

# ANNUAL REPORTS & ACCOUNTS

For The Year Ended  
31st December 2025

**V.O.OLAFAMOYE & Co.**  
(Chartered Accountants)

C/o The IMR Place  
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**CORPORATE INFORMATION****Registered Company Number: RC: 1026336****1. Board of Directors:**

<b>DIRECTORS</b>			
	<b>Names</b>	<b>Nationality</b>	<b>Status</b>
1	Hezekiah Chinyere <b>OSHABA</b>	Nigerian	Chairman
2	Antonia Chinyere <b>AKABUSI</b>	Nigerian	MD/CEO
3	Chris A. <b>OGBAISI</b>	Nigerian	Executive Director
4	John Zimako <b>AKABUSI</b>	Nigerian	Executive Director
5	Tambari Abdullahi <b>KABIRU</b>	Nigerian	Non-Executive Director
6	Amos A. <b>FALADE</b>	Nigerian	Independent Director
7	Oyewole Isaac <b>OGUN</b>	Nigerian	Independent Director
8	Bob Osarubo <b>ADEGHE</b>	Nigerian	Non-Executive Director

- 2.** Registered Office: 3 SWIFT OIL AVENUE  
IKOTO JUNCTION OLD  
LAGOS/ORE EXPRESS WAY  
IJEBU ILLESE  
ODOGBOLU, OGUN STATE
- 3. Principal Place Of Business:** Imegun Farm Settlement  
Ijebu Itele, near Ijebu Ode  
Ogun State.
- 4.** Company Secretary: Chief Barr. Solomon Ogie Itsede  
S.O. Itsede & CO Chambers  
Zuma Complex, E. Close  
202, Road  
Festac Town, Lagos
- 5.** Independent Auditors: **V.O.OLAFAMOYE & Co.**  
(Chartered Accountants)  
C/o IMR Place  
27, Ogunlana Drive  
Surulere, Lagos
- 5.** Principal Bankers:
- i. Stanbic Bank Limited
  - ii. UBA
  - iii. Zenith Bank Plc
- 6.** Solicitors: **S. O. Itsede & Co (solicitors & Co.)**  
Zuma Complex, 202 Road  
Festac Town, Lagos
- 7. Registrar** **Datamax** Registrars Ltd  
2C Gbagada Expressway  
Anthony Oke Bus stop  
Lagos
- 8. TIN:** **13074929-0001**

## COMPANY PROFILE

ZICHIS Agro Allied Industries Plc was incorporated on April 12, 2012 as Zichis Farms Limited, but in May 2024 changed its name to Zichis Agro Allied Industries Plc and converted to a public liability company. On July 28 2025, the Securities & Exchange Commission registered the securities of Zichis Agro Allied Industries Plc for public trading, and the Company was approved by Nigeria Exchange Limited to list its Equity Securities for trading on its Growth Board on 20 January 2026. Zichis Agro Allied Industries plc is a fully integrated agro industrial company with oil palm plantations, Palm oil mill, palm kernel, vegetable oil refining and processing, poultry & Fish Farms Animal Feed Milling, animal husbandry, maize and other cash crop farming. Its corporate head office is at - 3B Swift Oil Avenue, Ijebu Ilese, Odogbolu, Sagamu/Ore expressway, near Ijebu Ode, Ogun State

**Brief History :** Zichis Agro Plc Commenced business in 2020 with the planting of its Oil Palm Plantation on over 18 Acres of land at Ijebu itele, near Ijebu Ode, Ogun State. It current have 61 acres of oil Palm Plantation which started fruiting in 2024. The company have recently signed Land Purchase agreements to acquire 2,000 acres of Land to expand the oil palm plantation to 2,000 acres . The Company also has in its Poultry farms 20,000 grower Birds and 25,000 Layers, and 22 large earthen ponds with over 2,000 fishes each. The Company also has a 2 ton Capacity per hour and monthly capacity of 416 tons. Animal feed processing plant now being upgraded to 5 tons per hour (Monthly Capacity of 1,040 tons) for 8 hours operational daily to meet internal and external demand of its products. The company also inter-crop the palm trees with maize and cassava in early years of the Palm plantations.

**Our products:** We supply fresh Eggs for the protein needs of our terming customers. The Company also sells fresh fruit palm bunches for now until Q2 2026 when it will install its Oil palm and a Vegetable Oil Mill Plants for the processing and packaging of its products for the local and Export Markets. The Company in its Poultry farm brood Day Old Chick (DOC) to point of lay for sale to other Farmers. Also excess Animal feed products is sold to other farmers within the region.

**Employment:** Zichis Agro provides employment directly and indirectly a good number of people within the Ijebu Ode and Lagos mainland areas and with plans to employ more people as its business continue to expand.

**Community Relation:** In order to sustain a friendly operating environment, and in an effort to ensure that its presence impacts positively on the lives and social well being of its host communities, Zichis Agro embarks on constant and meaningful Corporate Social Responsibility policy projects like provision of fertilizers natural -bird dropping and petrochemicals, training in education and skill acquisition, full & part time employment, access road maintenance and clean bore hole water among other services.

**Environment:** Zichis Agro firmly believes in environmentally friendly and sustainable operation. All Poultry litters is dried and used as manure for the crop farming to grow healthy crops and solar powered pumps are used to deliver clean water to the Fish ponds.

**Future Investments and Expansion:** By increasing the palm oil plantations area in sustainable phases and improve yield per unit using modern planting materials total palm plantation, palm oil & vegetable oils and palm produce will increase substantially after the installation of Palm oil and Vegetable oil processing plants in Q2 2026.

Zichis Agro plans to plant a total of 2,000 Acres over the next 5 years to 2030 at its Imegun Farm Settlement, Ijebu Itele, Ajebo and Ogbere communities in Ogun state, South West region. The point of lay growers will be raised to 50,000 per 14week cycle while the layers will be increased to 100,000 layers by the Q4 2026. Also fish aquaculture production will be substantially boosted, Animal feed production units plant will be scaled up from 2 tons per hour to 5 tons per hour from 416 tons monthly to over 1,040 tons monthly. Zichis Agro plc also is planning to acquire or invest in agribusiness in its line of focus as part of Zichis Agro Allied plc organic and inorganic expansion strategy.

**For more information** on Zichis Agro Allied Industries Plc please visit our website:  
<https://zichisagroallied.com.ng> Telephone : 08021066157, 08033046655

## ZICHIS AGRO ALLIED INDUSTRIES PLC

NOTICE IS HEREBY GIVEN that the 3<sup>rd</sup> Annual General Meeting of the members of Zichis Agro Allied Industries plc ('the Company')

Will be held virtually on Wednesday, 22 April, 2025, at 12:00 noon to transact the following:

### A. Ordinary Business/Ordinary Resolutions

1. To lay before the members the Audited Financial Statements for the year ended December 31, 2025, together with the Reports of the Directors, Independent Auditors and Audit Committee thereon.
2. To declare a Dividend and a Bonus share.
3. To re-elect the Directors who are retiring by rotation and being eligible have offered themselves for re- election: The profiles of the named Directors can be found on the company's website: <https://zichisagroallied.com.ng>
4. To disclose the remuneration of managers of the Company.
5. To re-appoint V. O. Olafamoye & Co (Chartered Accountants) as Independent Auditors of Zichis Agro Allied Industries Plc. To authorize the Directors to fix the remuneration of the Independent Auditors.
6. To re-appoint Winners Investment and Trust Co as Financial Advisors of Zichis Agro Allied Industries Plc. To authorize the Directors to fix the remuneration of the Financial Advisors

### B. Special Business

7. To approve the Non-Executive Directors' remuneration for the Year Ended 31 December, 2025

To consider, and if thought fit pass the following special resolutions:

10. That in compliance with the Rule of the Nigerian Exchange Limited governing transactions with Related Parties or Interested Persons, the Company, and its related entities be and are hereby granted a General Mandate in respect of all recurrent transactions entered with a related party or interested person provided such transactions are of a revenue or trading nature or are necessary for the Company's day-to-day operations and are based on normal commercial terms.

### **Amendment of Articles of Association**

- 11 That pursuant to Part 1, Section 11 of the Schedule to the Business Facilitation (Miscellaneous Provisions) Act 2022, the Company's Articles of Association be amended by the insertion of the following new Article 28 to provide as follows: (a) "The Company shall in each calendar year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notice calling it and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Any other general meetings held within the year shall be called "Extraordinary General Meetings".

To consider and if thought fit to pass the following as ordinary resolutions.

- 12 That the Board of Directors is duly authorized to invest and acquire directly or through its subsidiary all or majority of the shares or assets of a company or companies in the same line of business with Zichis Agro Allied Industries Plc as determined by the Board of Directors pursuant to the Business Expansion Programme.
13. That the Company be and is hereby authorised to raise additional capital through Private

placing of Equity shares, Debt Finance or Equity raising or a combination of both and by the issue of debt instruments in such tranches, series, or proportions and at such periods or dates, coupon or interest rates and such other terms and conditions as may be determined by the Board of Directors subject to obtaining the approvals of the relevant regulatory authorities.

14. That the Directors be and are hereby authorised to do all such acts and deeds as well as take all such steps (including but not limited to executing or authorising the execution of all relevant agreements and documents, appointing professional advisers and other parties and complying with directives of any regulatory authority which may be incidental, ancillary, supplemental, consequential or otherwise necessary to give full effect to the above resolutions and for the aforesaid purpose, on behalf of the Company.

15. That a new Article no: in the Company's Articles of Association be and is amended by creating and inserting a section to include the following provision "The Directors may entrust, delegate and confer upon a Managing Director or any other Executive Director any of the power exercisable by them, to do or deal with the shares or stocks of the Company or to borrow except in the ordinary course of business upon such terms and conditions .

## **Proxy**

A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her/it" s stead. A proxy need not be a member of the Company. A proxy form can be found on the company's website at <https://zichisagroallied.com.ng> Duly completed and stamped instruments of proxy should be emailed to [info@datamaxregistrars.com](mailto:info@datamaxregistrars.com) or deposited at the office of the Registrar, Datamax Registrars Limited, 2c, Gbagbada , Anthony Oke bus stop Lagos, not later than 48 hours before the time of the meeting.

## **Dividend Qualification Date**

Members whose names appear in the Register of Members at the close of business on 16 March, 2026, shall qualify for the dividend payment.

## **Closure of Register and Transfer Books**

In accordance with Section 114 of the Companies and Allied Matters Act, 2020 (CAMA 2020), Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from Monday 29 September, 2025, to Wednesday 30 September, 2025, (both days inclusive) to enable the Registrar to prepare for the payment of the dividend.

## **Payment of Dividend**

If the proposed final dividend of 20 kobo per 50 Kobo Ordinary Share, and a Bonus Script issue of One (1) for every One (1) existing share held by Shareholders is approved at the meeting, the dividend will be paid on Monday 30 May, 2026 to shareholders whose names appear on the register of members at the close of business on Friday 17 March, 2026.

## **E-Annual Report**

The electronic version of the audited financial statements of the company for the year ended December 31, 2025, is available at [www.datamaxregistrars.com](http://www.datamaxregistrars.com). Shareholders who have provided their email addresses to the Registrars will receive the electronic version of the audited financial statements of the company for the year ended 31 December, 2025, via email. Furthermore, shareholders who are interested in receiving the electronic version of the audited financial statements of the company for year ended 31 December, 2025, are kindly required to request for it via email to [info@datamaxregistrars.com](mailto:info@datamaxregistrars.com)

## **E-Dividend**

Notice is hereby given to all Shareholders who are yet to mandate their dividends to their bank accounts to kindly update their records by completing the e-dividend mandate form and submitting same to the Registrar, as the dividend will be credited electronically to shareholders' accounts pursuant to the directive of the Securities and Exchange Commission. A detachable application Mandate form for e- dividend payment can be found in the company's website and the website of the Registrars, Datamax Registrars Limited for completion by all Shareholders to furnish the particulars of their accounts to the Registrars (Datamax Registrars Ltd, 2c, Gbagbada , Anthony Oke bus stop , Lagos, Lagos state).

## **Nomination for Statutory Audit Committee**

In accordance with section 404 (6) of the Companies and Allied Matters Act, 2020 (CAMA 2020), any member may nominate a Shareholder as a member of the Statutory Audit Committee by giving notice in writing of such nomination to the Company Secretary (together

with a short biodata of the nominee), at least 21 days before the Annual General Meeting. A list of the prospective candidates shall be posted on the Company's website before the date of the meeting.

#### Rights of Securities Holders to Ask Questions

Pursuant to Rule 19.12 (c) of the Nigerian Exchange Limited Rulebook 2015, as amended, every shareholder has the right to ask questions, not only at the Annual General Meeting but may also submit written questions to the Company prior to the meeting. Such questions should be sent by electronic mail to: [info@datamaxregistrars.com](mailto:info@datamaxregistrars.com) or addressed to the Company Secretary and delivered to the Company not less than 7 days to the date of the meeting.

Website

A copy of this Notice and other information relating to the meeting (with a link for all Shareholders to join the meeting on the 22nd of April 2025) can be found at <https://zichisagroallied.com.ng>

By Order of the Board

A handwritten signature in blue ink, appearing to read 'Solomon O. Itsede', written over a horizontal line.

Chief Solomon O. Itsede, Esq.

