



**Unaudited Financial Statements
for the year ended
31 December 2025**

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UPDC Plc**Financial Statements****For the year ended 31 December 2025****Financial Highlights**

	The Group			The Company		
	2025 N'000	2024 N'000	% Change	2025 N'000	2024 N'000	% Change
Revenue	12,694,323	11,786,913	8	2,489,682	4,401,353	(43)
Operating profit	1,160,708	1,146,780	1	(351,148)	203,574	(272)
Net finance Income	1,938,612	162,139	1,096	118,082	117,708	0
Profit before taxation	3,099,320	1,308,919	137	(233,066)	321,282	(173)
Taxation	(1,086,356)	(472,010)	(130)	(13,211)	(35,385)	63
Profit for the year	2,012,964	836,909	141	(246,277)	285,897	(186)
Total comprehensive profit for the year	2,266,449	650,130	249	7,208	99,118	(93)
Total Equity	11,566,403	9,485,553	22	1,206,418	1,384,809	(13)
Total equity and liabilities	29,570,054	30,988,107	(5)	12,861,333	10,532,769	22
Cash and Cash equivalents	10,274,285	11,504,698	(11)	1,758,390	4,238,385	(59)
Basic Earnings Per Share (Kobo)	11	5	141	(1)	2	(186)
NSE quotation as at December 31 (kobo)	490	159	208	490	159	208
Number of shares in issue ('000)	18,559,970	18,559,970		18,559,970	18,559,970	
Market capitalisation as at December 31 (N'000)	90,943,853	29,510,352		90,943,853	29,510,352	

UPDC Plc
Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2025

	Notes	The Group				The Company			
		3 months ended 2025 N'000	3 months ended 2024 N'000	12months ended 2025 N'000	12months ended 2024 N'000	3 months ended 2025 N'000	3 months ended 2024 N'000	12months ended 2025 N'000	12months ended 2024 N'000
Revenue	5	3,006,031	6,761,730	12,694,323	11,786,913	1,324,102	1,592,253	2,489,682	4,401,353
Cost of sales	7(i)	(2,766,932)	(5,599,232)	(9,258,978)	(8,388,112)	(1,142,307)	(1,124,381)	(1,474,367)	(3,191,829)
Gross profit		239,099	1,162,498	3,435,345	3,398,801	181,795	467,873	1,015,315	1,209,524
Selling and distribution expenses	7 (ii)	(90,276)	(387,827)	(214,042)	(550,067)	(85,713)	(49,020)	(180,412)	(145,829)
Administrative expenses	7 (iii)	(415,472)	(352,405)	(2,719,613)	(1,972,421)	(351,983)	(388,320)	(1,312,221)	(1,012,547)
Other Operating income	6	371,162	280,076	696,019	434,071	35,225	39,945	151,170	193,940
Credit loss expenses	9	(9,250)	(163,604)	(37,000)	(163,604)	(6,250)	(41,514)	(25,000)	(41,514)
Operating profit		95,263	538,739	1,160,708	1,146,780	(226,926)	28,965	(351,148)	203,574
Finance income	8	693,102	248,562	2,400,271	559,973	150,317	204,131	638,985	515,542
Finance cost	8	(96,149)	(106,250)	(461,659)	(397,834)	(155,393)	(125,000)	(520,903)	(397,834)
Net finance income/(cost)		596,953	142,312	1,938,612	162,139	(5,076)	79,131	118,082	117,708
Profit before taxation		692,216	681,051	3,099,320	1,308,919	(232,002)	108,096	(233,066)	321,282
Taxation	10	(262,448)	(251,378)	(1,086,356)	(472,010)	(6,802)	36,317	(13,211)	(35,385)
Profit after Taxation		429,768	429,673	2,012,964	836,909	(238,804)	144,413	(246,277)	285,897
Profit for the year		429,768	429,673	2,012,964	836,909	(238,804)		(246,277)	285,897
Other comprehensive income:									
<i>Items not to be subsequently reclassified to profit or loss:</i>									
Net changes in fair value (loss)/gain on financial assets	16	253,486	(26,683)	253,486	(186,779)	253,486	(26,683)	253,486	(186,779)
Total comprehensive profit for the year		683,254	402,990	2,266,449	650,130	14,681	117,730	7,208	99,118
Equity holders of the parent		424,717	(89,930)	948,104	432,190	14,681	144,411	(246,277)	285,897
Non controlling interest		258,536	41,653	1,064,860	404,719	-	-	-	-
Total profit		683,254	(48,277)	2,012,964	836,908	14,681	144,410	(246,277)	285,897
Total comprehensive profit attributable to:									
Equity holders of the parent		424,717	332,668	1,201,590	245,411	14,681	144,411	7,208	99,118
Non controlling interests		258,536	70,322	1,064,860	404,719	-	-	-	-
Total comprehensive profit attributable to:		683,254	402,990	2,266,449	650,130	14,681	144,411	7,208	99,118
Earnings per share for profit attributable to the equity									
Basic Earnings Per Share (Kobo)									
From continuing operations		2	2	11	5	0		(1)	2
Diluted Profit Per Share (Kobo)									
From continuing operations		2	2	11	5	0		(1)	2

