated useful life. No depreciation is charged on items of property, plant and equipment until they are brought into use.

The principal annual rates used for this purpose, which are consistent with those for the previous years, are as follows:

Type of asset	%
Building	2
Plant and machinery	10
Computer equipment	25
Furniture and fittings	20

The assets depreciable methods, useful lives and residual values are reviewed annually and adjusted if necessary. The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gains 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 within 'Other income or operating expenses' in the year that the asset is derecognised.

e) **Impairment of non-financial assets**

Non-financial assets other than inventories are reviewed at each reporting date for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

f) **Inventory**

Inventory include salt, engineering items, bags and other consumables. Inventories are valued at the lower of cost and net realizable value. Cost includes the cost of the products, the landing cost and the expenses/charges associated with the conveyance of the inventory to the warehouse. Costs of the products are determined using the average cost methods. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale. Adequate provision is made for slow moving, obsolete and defective inventories to ensure that the value at which inventories is held at the reporting date is reflective of anticipated future sales patterns.

g) **Financial instruments**

a) Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is uncondition unless they contain significant financing components, when they are recognized at fair value. The Company

ii) Classification of financial assets at amortised cost

The Company classified its financial assets as at amortised cost only if both of the following criteria are met:

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

iii) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Company. Interest may be charge at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payment within three years from the end of the reporting period.

iv) Prepayments

Prepayments are payments made in advance relating to the following year and are recognised and carried at original amount less amounts utilised in the statement of profit and loss and other comprehensive income.

v) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, bank balances, investments in money market instruments with maturity dates of less than three months and are risk free net of bank overdraft.

vi) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

vii) Financial liabilities and equity instruments

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liabilities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

a) Trade and other payables

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

b) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company. Dividends for the year that

c) De-recognition of financial liabilities

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

h) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) **Impairment of financial instruments**

The Company has trade receivables for the sales of inventory that is subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all
To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers over a period of 36 months from 31 December 2020 and the

j) **Taxation**

i) Current income tax

The income tax expense for the period comprises current and deferred tax expense. Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the reporting date in Nigeria where the Company operates and generates taxable income.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, but it further excludes items that are never taxable or deductible. The Company is subject to the following types of current income tax:

. Company Income Tax - This relates to tax on revenue and profit generated by the Company during the year, to be taxed under the Companies Income Tax Act, Cap C21, LFN 2004 as amended to date

. Tertiary Education Tax - Tertiary education tax is based on the assessable income of the Company and is governed by the Tertiary Education Trust Fund (Establishment) Act, LFN 2011 (Amended)

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

. temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

. taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is provided for using the liability method, which represents taxation at the current rate of corporate tax on all timing differences between the accounting values and their corresponding tax written down values. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the amount will be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

k) **Employee benefits**

(i) Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. The Company recognises wages, salaries, bonuses and other allowances for current employees in the income statement as the employees render such services.

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

(ii) **Defined contribution plans**

The Company operates a defined contribution plan as stipulated in the Pension Reform Act, 2014. Under the defined contributory scheme, the Company contributes 10%, while its employees contribute 8% of their annual basic, housing and transport allowances to the scheme. Once the contributions have been paid, the Company retains no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan. The Company's obligations are recognised in the income statement as administrative expenses (employee benefits) when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available.

(iii) **Defined benefits plan**

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability in respect of a defined benefit pension plan is the present value of the

l) **Provisions**

A provision is recognized only if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The unwinding of the discount is recognised as a finance cost.

m) **Share capital, reserves and dividends**

i) Share capital

Share capital represents the nominal value of shares that have been issued.

ii) Reserves

Reserves include all current and prior periods' retained earnings.

iii) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the company's shareholders. Interim dividends are deducted from equity when they are declared. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position.

n) **Related party transactions**

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.
Where there is a related party transactions with the company, the transactions are disclosed separately as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

6) **Financial instruments - risk management**

The Company is exposed through its operations to the following financial risks:
- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(i) Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables

ii) **Financial instruments by category**

Financial assets

	Loans and receivables	
	2023	**2022**
	N'000	**N'000**
Cash and cash equivalents	58,359	6,626
Trade and other receivables	9,375	920
Total financial assets	67,734	7,546

Total liabilities

	Financial liabilities at amortised cost	
	2023	**2022**
	N'000	**N'000**
Trade and other payables	1,251,484	1,516,610

General objectives, policies and processes

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance department. The Board receives monthly reports from the Company's Accountant through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Company's Accountant also reviews the risk management policies and processes and reports his findings to the Board.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from rental income. The Company is not expose to credit risk from sales of products as it is currently not trading.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company is currently experiencing difficulty in meeting its financial obligations as they fall due. However, efforts is being made by the Board to ensure that the Company can start the production and sales of salt in order to generate income for its working capital requirements.