Company Secretary

Dated this 19<sup>th</sup> day of February 2026.

## RESULTS AT A GLANCE

Result at a Glance	2025	2024	Percentage change
	₦	₦	
Revenue from contracts with customers	675,616,240	288,987,850	134%
Profit before taxation	364,213,673	69,937,949	405%
Income tax expense	(36,151,822)	(13,227,080)	234%
Profit for the year	328,061,851	56,710,869	478%
Other comprehensive Income/loss	-	-	-
Total comprehensive income	328,061,851	16,757,000	478%
Dividends Provision	120,000,000	30,000,000	300%
Shareholders' Funds	1,225,714,633	867,276,894	41%
Number of employees	31	28	
Earnings Per Share	0.55	0.10	216%
Dividends Per Share	0.20	0.05	300%
Net Assets Per share	2.00	1.42	36%
Share Price	-	-	

## **Chairman's Report**

Ladies and Gentlemen, esteemed shareholders, and distinguished guests,

I extend a warm welcome to each of you to the 3rd Annual General Meeting of our Company and the 1st since becoming listed on the NGX EXCHANGE. It is my pleasure to present to you the Annual Report and Financial Results for the year ended 31st December 2025, which provides insights into our 2025 journey as well as our vision for the year ahead.

### **The Operating & Economic Environment for 2025**

Geopolitical tensions and economic pressures dominated the global landscape in 2025. In Nigeria, the operating environment was exceptionally challenging due to the effect of several macroeconomic policies and market reforms implemented by the Federal Government in 2023/2024. These resulted in the depreciation of the Naira, surge in petrol prices and persistently high inflation (reaching a near 30-year peak of 34.8% by mid 2025) but is now coming down due to rebasing of Inflation and GDP rate among other Federal Government measures to tame inflation. This increased the already high cost of living, soaring food prices, escalating energy and high transport costs and high cost of agricultural inputs. Likewise, the country's debt service cost remained unsustainably high relative to government revenue.

Our Company was also not immune to the voracity of these pressures, as was seen in the increase in costs, year on year. The resultant effect on the Company was an increase in the already existing hurdles for productivity and growth. However, the Company was able to navigate these headwinds and in 2025, the Company recorded Sales turnover increase of 134% and net profit increase of 478%.

### **Operating Results**

#### **i. Palm Oil**

The total Oil Palm area for 2025 was 61 acres fully mature Palm trees estate expected to increase yield of Fresh Fruits Bunch (FFB) substantially. The Company have recently signed Land Purchase agreements with communities in Ajebo and Ogere in Ogun State to acquire 2,000 acres of Land to commence planting new Palm trees.

The Oil mills plant to process the Oil Palm fruits will be installed in Q2 2026 to aggregate fruits internally and externally.

Total revenue for all Oil palm products in 2025 was N182.7million compared to N14,283,200 achieved in 2024, but it is expected to significantly contribute massively to the Company's turnover and net profits substantially in the coming years.

#### **ii. POULTRY FARMS**

Our Livestock Farm is sitting on 18 Acres of land with over 20,000 growers and 25,000 layers for Egg production. We also have 22 earthen ponds stocked with over 2,000 catfish each for aquaculture production. The Fish pond capacity is further being expanded to increase Revenue and profitability. Egg production is being scaled up from current 25,000 layers pen capacity to 100,000 by Q4 2026, while the growers brooding to point-of-lay for sale will be increased to 50,000 birds in Q3 2026.

For the year 2025 Egg production sales grew 47% from N154,690,650 in 2024 to N226.7 million in 2025, while Chicken poultry sales grew by 207%. Fish sales increased 56% from N23million in 2024 to N35million in 2024.

## **FEEDMILL PRODUCTS**

The Company has feed mill plant with a production capacity of 2 tons per hour or 480 tons monthly capacity and is currently being expanded to 5 tons per hour to meet internal use and sell to farmers across the region. Sales of feed mill products to third party farmers in 2025 increased from N57.5 million (2024) to N108.7 million representing about 89% increase year on year. Zichis Agro Allied Industries Plc has established strategic alliance with local farmers to grow high breed maize and cassava which has assisted us greatly in our backward integration in feeds production.

### **Consolidated Financial Results**

During the year under review, despite the economic pressures and the difficult economic situation and high cost of production, our Company remained resilient. I am pleased to report that our Company recorded a total turnover of N675.6 million (N289 million in 2024), representing a commendable 134% increase over the previous year.

Consolidated costs of sales for 2025 recorded an increase of approximately 39 % over those in 2024, whilst consolidated gross profit increased by approximately 134 % from N58 million in 2023 to N135.5 million in 2024.

The Company's net profit for 2025 on continuing operations increased by approximately N478% to N328 million (N56.7 million in 2024).

### **Dividends & Bonus share issue**

In recognition of our Company's performance, the Board of Directors has recommended a cash dividend payment of 20kobo per share and a Bonus shares issue of One (1) for One (1) existing ordinary shares held by our esteemed shareholders. A form for this purpose is included in the notice of AGM and can be downloaded from the Company's website: <https://zichisagroallied.com.ng> or from the registrars Datamax Registrars limited website: [www.datamaxregistrars.com](http://www.datamaxregistrars.com)

### **Environment Sustainability, Health, Education & Safety for 2025**

Environmental conservation, health, education and safety standards remain key facets of the Company's commitments, ensuring the minimization of any negative impacts on our staff, their families, communities and the surrounding biodiversity. This commitment is reflected in the Company's bold effort to continually maintain high standards were also successfully implemented in 2025.

### **Employees**

The Company had a peaceful and conducive work environment with its employees throughout the year 2025 under review and continued its comprehensive health, safety and welfare programs for staff in 2025.

### **Corporate Social Responsibility**

In 2025, the Company maintained its strong commitment to corporate social responsibility, consistently investing in community development projects, education, and skills acquisition programs designed to empower many individuals and families within the neighboring communities within the Company's footprint and to promote sustainable social growth and development within these communities.

### **Future Expansion & Development Plans for 2026**

As we look to the future, we remain committed to purposeful expansion and sustainable growth. In 2026, on the main business lines of the Company, the Company will continue to expand its Egg layers unit and point of lay chicken brooding program as I have earlier indicated in this letter, expansion of the Feed mill plant capacity from 2tons per hour to 5tons per hour is on-going. The Company will expand the Oil Palm estates in phases by planting up to 2,000 acres of oil palm trees for which Land Purchase agreements to acquire a total 2,000 acres were recently signed with communities in Ajebo and Ogbera in Ogun State, with further plans to roll out more in the future.

### **Conclusion**

In closing, I express my gratitude to our esteemed shareholders, regulators, management team, staff, and all stakeholders for their contribution to the commendable performance of the Company in achieving these stellar results, especially under our prevailing business environment and economic circumstances. With our dedicated team and unwavering dedication to our vision, we will achieve even greater success in the year ahead.

I also wish to thank you for your attendance at our Annual General Meeting this year and wish you well in 2026.



MR. HEZEKIAH ADEJOH OSHABA

**CHAIRMAN**

21, February 2026

## REPORT OF THE DIRECTORS

The Directors' present their report together with the audited financial statements of the Zichis Agro Allied Industries Plc ("the Company") for the year ended 31 December 2025, which disclose the state of affairs of the Company.

### **Legal form**

The Company was incorporated as a private limited liability Company on 12 April 2012. It was converted to a public limited Company on May 2024 under the Companies and Allied Matters Act, and it is domiciled in Nigeria.

### **Principal activities**

The principal activities of the Company are the cultivation of oil palm, processing of fresh fruit bunches into crude palm oil for resale, Poultry and Fish farms, Animal feed production, Snail Farming, and cultivation of maize and other cash crops for sale to third parties.

	<b>2025</b>	<b>2024</b>
Results	<b>₦</b>	<b>₦</b>
Revenue from Sales to third parties	675,616,240	289,987,850
Profit before taxation	364,213,673	69,937,949
Income tax expense	36,151,822	(13,227,080)
Profit for the year	328,061,851	56,710,869

### **Dividend & Bonus shares**

The Directors approved a cash dividend of 20 kobo per ordinary shares, subject to the deduction of withholding tax at the appropriate rate, and a Bonus of One (1) new shares for every existing One (1) shares held as at the qualifying date 17 March, 2026. This proposed dividend and Bonus will only be recognized as a liability after approval by the shareholders at the Annual General Meeting (AGM).

### **Board of Directors**

**The members of Board of Directors of the Company for the year under review comprise:**

<b>DIRECTORS</b>			
	<b>Names</b>	<b>Nationality</b>	<b>Status</b>
1	Hezekiah Chinyere <b>OSHABA</b>	Nigerian	Chairman
2	Anthonia Chinyere <b>AKABUSI</b>	Nigerian	MD/CEO
3	Chris A. <b>OGBAISI</b>	Nigerian	Executive Director
4	John Zimako <b>AKABUSI</b>	Nigerian	Non-Executive Director
5	Tambari Abdullahi <b>KABIRU</b>	Nigerian	Non-Executive Director
6	Amos A. <b>FALADE</b>	Nigerian	Independent Director
7	Oyewole Isaac <b>OGUN</b>	Nigerian	Independent Director
8	Bob Osarubo <b>ADEGHE</b>	Nigerian	Non-Executive Director

### Directors Retiring

In accordance with Section 285 (1) of the Companies and Allied Matters Act 2020. One-third of the Directors shall retire at the conclusion of the Annual General Meeting, and these Directors, being eligible, hereby offer themselves for re-election.

History of the Share Capital					
	Authorized				
	Share Capital	Value	Issued and fully Paid Shares	Value	Remarks
Year	₦	₦	Units	₦	₦
2012	1,000,000	1,000,000	1,000,000	1,000,000	Initial shares N1/per share
2023	100,000,000	100,000,000	100,000,000	100,000,000	Increase of N99,000,000
2023	300,000,000	300,000,000	300,000,000	300,000,000	Increase of N200,000,000
2024	300,000,000	300,000,000	600,000,000	300,000,000	Devaluation to 50kobo/per share

### Substantial interest in shares

The shares of Zichis Agro Allied Industries Plc are 54% owned by Chilla Entertainment Limited, 22.65% Winners Investment & Trust Co. Limited which are incorporated under the laws of Nigerian CAMA 2020, 10% by Mrs. Akabusi Anthonia Chinyere and 13.35% held by Nigerian individual's shareholders. Other than the earlier mentioned 3 entities, no other shareholder holds more than 5% of the issued share capital of the Company.

### Analysis of shareholding structure as at 31 December 2025

Range of Shareholding	Number of shares Held	% Holding	Number of shareholders	Percentage (%)
1 -100,000	90,000	0.03	3	30%
100,00-20,000,000	80,000,000	13.32	4	40%
20,000,0001-above	519,910,000	86.65	3	30%

### Suppliers

The company purchases its spare parts and machinery from both local and overseas suppliers.

### Major Distributors

The Company's Palm Oil products, Poultry and Fish, Animal feed products are locally distributed across the country through key distributors.

### Director's Interest in Contracts

None of the Directors for the purpose of Section 303 of the Companies and Allied Matters Act 2020 has notified the company of having any direct or indirect interest in contracts or proposed contracts with the company during the year.

## Directors' interest

The Director's interest in the issued share capital that are fully paid up as recorded in the register of Directors' shareholdings and/or notified by them for the purposes of section 301 of the Companies and Allied Matters Act, 2020 and the listing requirements of Nigerian Exchange Limited are set out as follows:

Held as at:	31st December 2025		31st December 2024	
	Direct Number	Indirect Number	Direct Number	Indirect Number
(Chilla Entertainment Ltd) John Zimako Akabusi	-	324,000,000		324,000,000
Mr. Ogbaisi Chris A. (Winners Invest & Trust Ltd)	20,000,000	135,910,000	20,000,000	135,910,000
Mrs. Akabusi Anthonia C.	60,000,000		60,000,000	
Mr. Hezekiah Adejoh Oshaba	20,000,000	-	20,000,000	-
				-

## Managers' Remuneration

In compliance with section 257 of the Companies and Allied Matters Act, 2020 and the Nigerian Code of Corporate Governance, the Company makes disclosure of its remuneration of its managers as follows:

Type of Package Fixed	Description	Timing
Basic Salary	The Company pay competitive salary package and the extent to which the Company's objective have been met for the financial year.	Paid monthly during the Financial year
Director s' fees	Paid annually to Non - Executive Director s and Independent Non-Executive Directors.	Paid annually
Sitting allowances Non-Executive	Allowances paid to Directors and Independent Non-Executive Directors for attending Board and Board Committee meetings.	Paid as per each meeting

## **Employee Health, Safety, and Welfare**

The Company accords the highest priority to health and safety in its operations. To this end, health and safety regulations are operational within the Company.

The Company has engaged competent medical practitioners to treat accidents, if any, that may arise from the operations of the Company and provides medical care for its employees through designated hospitals and clinics.

### **Employee training and development**

The Company believes in the development and training of its staff. There is great emphasis on staff development and training through carefully planned training courses and seminars to update the special skills and job requirement of the staff throughout the Company.

### **Employment of physically challenged persons**

The Company's policy is to give equal consideration to all persons, including those who are physically challenged persons, in all matters of employment after taking cognizance of their special aptitudes or challenges. Employees who become physically challenged during the course of their employment are given reasonable alternatives, having regard to their disabilities.

### **Property, plant and equipment**

Movements in property, plant and equipment during the year are shown in Note 17 to the financial statements.

### **Biological Asset**

Movement in the Biological Assets during the year are shown in Note 17 to the financial statements.

### **Events after Reporting Period**

The Directors are of the opinion that there were no events after the reporting date that could have material effect on the financial statements of the Company that had not been adequately provided for or disclosed in these financial statements.

## **Health, safety, and welfare**

Health and Safety regulations are in force within the Company and are displayed on various notice boards within the premises. The Company engaged a private clinic to provides medical facilities to all levels of employees.

### **Corporate Social Responsibility**

The Company expended a huge sum of money on corporate social responsibility projects during the year within the Community of its operation.

In accordance with Section 43(2) of the Companies and Allied Matter Act, 2020, the Company did not make or gift to any political party, political association or for any political purpose during the year.

### **Corporate Social Responsibility for Financial Reports**

In accordance with Section 405 of the Companies and Allied Matters Act 2020, each, and all the Directors, as at the date of the approval of this report confirm that:

- So far as he is or they are aware, that the audited financial statements do not contain any untrue statement of material fact or omit state of material facts, which would make the statements misleading, in the light of the circumstances under which such statements are made; and
- the audited financial statement and all other financial information included in the statements fairly presents, in all material respects, the financial condition and results of the operation of the Company as of and for the periods covered by the audited financial statements.

### **Audit Committee**

Pursuant to Section 404 of the Companies and Allied Matters Act 2020, the Company has a statutory audit committee comprising three representatives of the Shareholders and two representatives of the Directors. The members of the Committee are Mr. Falade Amos Adeoye, Mr. Omasan Hamilton, Ms. Matilda Chinonye Elochukwu , Alhaji Tambari Abdullahi Kabiru and Mr. Adenle Adedapo who acted as the Chairman of the Committee.

### **Independent Auditor**

Messrs. **V. O. OLAFAMOYE & Co. (Chartered Accountants)** has indicated their willingness to continue in office as auditors of the Company in accordance with Section 401 of the Companies and Allied Matters Act 2020. A resolution will be proposed authorizing the Directors to fix their remuneration at the Company's general meeting.

By Order of the Board of Directors



CHIEF SOLOMON O. ITSEDE  
Company Secretary  
Dated this 19<sup>th</sup> February, 2026

S.O. Itsede & CO Chambers  
Zuma Complex, E. Close  
202, Road  
Festac Town, Lagos

## **CORPORATE GOVERNANCE REPORT**

### **Corporate Governance**

The Board is responsible to the shareholders for the management and control of the Company's activities and is committed to the highest standards of corporate governance as set out in the Nigerian Code of Corporate Governance. It is the Board's view that the Company has fully complied with the provisions of the Code during the year.

The section provides the details of how the Company applied the principles and complied with the provisions of the Code.

### **Board composition and balance**

During the year, the Board comprised a Non-Executive Chairman, two Independent Non-Executive Directors, three Non-Executive Directors and two Executive Directors.

The posts of Chairman and Managing Director are separate and independent. The Chairman is responsible for the working and leadership of the Board and for the balance of its membership. The Managing Director is responsible for leading and managing the business within the authority delegated by the Board.

The Board considers that during the year the company was in full compliance with the Nigerian Code of Corporate Governance, which requires that the membership of the Board should not be less than 5 persons and should be a mix of executive and non-executive Directors headed by a chairman with at least one Independent Director.

It is part of the Board's plan to ensure that it has a blend of skills experience and independence that is required to provide leadership and to shape the overall strategic development of the company.

### **Functioning of the Board**

The Directors receive management information, including financial, operating, and strategic reports, in advance of Board meetings. The Board receives presentations from non-board members on matters of significance which help to give the Board greater insight into the business of the company. The company's solicitors and company secretary provide the Board with ongoing reports that cover legal and regulatory changes and developments.

The Board has a formal schedule of matters specially reserved to it for decision making, although its primary role is to provide leadership and to review the overall strategic development of the company as a whole. In addition, the Board sets the company's values and standards and ensures that the company acts ethically and that its obligations to its shareholders are understood and met. The Board is specifically responsible for the:

- Approval of the company's strategy and its budgetary and business plans.
- Approval of the significant investments and decisions.
- Review of the performance, assessed against the company's strategy, objectives business.
- Approval of the annual results, interim management statements, accounting policies and the appointments and, subject to shareholder approval, remuneration of the external auditors.
- Approval of the dividend policy, and the recommendation of the final dividend.
- Changes to the company's capital structure and the issue of any securities.
- Establishing the company's risk policies, system of internal control, governance, and approval authorities.
- Executive performance and succession planning, including the appointment of new Directors; and
- Determine the standards of ethics and policy in relation to business practice, health, safety, environment, social and community responsibilities.

**Functioning of the Board**

At its meetings during the year, the Board discharged the duties above and received updates on the following financial performance indicators; key management changes; material new projects; financial plans; legal and regulatory updates, and in particular, it continued with development work in the future expansion project of the company. In addition to formal reports passed to the Directors, the Directors are expected to take responsibility for identifying their own individual needs and to take appropriate steps to ensure that they are properly informed about the Company and their responsibilities as a Director.

### **Board performance and evaluation**

In the year under review, the company's consultants undertook an annual independent evaluation of the Board and Board committees' performance and ascertained whether there were areas where performance and procedures might be further improved. The outcome of the Board evaluation was highly enlightening and very satisfactory.

### **Board training**

The company's policy encourages Directors to attend different training programmes and seminars that enhance their professional skills and inform them of new developments in the company's business and operating environment.

### **Director's conflicts of interest**

The Directors have and are aware of the statutory duty to avoid a situation in which they have, or could have, an interest that conflicts or possibly may conflict with the interests of the company. They will not be in breach of that duty if the relevant matter has been authorized in accordance with the Articles by the other Directors. The Board has adopted a set of guiding principles on managing conflicts and has approved a process for identifying current and future actual and potential conflicts of interest.

### **Board resignation and appointment**

Changes in the composition of the Board are as set out in the Director's report.

The Board has a written policy in respect of the appointment of new members. The policy sets out the basis of selection, the process of examining and evaluating the curriculum vitae together with personal interviews by the Chairman and members of the Board. An induction process is held upon acceptance of the person on the Board.

### **Board meetings**

During the year the Board held four scheduled meetings. The record of attendance of Directors at the scheduled committee meetings that were convened in the year ended 31 December 2025 are kept in a register. In line with the provisions of section 267(1) of the Companies and Allied Matters Act, 2020, the record of Directors' attendance at board meetings shall be available for inspection at the Annual General Meeting. The Board and Committee meetings are structured to allow open discussion. All Directors receive detailed papers in advance of Board meetings.

When unable to be physically present in person, Directors may attend by audio or video conference. When Directors are not able to attend the Board or its committee meetings in which they are members, their comments on the paper to be considered at that meeting are relayed in advance to the Chairman of that meeting or an alternate/proxy is produced where applicable.

The company secretary, whose appointment is a matter reserved for the Board, is responsible for advising and supporting the Chairman and the Board on company Law and corporate governance matters and ensuring that Board procedures are duly followed. The officer is responsible for ensuring that there is a smooth flow of information to enable effective decision-making.

All Directors have access to the advice and services of the company's legal counsel and the company secretary and through him, have access to independent professional advice in respect of their duties at the company's expense.

## CORPORATE GOVERNANCE REPORT

<b>Years of Service</b>		
<b>Board</b>		<b>Years</b>
Chairman	Mr. Hezekiah Adejoh Oshaba	2
Managing Director	Mrs Akabusi Anthonia Chinyere	5
Executive Director	Mr. Ogbaisi Chris A.	3
<b>Non-Executive Directors</b>		
Mr. John Zimako Akabusi		2
Dr. Bob Osarubo Adeghe		4
<b>Independent Directors</b>		
Mr. Falade Amos Adeoye		2
Mr. Oyewole Isaac Ogun		2
<b>External Auditors</b>		
Messrs. <b>V. O. OLAFAMOYE &amp; Co.</b> (Chartered Accountants)		4

### Board Committees

The Board has delegated certain authority to the Committees, each with formal terms of reference, which are available on request or can be obtained from the Company Secretary. The Committees of the Board are as follows:

- Risk Management Committee
- Audit Committee
- Governance/Remuneration Committee

The Chairman of the Board of Directors is a member of only one of the Board Committees.

### Risk Management Committee

The Committee comprised three Non-Executive Directors and one Independent Director as shown below:

Mr. Ogbaisi Chris A.	Executive Director	Chairman
Dr. Bob Osarubo Adeghe	Independent Director	Member
Mr. John Zimako Akabusi	Non-Executive Director	Member

The Risk Management Committee is charged with the responsibility for acknowledging and identifying risk in the workplace and in the operating environment, evaluating and prioritizing such risks that may arise and advising the company on how to avoid, modify and manage all risks the company may encounter. During the year, the Committee was chaired by Mr. Ogbaisi Chris A. with two other Directors as members. The Committee met three times in 2025.

### Audit Committee

**The Committee comprised two Non-Executive Directors and three elected members of the shareholders as shown below:**

Rev. Adenle Adedapo A.	Shareholder	Chairman
Mr. Omason Hamilton	Shareholder	Member
Mr. Matilda Chinoye Elochukwu	Shareholder	Member
Alhaji Tambari Abdullahi Kabiru	Director	Member
Mr. Falade Amos Adeoye	Director	Member

The Committee met four times during the year. At these meetings, the Managing Director, Executive Director, representative of the External Auditors (attended twice), the Internal Auditor and the company secretary were all in attendance. The Board considers that the Members of the Audit Committee collectively have sufficient recent and relevant financial Experience to carry out the functions of the committee.

The Board has delegated to the Committee the responsibility for overseeing the financial Reporting, internal risk management and control functions and for making recommendations To the Board in relation to the appointment of the company’s internal and external auditors.

The Committee is authorized to investigate any matter within its terms of reference and, where necessary, to obtain external legal or other independent professional advice.

**The Committee’s principal activities during the year included:**

- ✓ Reviewing the half-year and annual financial statements with a particular reference to accounting policies, together with significant estimates and financial reporting judgements and the disclosures made therein.
  - ✓ Monitoring the financial reporting process.
  - ✓ Reviewing management representations made to the external auditors.
  - ✓ Reviewing the Company’s procedures to ensure that all relevant information is disclosed.
  - ✓ Discussing any issues arising out of the full-year audit with the external auditors (in the absence of management where appropriate);
  - ✓ Making recommendations to the Board with regards to continuing the appointment and remuneration of the external auditors.
- Overseeing the Company’s relations with the external auditors and the effectiveness of the process.
  - Reviewing and assessing the effectiveness of the Company’s internal financial controls and their applications.
  - Monitoring and reviewing the internal audit function, reviewing all reports prepared by the internal auditors and assessing management’s responses to such reports; and
  - Reviewing and assessing the efficiency of the Company’s internal control and risk management systems.

To enable it to carry out its duties and responsibilities effectively, the committee relies on the information and support from the management across the business.

The Committee also considers on an ongoing basis the independence of the external auditors and has established policies to consider the appropriateness or otherwise of appointing external auditors to perform non-audit services, including consideration as to whether the auditors are the most suitable suppliers of such services.

**Governance/Remuneration Committee**

This Committee comprised two Non-Executive Directors and three Independent Director as shown below:

Mr. Hezekiah Adejoh Oshaba	Non-Executive Director	Chairman
Mr. John Zimako Akabusi	Non-Executive Director	Member
Dr. Bob Osarubo Adeghe	Independent Director	Member
Mr. Falade Amos Adeoye	Independent Director	Member
Mr. Oyewole Isaac Ogun	Independent Director	Member

The Committee’s principal responsibilities are to determine the company policy on senior management remuneration and approve appropriate salary packages of the senior Management staff and Non-Executive Board allowances. The Committee determines the level of fees payable to the Non-Executive Chairman as well as establishing the criteria for Board and Board Committee membership.

Given the central part that remuneration plays in the success of the company, in terms of recruitment, motivation and retention of high-quality employees, the Committee is consulted on the remuneration packages of the Senior Management staff. The Committee also reviews the remuneration of other members of the company's Non- Executive Board.

### **Relations with shareholders**

The company recognizes the importance of maintaining regular dialogue with its' shareholders hence the institution of a comprehensive programme to maintain the ongoing two-way dialogue between the company and shareholders as it helps to ensure that the Board is aware of shareholders' views on a timely basis. This programme is carried out through the office of the Company secretary. The company has established a web portal on the company's website at <https://zichisagroallied.com.ng> for its shareholders to ensure access to relevant historical financial information.

The Annual General Meeting (AGM) provides the Board with a valuable opportunity to communicate with the shareholders and is generally attended by all the Directors. Shareholders are given the opportunity to ask questions during the meeting and to meet the Directors following the conclusion of the formal part of the meeting. The Directors aim to give as much notice of the AGM as possible which will be at least 21 clear days, as required by the Companies and Allied Matters Act, 2020. In accordance with the Articles, electronic and proper proxy appointments and voting instructions must be received not later than 48 hours before a general meeting.