Capital management

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Management is currently addressing this effectively. As part of the measures to sustain the going concern, the Company has entered into a joint venture arrangement with Joatalim Logistic Limited. This arrangement currently fetch the sum of N230 million annually to sustain the
Proper attention is focused on the impact of the negative working capital and net liabilities respectively. To facilitate this, the management is committed to engage in productive activities this year with the approval by the Board to revive salt production and diversify into other bussiness opportunities. As part of the measures to sustain the going concern, the amount due to the related parties will not be required for immediate repayment until the Company returns to profitable position.

UNION DICON SALT PLC

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2025

		2025	2024
		=N= '000	=N= '000
7	**REVENUE**		
	Revenue arises from:		
	Gross sales of salt less rebate	**11,884**	-
8	**COST OF SALES**	**9,703**	-
9	**OTHER OPERATING INCOME**		
	Rental income	410,600	262,333
	Dividend income	3,500	3,900
	Other income	3,751	1,800
		417,851	**268,033**
10	**ADMINISTRATIVE EXPENSES**		
	Employee benefit expenses (note 12)	66,610	48,006
	Benefit Gratuity	-	194,201
	Repair and maintenance	9,479	9,309
	Transport and Travelling	8,812	7,720
	Office expenses	17,281	8,389
	Audit fee	2,000	2,000
	Consultancy and Professional fees	28,630	17,405
	Professional fee - Secretary	3,000	3,000
	Communication Expenses	1,947	1,200
	Printing and Stationery	979	3,129
	Depreciation of PPE	19,166	1,075
	Business promotion	4,173	4,580
	Rent and Rate	59,791	56,417
	Bank charges	89	160
	Subscription, Registration and Renewal	6,772	6,104
	Electricity and Power	1,798	350
	Advertising	15,788	400
	Donation	-	500
	Board expenses	2,573	6,510
	REGULATORY EXPENSES	9,316	
	ICT Expenses	4,036	
	MEDICAL AND STAFF WELFARE EXPENSES	5,792	
	STAFF TRAINING EXPENSES	265	
	CSR	20,600	
		288,897	370,455

UNION DICON SALT PLC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 2025

		2025	2024
11	**PROFIT FOR THE YEAR IS ARRIVED AT AFTER CHARGING**	**N'000**	**N'000**
	Depreciation on PPE	19,166	1,075
	Audit fees	2,000	2,000
		21,166	3,075
12	**EMPLOYEE BENEFIT EXPENSES**		
	Wages and salaries	66,610	48,006

13 TAXATION

Current income tax

Taxation for the period in the income statement represent deferred tax, education tax and company income tax

		2025	2024
(i)	**Profit and loss account**		
	Company income tax	45,090	1,340
	Education tax	3,758	
	Nigeria Police Trust Fund Levy	1,503	
		50,351	1,340
	Deferred tax		
		50,351	1,340

Income tax recognised in profit or loss

The charge for taxation in these finacial statements us computed in accordance with the provision of the Company's Income Tax Act, CAP C21 LFN, 2004 as amended.

The company's education tax is computed in accordance with the provisions of Education Tax Act, CAP E4 LFN, 2004 as amended which is 3% of the assessable profit for the year.