### **Internal Control and Risk Management**

The Board has overall responsibility for establishing and maintaining the company's system of risk management and internal control to safeguard shareholders' investments and the company's assets and for reviewing the effectiveness of this system. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

Key elements of the Company's system of risk management and internal controls are:

- The regular review and assessment of the performance of the business in relation to risk management and internal control by the Board and its subcommittees.
- The Company's risk management policy which sets out the process for identifying, evaluating and managing the key risks to the Company's business objectives, supported by an appropriate organizational structure and clearly defined management responsibilities.
- The Company's risk committee which reports to the Board and is tasked with the review, discussion and challenges of key risks reported, the ongoing development of internal controls and the monitoring of internal audits and other sources assurance on the effectiveness of internal controls. The Audit Committee, on behalf of the Board, has reviewed the effectiveness of the system of risk management and internal control. In performing its review of effectiveness, the Audit Committee considers the following reports and activities:
  - Internal audit reports on the review of priority controls across the Company and the monitoring of management actions arising.
  - Management's own assessment of the performance of the system of risk management and internal control during 2025; and
  - Reports from the external auditors on issues identified during the course of their work.

The Board, having reviewed the effectiveness of the system of internal control, can confirm that necessary actions have been, or are being taken to remedy any significant failings or weaknesses identified.

**Complaints management policy**

The Company has a Complaints Management Policy and Framework in place in accordance with SEC Directives on the resolution of complaints. This policy will be uploaded on the Company's website for public access.

**Gender diversity**

The Board is aware of the need to ensure equal and fair opportunities to all persons regardless of gender or physical attributes. The Board is currently examining its policies to ensure a more focused approach in recruiting and promoting women within its organization.

**Employees**

The Company continues to promote an equal opportunity, merit-based environment for all of its employees.

**Prohibition of insider trading**

The Company's Code of Conduct (in accordance with the extant Nigerian laws and rules of the Nigerian Exchange Limited) prohibits employees and Directors from insider trading, dealings and stock tipping when in possession of price-sensitive, non-public information relating to the Company's business and from sharing or using such insider information.

**SEC Code of Corporate Governance for public companies in Nigeria**

The Company complied with the SEC Corporate Governance Guidelines for Public Companies in Nigeria.

**Whistleblowing**

The company encourages its employees to report the concerns that they feel need to be brought to the attention of management. Whistle-blowing procedures, which are displayed on the company's website and notice boards, are available to employees who are concerned about possible impropriety, security breaches, or any other issue and who may wish to ensure that appropriate action is taken without fear of victimization or reprisal.

**Code of conduct**

The company's code of ethics and business conduct is readily available to all employees, and in particular to ensure that employees have a single reference point (which is available in local language as appropriate) which details the company's commitment and approach to ethical business conduct.

**Going concern**

The Board of Directors has undertaken a thorough review of the company's budget and forecasts that the management has produced which are detailed and realistic cash flow projections. These cash flow projections, when considered in conjunction with the company's anticipated future loan facilities and cash (including consideration of reasonable possible changes in trading performance), demonstrate that the company has sufficient working capital for the foreseeable future. Consequently, the Directors believe that the company has adequate resources to continue its operational existence. The financial statements have therefore been prepared on a going concern.

BY THE AUTHORITY OF THE BOARD.



Chief Solomon O. Itsede  
Company Secretary

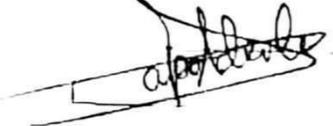
Dated this 19 February, 2026  
Ijebu Illese, Ogun State.

## **REPORT OF THE AUDIT COMMITTEE**

In Compliance within the provisions of sections 404 (7) of the Companies and Allied Matters Act, 2020, we, the members of the Audit Committee of The Zichis Agro Allied Industries Plc, having carried out our functions under the Act, confirm that the accounting and reporting policies of the Company as contained in the financial statements for the year ended 31st December 2025 are in accordance with legal requirements and agreed ethical practice.

We confirm that the external auditors, Messrs. V. O. OLAFAMOYE & CO have issued an unqualified opinion on the Company's financial statements for year ended 31 December 2025.

In our opinion, the scope and planning of the audit for the year ended 31 December 2025 were adequate and we confirm that the responses by the management to the external Auditors' findings on Management matters were satisfactory.



ADENLE ADEDAPO AYORINDE  
Chairman, Statutory Audit Committee

Dated this date 18 February 2026.

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

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

- ✓ Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, 2020, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.
- ✓ Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- ✓ Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB) and in the manner required by Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its financial performance 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 financial control.

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

Signed on behalf of Board of Directors by:



**AKABUSI ANTHONIA C,**  
**Managing Director**  
FRCN/2024/PRO/DIR/DO3/518139



**OGBAISI CHRIS A.**  
Executive Director  
FRCN/2013/CIIN/0000004975

## **CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

To comply with the provisions of Section 11 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 The Zichis Agro-Allied Industries Plc for the year ended 31 December 2025.

We, Akabusi Anthonia C. (Managing Director) and Ogbaisi Chris A. (Executive Director, Finance) certify that:

We have reviewed this management assessment on internal control over financial reporting of The Zichis Agro Allied Industries Plc.

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: Based on our knowledge, the 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;

We:

- Are responsible for establishing and maintaining internal controls:
- 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, is made known to us by others within those entities, particularly during the period in which this report is being prepared:

- 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 generally accepted accounting principles:
- Have evaluated the effectiveness of the entity'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.

We have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's Board of Directors:

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 any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

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 action with regard to significant deficiencies and material weaknesses.



AKABUSI ANTHONIA C.  
Managing Director  
FRCN/2024/PRO/DIR/DO3/518139



OGBAISI CHRIS A.  
Executive Director, Finance  
FRC/2013/CIIN/00000497

## **MANAGEMENT ANNUAL ASSESSMENT OF, AND REPORT ON, THE ENTITY'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 The Zichis Agro Allied Industries Plc for the year ended 31 December 2025;

- i. The Zichis Agro Allied Industries 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. The Zichis Agro Allied Industries 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. The Zichis Agro Allied Industries Plc's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.
- iv. The Zichis Agro Allied Industries Plc's external auditor Messrs. V. O. OLAFAMOYE & CO that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs. V. O. OLAFAMOYE & CO that audited its financial statements will be filed as part of its annual report.



**AKABUSI ANTHONIA C.**  
MANAGING DIRECTOR  
FRCN/2024/PRO/DIR/DO3/518139



**OGBAISI, CHRIS A.**  
EXECUTIVE DIRECTOR, FINANCE  
FRCN/2013/CIIN/0000004975



# **V.O. OLAFAMOYE & Co.**

**(Audit, Accountancy, Tax & Financial Management Consulting)**

*INDEPENDENT AUDITORS REPORT TO MEMBERS OF:*

## **ZICHIS AGRO-ALLIED INDUSTRIES PLC**

### **Opinion**

We have audited the financial statements of Zichis Agro Allied Industries Plc ("The Company") as set out on the pages 14 to 20, which comprise the Statement of Financial Position as at 31 December 2025, the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Zichis Agro Allied Industries Plc as at 31 December 2025, and its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS), the provisions of the Companies and Allied Matters Act, 2020, the Financial Reporting Council Act No. 6, 2011 and relevant guidelines and circulars.

### **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 Farm in accordance with the International Ethics Standards Board for Accountants (IESBA), International Code of Ethics for Professional Accountants (including International Independence Standard) (IESBA code) together with other ethical requirements that are relevant to our audit of the financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements that are relevant to our audit of the financial statements in Nigeria. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The Directors are responsible for the other information. The other information comprises the Report of the Directors, Statement of Directors' Responsibilities, and other National Disclosures (Value Added Statements) as required by the Companies and Allied Matters Act 2020. The other information does not include the Financial Statements and our Auditor's report thereon.

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

Key Audit Matter	How the matter was addressed in the audit
<p><b>THE COMPANY</b></p> <p>Revenue Recognition: The farm's revenue comprises of the proceeds from the sale of:</p> <ul style="list-style-type: none"> <li>✓ Fish and eggs obtained from the farm's own breeding of chickens.</li> <li>✓ Eggs</li> <li>✓ Chicken</li> <li>✓ Feed Mill Products</li> <li>✓ Palm Oil Fruits, Vegetable, etc. obtained from the farm's plantation.</li> </ul> <p>In addition to the sale of fish and eggs, the farm's revenue also include income from other sources, such as the sale of livestock, crops, palm oil fruits or agricultural products as listed above. The revenue recognition policy of the farm is in accordance with Generally Accepted Accounting Principles (GAAP) and is based on the principles of accrual accounting.</p> <p><b>Cost of Sales:</b> The cost of sales is derived from the total amount expended on feed for both the birds and fish. In addition to feed costs, the cost of sales also include other expenses directly associated with the production and sale of goods.</p> <p><b>Operating Expenses:</b> Operating expenses include the general maintenance expenses incurred by the farm, such as transportation costs, medication, generator fueling and maintenance, and the purchase of basic farm tools. Other overhead expenses include indirect costs associated with the production process, such as rent, utilities, insurance, and administrative expenses.</p> <p><b>Mortality:</b> Mortality is an important issue for farms that rely on the breeding and raising of livestock and can have a significant impact on the financial performance of the business.</p>	<p>Our audit procedures on revenue recognition on include:</p> <ul style="list-style-type: none"> <li>• We performed walk-throughs to understand the adequacy and the design of the revenue recognition process.</li> <li>• We checked the revenue recognition policy applied by the Company to ensure its compliance with IFRS requirements.</li> <li>• We performed analytical review procedures to understand the revenue trend over the year under review.</li> <li>• We tested a sample of invoices, validating and vouching the invoices booked, to the underlying sales order and acknowledged delivery note.</li> <li>• We performed cut off testing procedures by selecting a sample of transactions during peak period sales, to ensure revenue had been recognized in the appropriate accounting period.</li> <li>• We traced payments from the customers to the bank statements to ascertain those actual sales</li> </ul> <p><b>The cost of sales</b> is an important measure of the profitability of the farm's operations and is used to calculate the gross profit margin. The farm uses the weighted average cost method to determine the cost of sales for both its chicken and fish operations. This involves calculating the average cost of the goods sold during the period based on the total cost of inventory available for sale and the total units sold.</p> <p><b>Operating expenses</b> are expenses that we considered as necessary for the production and operation of the company but are not directly related to the production of goods or services. This is done to ensure that all indirect costs associated with the operations process are properly accounted for. The labor expenses for the farm reflect the costs associated with the workforce involved in various farm operations and activities</p> <p><b>Mortality:</b> Total loss of stock was recorded as 1,450 in 2022. In addition to the valuation of deceased birds, the farm may also need to consider other costs associated with mortality, such as disposal costs and the cost of additional labour required to manage the situation. To mitigate the risk of mortality, the farm has implemented various measures to ensure the health and well-being of its livestock, such as an alliance with animal care specialists, maintaining appropriate living conditions, providing adequate nutrition and water, and implementing disease control measures.</p>

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Statements**

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

In preparing the financial statements, the Directors are responsible for assessing 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 have no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

We also:

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

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of accounting estimates and related disclosures made by the Directors.

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

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

### **Report on Other Legal and Regulatory Requirements**

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

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



**Victor O. Olafamoye, FCA,**

FRC/2013/ICAN/00000003466

For: **V. O. OLAFAMOYE & Co.** (Chartered Accountants)

**LAGOS, NIGERIA**

February 19, 2026



**V.O. OLAFAMOYE & Co.**

(Audit, Accountancy, Tax & Financial Management Consulting)

**INDEPENDENT AUDITOR'S ATTESTATION REPORT ON MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING**

To the members of The Zichis Agro Allied Industries Plc

Scope

We have been engaged by The Zichis Agro Allied Industries Plc ('the Company') to perform a limited assurance engagement, based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on The Zichis Agro Allied Industries Plc 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").

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

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.

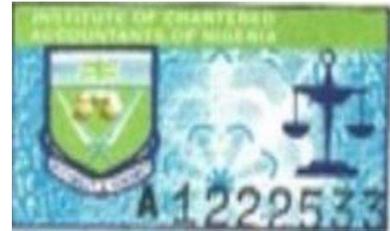
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Criteria applied by Zichis Agro-Allied Industrial Plc.