(ii) The income tax expense for the year can be reconciled to the accounting profit as per the statement of comprehensive income as follows:

	2025	2024
Profit before tax	131,135	(102,422)
Tax at the statutory corporation tax rate of 30%	(45,090)	(1,340)
Effet of income that is exempted from taxation	-	-
Effect of expenses that are not deductable in determining taxable profit	-	-
Loss relieved	-	-
Education tax at 2.5% of assessable profit	(3,758)	
Balancing charge/allowance		
Nigeria Police Trust Fund Levy	(1,503)	
Capital allowances absorbed	-	-
Minimum tax		
Deferred tax provision		-
Tax expense recognised in profit or loss	**(50,351)**	**(1,340)**
Effective rate		0.17

		2025	2024
(iii)	**Statement of financial position**		
	Balance at the beginning of the year	85,957	86,332
		85,957	86,332
	Payment during the year:		
	Income tax	(85,957)	(1,715)
	Provision for the year:		
	Company income tax	45,090	
	Nigeria Police Trust Fund Levy	1,503	
	Education tax	3,758	
	Minimum tax		1,340
	Balance at the en of the year	**50,351**	**85,957**

(iv) **Current tax assets and liabilities**

Deferred taxation

The following are the major deferred tax liabilities and asset recognised by the Company and movements thereon during the current and prior reporting periods:

	Propert, Plant and Equipments N'000	Recognised in Other Comprehensive Income N'000	Allowance in Inventory N'000	Total N'000
At 1 January 2024	11,413	-	-	11,413
Charged to profit or loss	-	-	-	-
Charged to other comprehensive income	-	-	-	-
Reclassification from equity to profit or loss	-	-	-	-
At 31 December 2024	11,413	-	-	11,413
Charged to profit or loss	-	-	-	-
Charged to other comprehensive income	-	-	-	-
Reclassification from equity to profit or loss	-	-	-	-
At 31 December 2025	11,413	-	-	11,413

(v)	**Deferred tax liabilities**				
	Balance at the beginning of the year	11,413		-	11,413
	Charge for the year			-	-
	Balance at the end of the year	11,413	-	-	11,413

		2025	2024
		N'000	N'000
15	**INVESTMENT IN SUBSIDIARY**		
	Witt & Busch Limited	-	-
	Impairment allowance	-	-
	Investment in Montegomery	3,228	-
		3,228	-

In 1998, the Company acquired 100% share of Witt & Busch Limited. The cost of the investment has been impaired as there was no record of financial performance of the company to evaluate its profitability and viability.

		2025	2024
16	**OTHER RECEIVABLES**		
	Amount due from related companies (16(a))	-	-
	Staff loan account	15,686	7,458
	Sundry receivables	190,410	75,296
	Other assets	3,702	3,702
		209,798	86,456
	Impairment allowance (16(b))		
	Total trade and other receivables	209,798	86,456
(a)	**Due from related companies**		
	Witt and Busch Limited	-	-
(b)	**Impairment allowance**		
	Amount due from related companies	-	-
	Other assets	-	-
		-	-

(c) The company has no receivable that are used as collateral for security
(d) The company does not have financial assets that are past due but not impaired.

		2025	2024
17	**CASH AND CASH EQUIVALENTS**		
	Cash at bank available on demand	14,107,716	641,842
18	**TRADE AND OTHER PAYBALES**		
	Other payables (Note 18(a))	822,226	899,901
	Accruals (Note 18(b))	43,102	84,269
	Total financial liabilities excluding loans and borrowings, classified as financial liabilities measured at amortised cost	865,328	984,170
	Directors current account	14,918,229	1,004,447
	Staff pension (18(c))	50,049	57,947
		15,833,606	2,046,564

The carrying value of trade and other paybales classified as financial liabilities measured at amortised cost approximates fair value

		2025	2024
(a)	**Other Payables**		
	PAYE	36,194	36,435
	PROV. GRATUITY EXISTING STAFF	250,006	251,992
	WITHOLDING TAX ACCOUNT	85	150
	Union dues	923	923
	Deferred income	430,667	590,667
	Joatelim Nig. Ltd	-	-
	CBO capital account	16,534	16,534
	Other payables	86,435	1,818
	ITF payables	691	691
	NSITF payables	691	691
		822,226	899,901
(b)	**Accruals**		
	Accrued charged	7,569	7,569
	Salary payable	-	-
	Audit fees	2,700	2,000
	NHF	617	617
	Staff trust fund	143	143
	Rent	32,073	73,940
		43,102	84,269

(c) Staff Pension

Balance at the beginning of the year	57,947	55,123
Deduction in the year	2,947	2,947
Remittance in the year	(10,845)	(123)
	50,049	57,947