In designing, establishing and operating the internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), The Zichis Agro Allied Industries Plc applied the requirements of Internal Control Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on



**Oloye Ola Olafamoye, FCA, FRC/2013/ICAN/0000003466**

For: **V. O. OLAFAMOYE & Co.** (Chartered Accountants)

**LAGOS, NIGERIA**

February 19, 2026

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<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>For The Year Ended</b>			
<b>31st December, 2025</b>			
	<b>NOTES</b>	<b>2025</b>	<b>2024</b>
		<b>₦</b>	<b>₦</b>
<b>REVENUE</b>	<b>9</b>	<b>675,616,240</b>	<b>288,987,850</b>
<b>COST OF SALES</b>	<b>10</b>	<b>212,807,420</b>	<b>153,462,775</b>
<b>GROSS PROFIT</b>		<b>462,808,820</b>	<b>135,525,075</b>
<b>LESS: ADMINISTRATIVE EXPENSES</b>	<b>11</b>	<b>93,195,147</b>	<b>61,987,126</b>
<b>Provision for Directors' Remunerations</b>	<b>12</b>	<b>5,400,000</b>	<b>3,600,000</b>
<b>Profit/(Loss) before Tax</b>	<b>13</b>	<b>364,213,673</b>	<b>69,937,949</b>
<b>Provision For Taxation</b>	<b>14</b>	<b>(36,151,822)</b>	<b>(13,227,080)</b>
<b>Provision for Dividend</b>	<b>15</b>	<b>(120,000,000)</b>	<b>(30,000,000)</b>
<b>Profit/(Loss) after Tax &amp; Proposed Dividend</b>		<b>208,061,851</b>	<b>26,710,869</b>
<b>Earnings Per Share (Kobo)</b>	<b>16.1</b>	<b>55</b>	<b>9.45</b>
<b>Dividend Per Share (Kobo)</b>	<b>16.2</b>	<b>20</b>	<b>5.0</b>

*Authorized Share capital is 600,000,000 units*

*Paid-Up Share Capital is 300,000,000*

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<b>STATEMENT OF FINANCIAL POSITION</b>			
As At 31st December, 2025			
	<b>NOTES</b>	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		<b>₦</b>	<b>₦</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	<b>17</b>	741,396,207	704,529,529
<b>Current Asset</b>			
Cash /Bank Balances	<b>20</b>	17,468,682	8,669,564
Debtors & Prepayments	<b>19</b>	255,320,400	61,456,693
Inventories	<b>18</b>	211,529,344	92,621,108
<b>Total Current Asset</b>		<b>484,318,426</b>	<b>152,746,365</b>
<b>TOTAL ASSETS</b>		<b>1,225,714,633</b>	<b>867,276,894</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	<b>21</b>	300,000,000	300,000,000
Share Premium	<b>22</b>	99,310,089	99,310,089
Capital Reserves (Revaluation Reserves)	<b>23</b>	376,908,930	376,908,930
Revenue Reserves	<b>24</b>	395,435,583	67,373,732
		<b>1,171,654,602</b>	<b>833,591,751</b>
<b>Current Liabilities</b>			
Creditors and Accruals	<b>27</b>	17,908,209	10,457,063
Taxation	<b>28</b>	36,151,822	13,227,080
<b>Total Current Liabilities</b>		<b>54,060,031</b>	<b>23,684,143</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,225,714,633</b>	<b>867,276,894</b>
			-
<b>AKABUSI, CHINYERE ANTHONIA</b>			
FRCN/2024/PRO/DIR/DO3/518139			
	Directors		
<b>OGBAISI, CHRIS. A</b>			
FRCN/2013/CIIN/0000004975			

The accompanying notes from pages 40 to 85 form an integral part of these Financial Statements

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<b>STATEMENT OF CHANGES IN EQUITY</b>					
As at 31st December, 2025					
	<b>SHARE CAPITAL</b>	<b>SHARE PREMIUM</b>	<b>REVENUE RESERVES</b>	<b>CAPITAL RESERVES</b>	<b>TOTAL</b>
	₦	₦	₦	₦	₦
Balance as at 1st January, 2024	300,000,000	99,310,089	67,373,732	376,908,930	<b>843,592,751</b>
<b>CHANGES IN EQUITY IN 2025</b>					
Total Comprehensive Income for the year			328,062,851		<b>328,062,851</b>
Capital Reserves/Revaluation			-		-
<b>Balance as at 31st December 2025</b>	<b>300,000,000</b>	<b>99,310,089</b>	<b>395,435,583</b>	<b>376,908,930</b>	<b>1,171,654,602</b>
<b>CHANGES IN EQUITY 2024</b>					
Balance as at 1st January, 2024	300,000,000	99,310,089	40,662,863		<b>439,972,952</b>
<b>Issue of Ordinary Shares</b>			-		
Total Income for the year			26,710,869		<b>26,710,869</b>
Capital Reserves/Revaluation				376,908,930	376,908,930
<b>Balance as at 31st December, 2024</b>	<b>300,000,000</b>	<b>99,310,089</b>	<b>67,373,732</b>	<b>376,908,930</b>	<b>843,592,751</b>

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<b>CASH FLOW STATEMENT</b>		
31 December, 2025	<b><u>2025</u></b>	<b><u>2024</u></b>
	₦	₦
<b>OPERATING ACTIVITIES</b>		
Profit After Tax	328,151,822	56,710,869
Adjustment for Non-Cash items:		
Provision for Taxation	36,151,822	13,227,080
Depreciation	38,904,315	23,739,105
Depreciation due to revaluation	-	<b>(46,568,231)</b>
<b>Total generated from operations</b>	<b>403,207,959</b>	<b>47,108,823</b>
<b>CHANGES IN WORKING CAPITAL</b>		
(Increase)/Decrease in Inventories	(118,908,236)	(33,797,353)
(Increase)/Decrease in Debtors and prepayments	(193,863,707)	(8,445,000)
Increase /(Decrease) in Creditors and Accruals	30,375,888	9,591,721
<b>TOTAL</b>	<b>(282,396,055)</b>	<b>(32,650,632)</b>
<b>Net Cash Flow from operating activities</b>	<b>120,811,904</b>	<b>14,458,191</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cost of listing/Restructuring Activities	(42,123,820)	(10,953,049)
Purchase of Fixed Assets	<b>(68,332,600)</b>	
	<b>10,355,484</b>	<b>(10,953,049)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Tax Paid/Payable	(1,556,366)	
<b>Net Cash flow from Investing Activities</b>		
Net Cash Flow for the year	8,799,118	3,505,142
Cash Balance as at December 31st , 2024	8,669,564	5,164,422
<b>Cash Balance at December 31st , 2025</b>	<b>17,468,682</b>	<b>8,669,564</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 1 Corporate information

#### 1.1 Reporting entity

Zichis Agro Allied Industries Plc was incorporated as a Private Limited Liability Company on 12 APRIL 2012. It was converted to a Public Limited Company in May 2024 under the Companies and Allied Matters Act 2020.

The Company is located at Imegun Farm Settlement, Imegun village, Ijebu Itete, near Ijebu Ode Ogun State.

#### 1.2 Principal activities

The Company is principally engaged in the cultivation of oil palm, processing of fresh fruit bunches into crude palm oil for resale, Poultry and Fish farming, Animal Feed processing, Maize and vegetable farming, snail and animal husbandry and other agricultural produce.

### 2 Basis of preparation

#### 2.1 Statement of compliance

The financial statements of Zichis Agro Allied Industries Plc have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in compliance with additional information required by the provision of the Companies and Allied Matters Act, 2020, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023. The financial statements comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and explanatory notes.

The financial statements have been prepared on a historical cost basis except for biological assets measured at fair value less costs to sell, defined benefits obligation and lease liabilities measured at the present value of the obligation and inventories measured at lower of cost and net realizable value.

The financial statement covers the financial period from 1 January 2025 to 31 December 2025, with the comparatives for the year ended 31 December 2024.

#### 2.2 Functional and presentation currency

The financial statements are presented in Nigerian Naira, which is the Company's functional currency. Except as otherwise indicated, financial information presented in Naira has been rounded to nearest whole number.

#### 2.3 Going concern

The financial statements have been prepared in accordance with the going concern principle. The Directors believe that there is no intention or threat to liquidate the entity or cease trading after 12 months from the statement of financial position date.

#### 2.4 Presentation of financial statements

The Company classifies its expenses by nature.

The Company has presented current and non-current assets, and current and non-current liabilities, as separate classifications in the statement of financial position.

The financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

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The cash flows from operating activities are determined using the indirect method. The Company's assignment of the cash flows to operating, investing and financing category depends on the Company's business model and the applicable standard.

## 2.5 Current versus non-current classification

The Company presents assets and liabilities in the statements of financial position based on current/non-current classification. An asset is presented as current when it is

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are presented as non-current.

A liability is presented as current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 2 Summary of Material Accounting Policies

The following accounting policies applied consistently in the preparation of these financial statements and applied to all the years presented.

### 2.1 Revenue from contract with customers

The Company is in the business of cultivating oil palm, processing of fresh fruit bunches into crude palm oil for resale, Poultry and Fish Farming, Animal feed processing to feed Poultry birds and Fishes and other livestock. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration (net of value added tax, discounts and rebates) to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in all of its revenue arrangements since it controls the goods or services before transferring them to the customer.

Revenue is recognized when (or as) a performance obligation is satisfied. Performance would be regarded as being achieved when all of the following criteria have been met;

- Company's performance is complete, when (or as) a performance obligation is satisfied.
- The benefit of the revenue will flow to the Company.

There are no judgement that significantly affect the determination of the amount and timing of its revenue from contracts with customers.

### 3.1 Sales of palm oil produce

This comprises revenue from sales of crude palm oil related products. Revenue is recognized when the products have been sold. Revenue is recognized at a point in time when control of goods has been transferred to the customer. Control is transferred upon pick up of the goods by the customer at the Company's premises and acceptance of the goods by the customer.

Invoices are generated at a point in time and are paid before goods are transferred.

### 2.1.1 **Palm oil processing**

These comprise of revenue from palm oil processing for other Companies. Revenue is recognized at a point in time when services have been rendered in respect to processed palm produce through the Company's palm oil mill processing equipment that is to be installed in 2026. But currently the Company contracts out to someone who harvests and process and deliver crude palm oil to the Company at agreed ratio.

#### *(i) Variable consideration*

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts may provide customers with a right to return the goods within a specified period.

- *Rights of return*

The company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognized for the right to recover the goods from the customer. The Company's sales terms do not permit the return of goods sold and services rendered to customers.

- *Volume rebates*

The company did not provide any rebate during the year.

#### *(ii) Significant financing component*

The company receives advance payments from customers for the sale of its goods and services and related products after approval of sales order has been made. There may be a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the goods, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

The company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

#### *(iii) Non-cash consideration*

The company does not receive non-cash considerations for sale of produce.

#### **Contract balances**

##### *Contract assets*

The company does not have contract asset in its books.

### 3.1 Trade receivables

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 3.8.1.

#### *Contract liabilities*

A contract liability is recognized if a payment is received, or a payment is due (whichever is earlier) from a customer before the company transfers the related goods or services. Contract liabilities are recognized as revenue when the company performs under the contract (i.e., transfers control of the related goods or services to the customer).

### 2.2 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

- In the principal market for the asset or liability

Or

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

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

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

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

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

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

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

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

External valuers were involved for valuation of significant and complex liabilities, such as defined benefits obligations. Involvement of external valuers is determined annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 2.3 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grants relate to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

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

## 2.4 **Taxes**

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country where the company operates and generates taxable income.

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

### Tertiary Education tax

Tertiary education tax is based on 3% of the assessable profit for each year of assessment.

### Police Trust Fund Levy

Police trust fund levy is based on 0.005% of the net profit of companies operating business in Nigeria.

### Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## 3.4 **Taxes** - continued

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

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

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

### **Sales tax**

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

## **3.5 Cash dividend**

The Company recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws of Nigeria, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

## **3.6 Property, Plant and Equipment**

### **3.6.1 Recognition and measurement**

Property, plant and equipment's are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of any decommissioning obligation and, for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. An asset is recognized when it is probable that the economic benefits associated with the item flow to the entity and cost can be reliably measured.

### **3.6.2 Subsequent Costs**

The cost of replacing part of an item of property, plant and equipment is recognized 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 costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

### **Depreciation**

Depreciation is calculated to write off the cost or revalued amount of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is de-recognized or classified as held for sale in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

## **3.6 Property, plant and equipment - continued**

The estimated useful life of items of property, plant and equipment are as follows:

	%
Building	5-10
Palm Oil mill	5-10
Animal Feed mill	10
Machinery and equipment	10-10
Furniture and equipment	10
Vehicle	20

Land is not depreciated as it is a leasehold asset with an indefinite useful life.

The expected useful lives and residual values of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

Gains or losses on disposal of property, plant and equipment are determined as the difference between disposal proceeds and carrying amount of the disposed assets. These gains or losses are included in profit or loss.

#### 3.6.4 De-recognition

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

#### 3.7 Leases

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

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Right of use

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

#### 3.7 Leases - continued

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment. Lease liabilities are presented separately on the face of the statement of financial position.

Short-term leases and leases of low-value assets

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

### 3.8 Financial instruments

IFRS 9 provides guidance on the recognition, classification and measurement of financial assets and financial liabilities; de-recognition of financial instruments; impairment of financial assets and hedge accounting. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments: Disclosures.

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

#### 3.8.1 Financial assets

##### **Initial recognition and measurement**

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

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

## **8.1 Financial assets - continued**

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

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

### **Subsequent measurement**

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

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

### **Financial assets at amortized cost (debt instruments)**

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

The Company's financial assets at amortized cost includes trade receivables.

### **Financial assets at fair value through OCI (debt instruments)**

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon de-recognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have any debt instrument at fair value through OCI.

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

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IFRS 7 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have any equity instrument at fair value through OCI.

### 3.8.1 Financial assets - continued

#### **Financial assets at fair value through profit or loss**

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

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss.

Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

#### **De-recognition**

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

- The rights to receive cash flows from the asset have expired

Or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

#### **Impairment**

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

- Disclosures for significant assumptions Note 4.3

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

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase

### 3.8.1 Financial assets – continued *Impairment* -

In credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

The Company uses the ratings from reputable credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs

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

The Company has no debt instrument at fair value through OCI

#### Trade receivables

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. 3.8.2 Financial liabilities

### **Initial recognition and measurement**

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

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

The Company's financial liabilities include trade and other payables, lease liabilities and loans and borrowings.