19 EMPLOYEE BENEFITS LIABILITIES

(a) The company operates a gratuity scheme in line with the provision of the agreements entered into with Nigeria Labour Congress (NLC)
The benefits payable to members based on the completed number of years served are as follows:

(i)	Less than 2 years of meritorious service	-	Nil
(ii)	2-9 years of meritoriuos service	-	150% of monthly gross salary
(iii)	10-20 years of meritoriuos service	-	200% of monthly gross salary
(iv)	More than 20 years	-	250% of monthly gross salary

(b) The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at 31 December 2020 by Bestwole Developments Limited and the report was signed by the Managing Director of the company Mr. Wole Ogunkoya (FRC/2013/NAS/00000000986). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit. The company did not undertake any actuarial valuation in the year.

(c) The principal assumptions used for the purpose of the actuarial valuations were as follows:

	%	%
Discount rate	-	-
Rate of salary increase	-	-
rate of inflation	-	-

(d) Reconciliation of change in benefit obligation
The amount included in the statement of financial position arising from the entity's obligation in respect of its defined benefit plans is as follows:

Balance at the beginning of the year	60,002	60,002
Current service cost	-	-
Interest cost	-	-
Benefit paid	-	-
Actuarial loss - change in assumption	-	-
Actuarial loss - experience adjustment	-	-
Curtailment	-	-
Balance as at year end	60,002	60,002

(e) Statement of Other Comprehensive Income

Actuarial loss on liability during the year due to:	-	-
Change in assumption	-	-
Experience adjustment	-	-

20 SHARE CAPITAL

(a) Issued and fully paid	**2025 Number**	**2025 Value**	**2024 Number**	**2024 Value**
Ordinary share of 50 kobo each	273,346	136,673	273,346	136,673
Addition during the year	-	-	-	-
Balance at the end of the year	273,346	136,673	273,346	136,673

(b) Share Premium

Balance at the beginning of the year	250,638	-	250,638

21 ACTUARIAL RESERVE

Balance at the beginning of the year	65,692	-	65,692
Gains for the year		-	-
Balance at the end of the year	65,692	-	65,692

22 REVENUE RESERVE

Balance at the beginning of the year	(1,881,180)	-	(1,777,419)
Profit/ (Loss) for the year	80,784	-	(103,761)
Balance at the end of the year	(1,800,396)	-	(1,881,180)

23 RELATED PARTY TRANSACTION

Related parties include the Board of Directors, the Executive Board, the Managing Director, close family members and companies which are controlled by these individuals.
The amount of outstanding balances at the year end are as disclosed in Note 16(a) to the financial statements.

Transactions with key management personnel

Key management staff are those persons who have authority and responsibility for planning, directing and controlling the activities of the company.
Key management includes directors (executive and non-executive) and members of the Executive Committee. Emolument paid to the members of key management personnel during the year is as analysis:

Short term benefits	-	-
Other employee benefits	-	-
	-	-

UNION DICON SALT PLC
VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2025

	2025 N'000		2024 N'000	
REVENUE	11,884		-	
OTHER INCOME	417,851		268,033	
	429,735		268,033	
BOUGHT IN MATERIALS AND SERVICES:				
LOCAL	(212,824)		(321,374)	
VALUE ADDED	**216,911**	**100%**	**(53,341)**	**100%**
DISTRIBUTED AS FOLLOW:				
EMPLOYEES:				
SALARIES AND BENEFITS	66,610	31%	48,006	-90%
GOVERNMENT				
TAXES	50,351	23%	1,340	-3%
RETAINED IN THE BUSINESS				
ASSET REPLACEMENT (DEPRECIATION)	19,166	9%	1,075	-2%
DEFERRED TAXES				
RESULT FOR THE YEAR	80,784	37%	(103,762)	195%
	216,911	100%	**(53,341)**	100%