### 3.8.2 Financial liabilities - continued

### **Subsequent measurement**

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

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

### **Financial liabilities at fair value through profit or loss**

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

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

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

### **Financial liabilities at amortized cost (loans and borrowings)**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 31.

### **De-recognition**

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

#### **3.8.3 Offsetting of financial instruments**

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

### 3.9 Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a weighted average basis.
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs on a weighted average basis.
- General stores and maintenance: weighted average cost.
- Spares: weighted average cost.
- Goods in transit: Purchase cost incurred to date.

Initial cost of inventories of harvested agricultural produce is measured at fair value less cost to sell while refined products are measured using weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Harvested Fresh Fruit Bunches are transferred to inventory at fair value less costs to sell when harvested.

### 3.10 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, as defined above.

### 3.11 Provisions

#### **General**

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### **Onerous contracts**

If the Company has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognizes any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

### 3.11 Provisions

#### **Contingent assets and liabilities**

A contingent asset is a potential economic benefit that is dependent on some future event(s) largely out of a company's control while a contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

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

### 3.12 Employee benefits

#### 3.12.1 Short term employee benefits

Short term employee benefits consist of salaries, bonuses e.t.c. Short-term employees' benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid as cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### 3.12.2 Defined contribution plan

The Company operates a defined contribution-based retirement benefit scheme for their staff, in accordance with the Pension Reform Act of 2014 with employee contributing 8% and the employer contributing 10% each of the employee's relevant emoluments (basic salaries, housing and transport allowances). Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contributions. Employee's contributions are deducted through the payroll. The Company operates a defined benefit pension plan in Nigeria, which requires contributions to be made to a separately administered fund.

#### 3.12.3 **Other post-employment benefits**

The Company also provides certain additional post employment healthcare benefits to employees in Nigeria. These benefits are unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under 'employee benefits expense' in the statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

### **3.13 Finance income and cost**

Finance income comprises interest income on short-term deposits with banks. Interest income on short-term deposits is recognized using the effective interest method. When the transaction price of the instrument differs from the fair value at origination and fair value is based on a valuation technique using only inputs observable in market transactions, the entity recognizes the difference between the transaction price and fair value in profit or loss.

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 recognized in profit or loss when the inputs become observable, or when the instrument is derecognized.

The finance cost is made up of interest expense on lease liabilities and interest on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using the effective interest method.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability.

### 3.14 Share Capital and reserves Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the proceeds of the equity instruments.

### 3.15 Earnings per share (EPS)

#### Basic EPS

Basic earnings per share is calculated on the Company's profit or loss after taxation and on the basis of weighted average of issued and fully paid ordinary shares at the end of the year.

#### Diluted EPS

Diluted EPS is calculated by dividing the profit or loss after taxation by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares (after adjusting for outstanding share options arising from the share-based payment scheme) into ordinary shares.

#### Dividend

Dividends on ordinary shares are recognized as a liability in the period in which they are approved.

### 3.16 Bearer plants

Bearer plants comprise of palm plantation. These assets are initially recognized at their historic cost. The historic costs comprise the amount incurred from the stage of pre-cropping, land clearing, agricultural labour, the cost of material and the other expenditure incurred to bring the bearer plants to the point of maturity.

Each group of bearer plants is grouped into the year in which the cultivation of the plant commences. The group of assets are segregated according to the year and the product type. The bearer plants are first recognized as an immature until classified as mature.

The estimated useful life of items of bearer plants are as follows:

	%
Palm plantation	5-20

#### 3.16 Bearer plants- continued

Bearer plants are recognized as mature when the following events occur:

Palm oil plantations are treated as mature when 60% of palm trees per block are bearing fruits with an average weight of 3kg or more.

Bearer plants are stated at cost less accumulated depreciation and accumulated impairment losses. Cost include expenditure that are directly attributed to the planting and nurturing of the bearer plant prior to the asset being tapped and harvested. All other costs incurred for maintenance after recognition as matured plantation are charged to profit or loss during the financial period in which they are incurred.

The Company recognizes immature bearer plants at cost less any impairment losses under capital work in progress. Immature bearer are then classified as bearer plants when they reach the stage of maturity. Depreciation of bearer plants commence when they are ready for use.

#### 3.17 Biological Assets

Biological assets are measured at fair values less estimated costs to sell. Palm oil bearer plants and are therefore presented and accounted for as bearer plants. However, the Fresh Fruit Bunches (FFB) growing on the trees are accounted for as biological assets until the point of harvest. Harvested Fresh Fruit Bunches are transferred to inventory at fair value less costs to sell when harvested. Any gains or losses arising on subsequent changes in fair values less estimated cost to sell are recognized in profit or loss in the year in which they arise.

Fresh Palm Fruit Bunches at the point of harvest are accounted for under IAS 41 and measured at fair value less cost to sell.

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

IAS 41 applies to agricultural produce (i.e., harvested produce) at the point of harvest only, not prior or subsequent to harvest.

### 3.18 Impairment of non-financial assets

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

- Disclosures for significant assumptions Note 4.3

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculated are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

### 3.18 Impairment of non-financial assets- continued

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project the future cash flows after the fifth year. Impairment losses of continuing operations are recognized in the profit or loss in expense categories consistent with the function of the impaired asset, except for the properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

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

## 4. Changes in accounting policies and disclosure

### 4.1 New and amended standards and interpretations

The Company applied for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not opted to adopt early, any other standard, interpretation or amendment that has been issued but is not yet effective.

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

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The new standard had no impact on the company's financial statements.

- **Amendments to IAS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants**

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

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

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the company's financial statements.

- **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

#### 4.2 Standards issued but not yet effective

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

- *Amendments to IAS 21: Lack of exchangeability - Effective for annual periods beginning on or after 1 January 2025*

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its 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 amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the company's financial statements.

• **IFRS 18 Presentation and Disclosure in Financial Statements - Effective for annual periods beginning on or after 1 January 2027**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

• **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

This standard has no impact on the entity as this financial statement is not consolidated.

• **Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments - Effective for annual periods beginning on or after 1 January 2025**

In May 2023, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to provide additional guidance on the classification and measurement of financial instruments. These amendments clarify:

- The de-recognition of financial liabilities and how modifications to contractual cash flows should be accounted for.
- The classification of financial assets with non-recourse features, particularly in relation to the Solely Payments of Principal and Interest (SPPI) test.
- Enhanced disclosure requirements under IFRS 7, requiring entities to provide more detailed information on financial instruments, especially in cases involving modifications to contractual terms.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but must be disclosed.

The company is currently assessing the impact of these amendments on its financial statements.

**• Amendments to IFRS 9 and IFRS 7 – Power Purchase Agreements - Effective for annual periods beginning on or after 1 January 2025**

In September 2023, the IASB issued amendments to IFRS 9 and IFRS 7 to address the classification and measurement of power purchase agreements (PPAs). These amendments provide clarity on when PPAs should be accounted for as financial instruments, ensuring consistent application of IFRS 9 across industries. Key considerations in these amendments include:

- Defining the conditions under which PPAs qualify as financial instruments, particularly in cases where fixed pricing or embedded derivative features exist.
- Ensuring consistent classification and measurement of PPAs, particularly for entities operating in the energy and utilities sector.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025, with early adoption permitted.

The company does not expect these amendments to have a significant impact, as it does not engage in power purchase agreements that meet the definition of financial instruments under IFRS 9.

**• Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture**

The IASB issued amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures to address inconsistencies in the accounting treatment of transactions where an investor sells or contributes assets to an associate or joint venture.

The key amendments clarify:

- Full recognition of gains or losses when the transaction involves assets that constitute a business, as defined in IFRS 3 Business Combinations.
- Partial recognition of gains or losses when the transaction involves an asset that is not a business, with only the portion attributable to unrelated investors being recognized.

The IASB has deferred the effective date indefinitely, pending further developments in its research on the equity method of accounting. However, early adoption is permitted and must be disclosed.

The company will assess the potential impact of these amendments once an effective date is determined.

#### 4.3 Significant accounting judgements, estimates and assumptions

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

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management      Note 6
- Financial instruments risk management and policies      Note 5.2

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- Sensitivity analyses disclosures Notes 5.2.1

### **Judgements**

In the process of applying the Company's accounting policies, management has made various judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Those which management has assessed to have the most significant effect on the amounts recognized in the financial statements have been discussed in the individual notes of the related financial statement line items.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Items with the most significant effect on the amount recognized in the financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

### **Going concern**

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

### **Distinction between immature and mature plantation**

The Company has determined that its palm plantation are mature when 60% of palm per block are bearing fruits with an average weight of 3kg or more.

This represents the point at which the Company ceases capitalization of costs, and the palms and rubber are reclassified as mature.

#### Estimates and assumptions

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

### **Provision for expected credit losses of trade receivables and contract assets**

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 23.

### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognized by the Company.

#### 4.3 Significant accounting judgements, estimates and assumptions - continued

##### **Fair value of biological assets**

The Company carries its biological assets (produce growing on bearer plants), Fresh Fruit Bunches (FFB) at the time of harvest at fair value less costs to sell.

The fair value of produce growing on bearer plants is determined by reference to market prices of FFB and adjusted for expected costs to reach maturity. Significant estimates include the expected fruit yields and quality, costs to incur until harvest and the expected market price for the harvested produce.

The key assumptions used to determine the fair value of biological assets are provided in Note 7.4.

The fair value of harvested FFB and tapped latex at the point of harvest is determined by reference to the market prices for each variety of product grown in the local area and the market price paid to independent palm and rubber tree growers. Any gains or losses on re-measuring fair value are included within profit or loss.

##### **Defined benefit plans (post-employment benefits)**

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **Defined benefit plans (pension benefits)- continued**

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about pension obligations are provided in Note 32.

##### **Fair value measurement of financial instruments**

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

##### **Leases - Estimating the incremental borrowing rate**

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

## **5 Risk management objectives and policies**

### **5.1 Overview**

Risk management is carried out in line with policies approved by the Board of Directors. The board provides written principles for overall risk management, as well as set the overall risk appetite for the Company. Specific risk management approaches are defined for respective risks such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is the responsibility of the Managing Director, which aims to effectively manage the financial risk of Zichis Agro Allied Industries Plc, according to the policies approved by the Board of Directors.

### **5.2 Financial Risk**

The Company's financial instruments consist of trade and other receivables and trade and other payables, cash and cash equivalents and loans. The main risks arising from the Company's financial instruments are.

- Market risk
- Credit risk
- Liquidity risk

#### **5.2.1 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of the Company's holdings of financial instruments.

#### **Foreign Exchange Risk**

The Company is exposed to foreign exchange risks from some of its commercial transactions and recognized assets. The Company buys and imports some of the equipment used for production, the payments for which are made in Euro and US Dollars. The Company makes payments and collects receipts primarily in Nigerian Naira. Periodically however, receipts and payments may be made in other currencies in future but no such transaction was made in 2025.

#### **Sensitivity Analysis Assumptions**

The percentage used for the sensitivity analysis on foreign exchange fluctuations will be determined based on the historical volatility of the Naira against major foreign currencies (EUR and USD) during the reporting period no such payment was made in 2025.

#### **Foreign Currency Sensitivity**

Not applicable for now.

## 5 Risk management objectives and policies - continued

### Foreign Currency Sensitivity Continued

#### 5.2.2 Credit risk

Credit risk is the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions. Payment for sales of palm produce are made in advance

The Company ensures that sales of its products are made to customers with appropriate credit history. The granting of credit is controlled by credit limits and the application of certain terms of sale. The continuous credit worthiness of the existing customers is monitored periodically based on history of performance of the obligations and settlement of their debt. Appropriate provision for impairment losses is made for specific credit risks.

Credit risk arises from bank balances and trade and other receivables from other entities. Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit sales are insignificant or minimal as the Company predominantly has cash sales therefore ECL is immaterial on trade receivables.

No credit limits were exceeded during the reporting period and management does not expect any losses from non-performance by these counter-parties. None of the counter parties renegotiated their terms in the reporting period.

Credit risk from balances with banks and financial institutions is managed by the Company Accounts officer in accordance with the Company's policy. The Company maintains its bank balances with reputable banks and financial institution with high quality credit ratings and considered low risk. Cash and cash equivalent are subject to the expected credit loss impairment model however the impairment loss is assessed as immaterial.

Credit risk from balances with related parties is managed by the Company in accordance with the Company's policy. The Company has receivables through transactions with its related parties. Related party receivables are subject to the expected credit loss impairment model however the impairment loss is assessed as immaterial.

## 5. Risk management objectives and policies – continued

#### 5.2.3 Liquidity Risk – Continued

Financial assets at reporting period are disclosed below.

			2025	2024
			₹	₹
Cash and bank	20		17,468,682	8,669,564
Trade receivables	19	N	255,320,400	61,456,693
			-----	-----
			272,789,082	70,126,257
			=====	=====

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk is managed by maintaining sufficient cash reserves to operational needs at all times to enable the Company not to breach borrowing limits on any of its borrowing's facilities. The Company manages liquidity risk by effective working capital and cash flow management.

Analysis of financial liabilities by remaining contractual maturities

The analysis shows the undiscounted contractual cash flows on the Company's financial liabilities and on the basis of their earliest possible contractual maturity.

The table below summarizes the maturity profile of the cash flows of the Company's liabilities.

In thousands of Naira 31- Dec-25	Carrying amount	Note	On Demand	Less than 1 year	Over 1 year	Undiscounted contractual amount
Financial liabilities:						
Interest-bearing loans						
and borrowings	-		-	-	-	-
Lease liabilities	-		-	-	-	-
Trade payables	-		-	-	-	-
Other liabilities	17,908,209		17,908,209	-	-	17,908,209
			-			-
Accruals - Tax liability	<u>36,151,822</u>		<u>36,151,822</u>			36,151,822
	<u>54,060,031</u>		<u>54,060,031</u>			<u>54,060,031</u>
						<u>23,684,143</u>

31-Dec-24						
Financial liabilities:						
Interest-bearing loans						
and borrowings	-		-	-	-	-
Lease liabilities	-		-	-	-	-
Trade payables	-		-	-	-	-
Other liabilities	10,457,063		-	10,457,063	-	10,457,063
Tax liability	13,227,894		-	13,227,894	-	13,227,894
					-	
	23,684,143			23,684,143		23,684,143
	=====		=====	=====	=====	=====

5 Risk management objectives and policies – continued

### 5.2.3 Liquidity Risk – Continued

From the above table, the Company's expected cash flows on the financial assets do not vary significantly from the contractual cash flows apart from interest bearing loans and borrowings.

There has been no breach to the loan covenant.

As part of the management of its liquidity risk, the Company holds liquid assets comprising of cash and cash equivalents and financial assets to meet its liquidity requirements.

### 5.2.4 Interest Risk

Interest rate is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's does not have exposure to the risk of change in market interest rates as the Company interest -bearing loans and borrowings are all fixed interest rates. Furthermore, the Company does not account for any fixed rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date has no impact on the profit or loss.

### 5.2.5 Commodity Price Risk

Commodity price risk is the risk that fluctuations in market prices of key raw materials and finished goods will impact the Company's financial performance. The Company is exposed to price volatility in crude palm oil, rubber, and other agricultural commodities, which could affect revenue and operating margins. To mitigate this risk, the Company monitors market trends, engages in strategic pricing, and explores long-term supply agreements where feasible.

## 6 Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

		<b>2025</b>	<b>2024</b>
		<b>₹</b>	<b>₹</b>
Lease liabilities		-	-
Interest bearing loans and borrowings		-	-
Trade and other payables			-
Less: Cash and cash equivalents		17,468,682	8,669,564
		-----	-----
	(A)	17,468,682	8,669,564
		-----	-----
Equity	(B)	300,000,000	300,000,000
		-----	-----
Gearing ratio	(A/B)	5.8%	2.9%
		===	===

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company monitors capital using a gearing ratio, which is 'net debt' divided by total capital plus net debt. The Company does not have formal gearing ratio target. The Company includes within net debt, interest bearing loans and borrowings, lease liability, trade and other payables, less cash and bank balances.

The Company is not subject to externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2025 and 31 December 2024.

## 7 Fair value of financial assets and liabilities

### 7.1 Financial instruments not measured at fair value

The fair value of cash and bank balances, trade and other receivables, creditors and other liabilities approximate their carrying value due to their short-term nature.

### 7.2 Financial instruments measured at amortized cost

The interest-bearing loans and borrowings were recorded at amortized cost using the effective interest rate method. The terms are below-market rate as they are received from government as part of its grant initiatives.

	N			Total fair value	Carrying amount
	Level 1	Level 2	Level 3		
31 December 2025	-	-	-	-	-
31 December 2024	-	-	-	-	-

### 7.3 Fair value measurement

The following table presents the Company's biological assets that are measured at fair value at 31 December 2025 and 31 December 2024. The Company's biological assets are measured at fair value less cost to sell and are classified under level 2 (valuation based on observable market data) and level 3 (valuation based on unobservable data) of the fair value hierarchy. There are no items in level 1 (valuation based on quoted prices) and there were no transfers between levels.

	Level			Total fair value	Carrying Amount
	1	2	3		
Biological Assets:-					
31 December 2025	-	130,042,000	-	130,042,000	130,042,000
31 December 2024	-	130,042,000	-	130,042,000	130,042,000

## 7 Fair value of financial assets and liabilities - continued

### 7.4 Valuation of biological assets

The fair value less costs to sell of growing palm oil is determined based on estimates of yield, costs to incur until harvest, expected market prices at harvest and products quality. Market price of palm fruit ranges through the year depending on the variety, current price and grade quality of palm oil and in the region.

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**Analysis of production Oil Palm**

The Company harvested a total of            tons of Fresh Fruit Bunches (FFB) during the year, including third party purchases (2024:    tons). Additionally, it sold    metric tons of palm oil (2024:    metric tons).

The plantation covers the following areas

\* Palm plantation covers a total of 61 acres.

Significant unobservable inputs used in fair value measurements of palm fruits growing on bearer plants are the following:

	2025	2024
Palm fruit growing on palm trees: Production allocation for growing produce on bearing plants(tons)		The higher the palm fruit yield the higher the fair value
Estimated cost + margin (N/ton)		
Production allocation for growing produce on bearing plants(tons)		The higher the yield in cup lump the higher the fair value
Estimated cost + margin (N/ton)		

**7.4.1 Valuation processes**

**i) Produce growing on bearer plants (Palm fruits )**

The Company has a team within the external reporting department that performs the valuation of biological assets. When considering the appropriate market prices for fruits to use, the team reviews available information, including: the quantity of fruits growing on the bearer plants; expected yield; current health of the trees on which they grow; current market prices for the fruits; expected harvest costs through to harvest; and the expected timing of harvest; climate induced variations such as severe weather events, plant losses and new areas coming into production, age of plantation.

The valuation policies and procedures, as well as changes in the fair value measurements are reviewed by the Finance Director annually.

**ii) Harvested produce (Fresh Fruit Bunches)**

Management makes reference to the market price which is adjusted for cost to sell. e.g., transport cost.

The market price or the fair value measurement is based on the presumption that the transaction to sell the asset takes place in the principal market for the asset. In the absence of a principal market, the entity makes reference to the most advantageous market for the asset.

**8 Segment reporting**

For management purposes, the Company is organized into business units based on its products and services and has five reportable segments, as follows:

- The palm plantation segment, which produces fresh fruit bunches, Egg, Chicken, Animal Feeds and Fish products.
- The palm processing segments Palm Oil mill factory and Equipment will be installed by Q1 2026 to process FFB into crude palm oil and crude palm kernel

Thus, no operating segments have been aggregated to form the above reportable operating segments. .

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The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Also, the Company's financing (including finance costs, finance income and other income) are managed on an entity basis and are not allocated to reportable segments.

**9 Revenue from contracts with customers**

The Company's revenue is disaggregated below as follows:

	2025	2024
	₦	₦
Palm oil produce	182,741,330	14,283,200
Fish	35,879,750	23,016,600
Egg	226,774,150	154,690,650
Chicken	121,450,600	39,500,000
Feed mill products	108,770,410	57,497,400
Total revenue from contracts with customers	675,616,240	288,987,850
<b>Primary Geographical Markets:</b>		
Revenue from customers is disaggregated by geographical market as follows:		
Nigeria	675,616,240	288,987,850
Outside Nigeria		NIL
NIL		
Performance obligation Information about the Company's performance obligations are summarized below:		

Palm sales

The performance obligation is satisfied when customers pick their goods from the plantation usually on same day. Customers pay in advance for products.

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10 Other income

2025                      2024

**₦**                              **₦**

=====

10.1 Realized and unrealized foreign exchange gain are not applicable for now

10 Cost of Sales - Raw materials and consumables used

2025

2024

**₦**

**₦**

Cost of Fish sold

21,576,800

15,169,700

Cost of Egg sold

112,096,950

81,854,325

Cost of Chicken sold

30,518,300

33,416,200

Cost of Palm produce maintenance

8,847,200

2,560,800

Cost of Feed materials sold

39,768,170

20,461,750

Total Cost of Sales

212,807,420

153,462,775

Consumables mainly include materials in the plantation such as fertilizers, drugs and agro-chemicals.

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**11 ADMINISTRATIVE EXPENSES - A**

<b>11.1 Employee benefits expense</b>	<b>2025</b>	<b>2024</b>
	<b>₦</b>	<b>₦</b>
Pension (employer contribution)		
Training		
Staff salaries and allowances (excluding Director's remuneration)	29,648,260	8,124,260
Contract staff wage		
Post-employment benefits obligations:		-
Service cost -----	29,648,260	8,124,260
	=====	=====

11.2 Number of employees of the Company as at 31 December 2025, whose duties were wholly or mainly discharged in Nigeria, received annual remuneration excluding pension contributions and certain benefits) are as follows:

	2025	2024
Amount (₦)	Number	Number
	31	26
	===	====

11.3 The average number of full-time personnel directly employed by the Company during the year are as follows:

Manager	7	4
Senior		
Junior	31	26

**ADMINISTRATIVE EXPENSES - B**

<b>11.4 Depreciation expense</b>	<b>2025</b>	<b>2024</b>
	<b>₦</b>	<b>₦</b>
Depreciation of property, plant and equipment	19	25,150,431
Depreciation of bearer plants		6,502,100
Depreciation of right-of-use assets	24-	-
	-----	-----
	36,365,366	31,652,140
	=====	=====
<b>11.5 Finance costs</b>	<b>2025</b>	<b>2024</b>
	<b>₦</b>	<b>₦</b>
Interest expense on loan and borrowings	2,672,450	1,575,000
	-----	-----
	2,672,450	1,575,000

**11.6 Finance income**

Interest income on deposit with banks -- - =====  
 Interest income and expenses are measured under the effective interest rate method.

11.7 Other expenses	<b>2025</b>	<b>2024</b>
	<b>₦</b>	<b>₦</b>
Auditor's remuneration	800,000	500,000
Bank charges	2,672,450	1,575,000
Rental expense	-	-
Advertisement & Publicity	1,850,000	681,000
Printing & Stationery	1,760,500	475,000
Duties and other Indirect taxes	-	-
Directors' remuneration	3,600,000	3,600,000
Minor Repairs & Maintenance	4,956,281	3,645,800
Insurance third party	1,950,000	1,800,000
Internet and communication expenses	1,550,650	1,186,000
Local travel and accommodation	1,753,250	1,957,600
Diesel Cost	3,960,500	2,612,685
Medication for birds & others	1,840,500	2,050,600
	26,694,131	20,083,685
	=====	=====

12 DIRECTORS EMOLUMENTS

12.1 The number of Directors (excluding the Chairman and highest paid Director) who received emoluments excluding pension contributions and certain benefits were within the following range:

	2025	2024
	Number	Number
<del>₦300,001 - ₦400,000</del>	9	9
	-----	-----
	8	9
	===	===

12.2 Director remuneration

2025	2024
₦	₦'

Directors' remuneration paid during the year comprises:

Director fees	5,400,000	3,600,000
	5,400,000	3,600,000

12.3 The Directors' remuneration shown above includes:

	2025	2024
	₦	₦
Highest paid Director:		
Chairman remuneration	400,000	400,000

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Payments to professionals with FRC number of the professionals:

	Name of FRC Number of the Professional	Name of firm	FRC number of firms	Nature of services	Amount ₦
	V. O. OLAFAMOYA FRC/2013/ICAN/00000003466	V. O. OLAFAMOYE	FRC/2013/ICAN/00000003466	AUDIT	600,000
	V. O. OLAFAMOYE	V. O. OLAFAMOYE	FRC/ICAN/00000003466	Tax consultant	200,000
13.1	Profit before tax		2025	2024	
	Profit before tax includes the following charges:		₦	₦	
	Auditors' remuneration		800,000	500,000	
	Directors' remuneration		5,400,000	3,600,000	
	Depreciation of property, plant and equipment		36,365,366	31,652,531	
	Staff salaries (excluding Director's remuneration)		29,648,500	8,124,260	
			-		
			72,213,866	43,876,791	
			=====	=====	

## Income Tax

The income tax for the year is arrived at after adjusting for certain items of expenditure and income which are deductible in accordance with the statutory tax laws and are stated as follows:

13.2 Income tax expense	2025	2024
		₹
Company income tax	36,151,822	10,179,366
Education tax		3,047,714
Police Trust Fund levy		
	-----	-----
Total income tax	36,151,822	13,227,080
Adjustments in respect of current income tax of previous year Deferred tax: Relating to origination and removal of temporary differences		
	-----	-----
Income tax related to items expense reported in profit or loss	36,151,822	13,227,080
	=====	=====
Deferred tax recognized in OCI during the year:		
	-----	-----
Total deferred tax charged to OCI	=====	=====

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	<b>2025</b>	<b>2024</b>
	<b>₦</b>	<b>₦</b>
Profit before income tax expense	364,213,673	69,937,949
	=====	=====
Income tax based on statutory tax rate of 30% (2023:30%) (A) Tax effects of:	36,151,822	10,179,366
- Non- taxable income		
- Adjustment in respect of current income tax of previous years		
- Disallowed expense		
- Nigerian Police Trust Fund Levy		
- Tertiary education tax (3% of assessable profit)		3,047,714
Income tax expense recognized in profit or loss (B)	36,151,822	13,227,080
Effective tax rate (B/A)	10%	19%

14	Current tax liability		
	As at 1 January.		
	Charge for the year	36,151,822	13,227,080
	Adjustment in respect of current income tax of previous year		
	Payment during the year		(750,000)
	As at 31 December.		
	Reconciliation of deferred tax liability		
	As at 1 January		
	Deferred tax credit -		
	Deferred tax charge - Profit or loss		
	As at 31 December		

**15. Provision for Dividends**

	2025	2024
	₦	₦
Total amount provisioned for Dividends subject to AGM approval -	120,000,000	30,000,000

Declared Dividend amounts to 20kobo per share in view of 600,000,000 units of outstanding shares

For 2025 and 5kobo per share for 2024

**16. Earnings per share (EPS)**

Basis earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

	<b>2025</b>	<b>2024</b>
	₦	₦
Profit for the year attributable to ordinary shareholders	328,061,851	56,710,869
	=====	=====
	Number	Number
Weighted average number of ordinary shares as at 31 December	600,000,000	600,000,000
	=====	=====
Basic earnings per ordinary share (Naira)	0.55	0.10
	=====	=====
Diluted earnings per ordinary share (Naira)	0.55	0.10
	=====	=====

Diluted EPS is the same as basic earnings per share as there are no potential dilutive securities or instruments convertible to ordinary shares.