UNION DICON SALT PLC
FINANCIAL STATEMENTS 31ST DECEMBER 2025
FIVE YEARS FINANCIAL SUMMARY

	31st DEC 2025	31st DEC 2024	31st DEC 2023	31st DEC 2022	31st DEC 2021
	N'000	N'000	N'000	N'000	N'000
REVENUE	-	-	-	-	-
Profit before taxation	131,135	(102,422)	94,222	(44,959)	39,974
Taxation	(50,351)	(1,340)	(32,982)	33,523	(1,423)
Profit after taxation	80,784	(103,762)	61,240	(11,436)	38,551
FUNDS EMPLOYED					
Share Capital	136,673	136,673	136,673	136,673	136,673
Share premium	250,638	250,638	250,638	250,638	250,638
Retain Earnings	(1,800,396)	(1,881,180)	(1,777,419)	(1,838,659)	(1,827,223)
Actuarial valuation reserve	65,692	65,692	65,692	65,692	65,692
Equity	**(1,347,393)**	**(1,428,177)**	**(1,324,416)**	**(1,385,656)**	**(1,374,220)**
EMPLOYMENT OF CAPITAL					
Property, Plant and Equipments	231,333	47,461	45,728	43,546	43,388
Investment in subsidiary	3,228	-	-	53,981	53,981
Current Assets	14,373,418	728,298	67,130	95,142	14,865
Total Liabilities	15,955,372	2,203,936	(1,437,274)	(1,578,326)	(1,486,454)
Total Net Liabilities	**30,563,351**	**2,979,695**	**(1,324,416)**	**(1,385,657)**	**(1,374,220)**

UNION DICON SALT PLC

MANAGEMENT ANNUAL'S ASSESSMENT OF, AND REPORT ON UNION DICON SALT PLC'S INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Union Dicon Salt Plc. for the year ended 31 December 2025;

i. Union Dicon Salt Plc's management is responsible for establishing and maintaining a system of Internal Control over Financial Reporting ('ICfR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii. Union Dicon Salt Plc's management used the Internal Control-Integrated Framework (2013) of Committee of Sponsoring organization of the Treadway commission (COSO) Internal Control-Integrated framework to conduct the required evaluation of the effectiveness of the entity's ICfR.

iii. Union Dicon Salt Plc's management has assessed that the entity's ICFR as of the end of 31 December 2025 is effective.

iv. Union Dicon Salt Plc's independent auditor Felix Akinyeye & Co that gave their opinion on the audited financial statements has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Felix Akinyeye & Co that gave their opinion on the audited financial statements will be filed as part of its annual report.

Iliya Sakaba	**Florence Iroye**
Director	**Acting Managing Director**
FRC/2021/003/00000023906	**FRC/2021/PRO/00000023527**

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING

5

(i) The management of Union Dicon Salt Pic ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Securities and Exchange Act, 2007 and the Financial Reporting Council (Amendment) Act, 2023.

(ii) The management of Union Dicon Salt Pic assessed the effectiveness of our internal control over financial reporting of the Company and its subsidiaries (together "the Group") as of 31 December 2026 using the criteria set forth in Internal Control- Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act, 2007.

(iii) As of 31 December 2026 the management of Union Dicon Salt Pic did not identify any material weakness in the design and the operating effectiveness of its internal control over financial reporting. As a result, management has concluded that, as of 31 December 2026, the Group's internal control over financial reporting was effective.

(iv) The external auditor, Felix Adeyeye & Co. (Chartered Accountant), who audited the financial statements has issued an attestation report on Management's assessment of the entity's internal control over financial reporting. The attestation report of , Felix Adeyeye & Co. (Chartered Accountant), that audited its financial statement will be filed as part of its annual report

Changes in Internal Control Over Financial Reporting

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

Florence Iroye
Ag. Managing Director
FRC/2021/002/00000023527

Peter Adelowo
Financial Controller
FRC/2025/PRO/ICAN/001/208881

Certification Pursuant to Section 60 of the Investment and Securities Act, 2007

We, Florence Iroye and Peter Adelowo, certify that:

a) We have reviewed the report on the Assessment of Internal control over financial reporting of Union Dicon Salt Plc

(b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report,

(c) Based on our knowledge, the consolidated and separate financial statements, and other financial information Included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report:

(d) We

(1) are 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 Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared,

(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 consolidated and separate financial statements for external purposes in accordance with generally accepted accounting principles;

(4) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

(e) We have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the audit committee

(1) All significant deficiencies and that there are no material weaknesses in the design or operation of the Internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

(2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system

(f) We have identified, in the report whether there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Florence Iroye
Ag. Managing Director
FRC/2021/002/00000023527

Peter Adelowo
Financial Controller
FRC/2025/PRO/ICAN/001/208881