17	<b>Property, plant and equipment</b>	Land	Building	Feed Mill	Machinery and equipment	Cages & Utensils equipment	Motor Vehicle	Biological Assets	Total
		<b>₦'</b>	<b>₦'</b>	<b>₦'</b>	<b>₦'</b>	<b>₦'</b>	<b>₦'</b>	<b>₦'</b>	<b>₦'</b>
	Cost:								
	At 1 January 2024	185,000,000	130,000,000	11,700,000	33,042,400	10,721,800	6,100,000		339,932,400
	Additions		250,000,000	14,000,000				130,042,000	394,042,000
	Transfer							-	
	Reclassification							-	
	Disposal							-	
	At 31 December 2024	185,000,000	380,000,000	25,700,000	33,042,400	10,721,800	6,100,000	130,042,000	376,564,200
	Additions/Revaluation - 2025		15,152,000	9,808,000	4,740,000	33,132,600	5,500,000	-	68,332,600
	Disposal							-	
	Transfer							-	
	At 31 December 2025	185,000,000	395,152,000	35,508,000	37,782,400	43,854,400	11,600,000	130,042,000	770,606,200
	Depreciation and impairment:	=====	=====	=====	=====	=====	=====	=====	=====
	At 1 January 2024		19,500,000	3,740,000	1,632,400	985,000	2,093,600		29,524,696
	Depreciation charge for the year - 2024		17,464,375	2,570,000	3,140,776	973,680	1,001,600	6,502,100	31,652,531
	Disposal								
	At 31 December 2024		36,964,375	3,740,000	7,916,192	2,959,360	3,095,200	6,502,100	61,177,227
	Depreciation charge for the year - 2025		17,218,651	2,908,300	3,070,680	4,345,635	2,320,000	6,502,100	36,365,366
	At 31 December 2025		54,183,026	6,648,300	10,986,192	7,304,995	5,415,200	13,004,200	97,542,863

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Carrying Amount									
At 31 December 2025	185,000,000	340,968,974	28,859,700	26,795,528	36,549,405	6,484,800	117,037,800	741,396,207	
	=====	=====	=====	=====	=====	=====	=====	=====	
At 31 December 2024	185,000,000	343,035,625	21,960,000	25,126,208	7,789,440	3,004,800	123,539,900	704,529,529	
	=====	=====	=====	=====	=====	=====	=====	=====	

- (i) There are no restrictions on title to the items of property, plant and equipment. The Company has not pledged any items of property, plant and equipment as security for liabilities. There are no contractual commitments for the acquisition Property, plant and equipment during the reporting and comparative year.
- (ii) There are no impairment recognized in PPE during the year.

## Financial risk management strategies

The Company is exposed to risks arising from environmental changes, changes in palm prices as well as the financial risk in respect of agricultural activity.

- The Company will manage environmental risks, such as droughts, floods and disease outbreak, by diversifying its plantation in two different plantations. The measures taken by management also include consultation with experts in the plantation industry and the managing agent.
- The primary financial risk associated with the Company's agricultural activity occurs due to the length of time between expending cash on the purchase or planting and maintenance of plantation and on harvesting and production, and ultimately receiving cash from the sale of products to third parties. The Company's strategy to manage this financial risk is to actively review and manage its working capital requirements.

No events occurred in the current and prior periods that give rise to material items of income or expense as a result of climate, disease or other natural risks.

### 18 Inventories

	2025	2024
	₦	₦

Finished goods and Raw Materials

General stores and agricultural consumables

14,000 Layer (Birds) @ N8,597	=	N120,358,000	64,125,108
872 Grower Birds @ N4,900	=	N 4,272,800	5,600,000
9,540 Fish for Sale @ N2,499	=	22,896,000	22,896,000
Maize (2025 – 50 Ton @ N700,000/Tons	=	35,000,000	
Soya Beans (2025–50 Tons @N550,000/Ton)=		27,500,000	
Wheat Offal (10Tons @150,250.44/Ton)	=	<u>1,502,544</u>	
<b>TOTAL</b>	<b>=</b>	<b>211,529,344</b>	<b>92,621,108</b>

===== ----- =====

- 18.1 Finished goods include Poultry and Fish products, Animal feed products available for sale but yet to be paid for, Crude Palm Oil, and Crude Palm Kernel, among other products.
- 18.2 General stores and agricultural commodities include spare parts and other consumables.

### 19 Trade and other receivables

	2025	2024
	₦	₦

Trade receivables

Chilla Entertainment Ltd.	132,894,987	
Winners Investment and Trust Co. Ltd.	103,278,429	
Oshoba Hezekiah Adejoh	<u>19,146,984</u>	
<b>Total</b>	<b><u>255,320,400</u></b>	<b>61,456,693</b>

20 Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand. Expected Credit Loss for bank balances was assessed but not material.

BANK AND CASH BALANCES	2025 N	2024 N
1) Stanbic IBTC	408,000	940,863
2) Zenith Bank	14,863,937	6,579,401
3) UBA	-	506,501
4) Cash on Hand	<u>2,196,745</u>	<u>642,800</u>
TOTAL	<u>17,468,682</u>	<u>8,669,564</u>

## 21 Share capital

	<b>2025</b>	<b>2024</b>
Issued called up share capital:		
	₦	₦
Number of shares: 600,000,000 ordinary shares, at N0.50 each	300,000,000	300,000,000
	-----	-----
	300,000,000	300,000,000
	=====	=====
22 Share Premium	99,310,000	99,310,000

Share premium

=====

The Share premium represent excess amount received over and above the per value of the shares. It forms part of non-distributable reserves of the Company which can be used only for the purposes specified under Companies and Allied Matters Act, 2020.

	<b>2025</b>	<b>2024</b>
23 Other reserves		
Capital Reserves	₦	₦
At 1 January		-
Revaluation reserves	376,908,930	376,908,930
	-----	-----
At 31 December	376,908,930	376,908,930
	=====	=====
24 Revenue Reserves:	395,435,585	
	₦	
1 <sup>st</sup> January 2025	67,373,732	
Net profit for the year	328,061,851	
	-----	-----
31 <sup>st</sup> December 2025 closing balance before dividend and bonus shares issue	395,434,583	
	=====	=====

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Directors approved a Final dividend of N0.20 for 2025 as against ₦0.05 per 50 kobo ordinary share during the year 2024, subject to the deduction of withholding tax at the appropriate rate. This proposed dividend will only be recognized as a liability after approval by the shareholders at the Annual General Meeting (AGM).

\* Unclaimed dividend indicates dividends not collected by shareholders within twelve (12) years after a declaration by a company, after which it is declared statute-barred and will be forfeited by law.

<b>25 Interest-bearing loans and borrowings</b>	<b>2025</b>	<b>2024</b>
	<b>₦</b>	<b>₦</b>
NOT APPLICABLE		-
-		
	-	
	-----	-----
	=====	=====
25.1 Movement in borrowings during the period - Interest bearing loans and borrowings		
	2025	2024
	<b>₦</b>	<b>₦</b>
At 1 January	-	-
Principal repayment		NA
- NA		
Accrued interest		
Interest paid		
Unwinding of Interest expense		
	-----	-----
At 31 December		NA
NA		
	=====	=====
	-----	-----
	=====	=====

26. Changes in liabilities arising from financing activities

Dividend payable	2025	2024	Dividend payable
<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
120,000,000	120,000,000	30,000,000	30,000,000
-	-	-	-

27.1 Trade and other payables		2025	2024
		<b>₦</b>	<b>₦</b>
	Trade payables		
	Contract liabilities		
	Other payables	17,908,209	10,457,063
	Statutory Liabilities - Tax	36,151,822	13,227,080
		54,060,031	23,684,143
27.2 Other payables comprise non-interest bearing and short-term obligations.			
27.3 Statutory liabilities include withholding tax, value added tax withheld, and others.			
27.4	Amount due to related parties to the grant, and it is released to profit or loss on a systematic basis over the loan term.	2025	2024
	NA	NA	NA

27.5 Contingent liabilities

The Company is not subject to any pending litigations arising in the normal course of business (2024: Nil).

Related party transactions.

27.6 Related party transactions - continue

27.7 Transactions with key management personnel.

There was no transaction with key management personnel during the year.

27.8 Key management personnel compensation

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).

27.9 The total amount incurred by the company for key management personnel services  
Parent and ultimate controlling party

27.10 Terms and conditions of transactions with related parties

The Directors are of the opinion that there were no events after the reporting date that could have material effect on the financial statements of the Company that had not been adequately provided for or disclosed in these financial statements.

## Other National Disclosure

<b>STATEMENT OF VALUE ADDED</b>				
31st December, 20....	<b><u>2025</u></b>		<b><u>2024</u></b>	<b>Percent ages</b>
			<b>₹</b>	<b>%</b>
<b>REVENUE</b>	<b>675,616,240</b>		<b>288,987,850</b>	
Cost of Sales	212,807,420		153,462,775	
<b>VALUE ADDED</b>	<b>135,525,075</b>	<b>100%</b>	<b>135,525,075</b>	<b>100%</b>
<b>PERCENTAGE OF VALUE ADDED APPLIED AS FOLLOWS</b>				
To pay Employees' Salary and Wages and other Fringe Benefits	29,648,500	6%	8,124,260	6%
To pay Taxes to Government	36,151,822	8%	13,227,080	10%
To provide for Depreciation of Fixed Assets	36,365,366	8%	31,652,53	23%
Consumed in Operation/Retained for growth	360,643,132	78%	82,521,204	61%
<b>TOTAL</b>	<b>462,808,820</b>	<b>100%</b>	<b>135,525,075</b>	<b>100%</b>

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**ZICHIS AGRO ALLIED INDUSTRIES PLC**  
**FOUR YEAR FINANCIAL SUMMARY**  
**FOR THE YEAR ENDED 31 DECEMBER**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
	₦	₦	₦	₦
Statement of Profit, loss & other Comprehensive Income				
Revenue(Sales to third parties)	675,616,240	288,987,850	132,067,100	78,747,161
Cost of Sales	212,807,420	153,462,775	74,108,321	31,294,699
Profit before Taxation	364,213,267	69,937,949	20,606,581	19,798,540
Profit after Taxation	328,061,851	56,710,869	16,957,000	15,105,454
Total Comprehensive Income		-	-	-
Net Profit for the year	328,061,851	56,710,869	16,957,000	15,105,454

**Statement of Financial Position as at 31 December**

Property, Plant & Equipment	741,396,207	704,529,529	347,066,504	305,508,260
Current Assets	484,318,426	152,746,365	106,998,870	20,048,820
Total Assets	1,225,714,633	857,275,894	454,065,374	325,557,080
Share Capital	300,000,000	300,000,000	300,000,000	1,000,000
Total Reserves	1,171,654,602	533,591,751	139,972,952	312,363,994
Current Liabilities	54,060,031	23,684,143	14,092,422	12,193,086
Total Equity and Liabilities	1,225,714,633	857,275,894	454,065,374	325,557,080

## ZICHIS AGRO ALLIED INDUSTRIES PLC

### SHAREHOLDERS DATA UPDATE

This is to inform shareholders of ZICHIS AGRO ALLIED INDUSTRIES PLC in our stable to update their personal details on their shares account(s) as detailed below :

Surname: .....

First name: ..... Other names: .....

E-mail Address: .....

Telephone Number: ..... Alternative GSM number :.....

Clearing House Number(CHN): .....BVN Number: .....

Preferred Stockbroker's name .....

Date of Birth .....

Bank name.....Bank Account Number.....

Old Address .....

New Address .....

Next of kin .....Next of kin Phone number .....

I/We hereby authorize ZICHIS AGRO ALLIED INDUSTRIES PLC to update my/our shareholding accounts with the above information

.....

.....

Individual Shareholders Signature

Joint Shareholders Signature

.....

.....

Corporate Shareholder

Company Seal

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