The accompanying notes and accounting policies on pages 7 to 33 form an integral part of these consolidated and separate financial statements.

UPDC Plc
Consolidated and Separate Statement of Financial Position
As at 31 December 2025

	Notes	The Group		The Company	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		N'000	N'000	N'000	N'000
Assets					
Non-current assets					
Property, plant and equipment	13	8,471,772	8,252,734	240,213	61,119
Intangible assets	14	77,060	56,303	3,057	5,471
Investments in joint ventures	15	120,141	120,141	119,337	119,337
Equity instrument at fair value	16	920,552	667,067	920,552	667,067
Investments in subsidiaries	17	-	-	1,617,207	1,617,187
		9,589,525	9,096,245	2,900,366	2,470,181
Current assets					
Inventories	18	3,123,853	8,729,999	472,301	1,079,068
Trade and other receivables	19	6,193,208	1,509,965	7,518,925	2,597,935
Current tax assets	10 (i)	389,182	147,200	211,350	147,200
Cash at bank and in hand	20	10,274,285	11,504,698	1,758,390	4,238,385
		19,980,528	21,891,862	9,960,966	8,062,588
Total assets		29,570,054	30,988,107	12,861,334	10,532,769
Equity					
Share capital	25	9,279,985	9,279,985	9,279,985	9,279,985
Share premium	25 (i)	8,971,551	8,971,551	8,971,551	8,971,551
Fair value reserve of financial assets at FVOCI	25 (iii)	353,546	100,060	353,546	100,060
Retained earnings	25 (ii)	(8,386,381)	(9,148,885)	(17,398,664)	(16,966,787)
Equity attributable to equity holders of the Company		10,218,701	9,202,711	1,206,418	1,384,809
Non controlling interest		1,347,702	282,842	-	-
Total equity		11,566,403	9,485,553	1,206,418	1,384,809
Liabilities					
Non-current liabilities					
Interest bearing Loans and Borrowings	21	2,015,168	3,022,763	5,502,925	3,022,763
Deferred taxation liabilities	24	83,354	83,354	72,537	72,537
Deferred revenue	24	-	-	-	-
		2,098,522	3,106,117	5,575,462	3,095,300
Current liabilities					
Trade and other payables	22	14,673,713	17,788,961	5,880,306	5,878,291
Current income tax liabilities	10	1,152,379	490,889	60,865	57,782
Interest bearing Loans and Borrowings	21	79,038	116,587	138,282	116,587
		15,905,130	18,396,437	6,079,453	6,052,660
Total liabilities		18,003,652	21,502,554	11,654,915	9,147,960
Total equity and liabilities		29,570,054	30,988,107	12,861,333	10,532,769

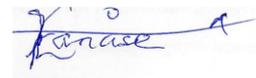
The Consolidated and Separate financial statements were approved by the board of directors on 26 January 2026 and signed on its behalf by:



Wole Oshin
Chairman
FRC/2013/PRO/FORM CO7/003/00000003054



Odunayo Ojo
Chief Executive Officer
FRC/2016/NIESV/00000014322



Francis Falola
Chief Financial Officer
FRC/2025/PRO/ICAN/001/105473

The accompanying notes and accounting policies on pages 8 to 34 form an integral part of these consolidated and separate financial statements.

UPDC Plc
Consolidated Statement of Cash Flows
For the year ended 31 December 2025

	Notes	The Group		The Company	
		2025	2024	2025	2024
		N'000	N'000	N'000	N'000
Profit before tax		3,099,320	1,308,919	(233,066)	321,282
Adjustment for non cash items:					
Depreciation	13	295,182	308,877	55,689	29,120
Amortization of intangible asset	14	6,285	6,633	2,414	2,414
Investment income	6	(62,678)	(59,264)	62,678	(59,270)
Finance cost	8	461,659	397,834	520,903	397,834
Finance income	8	(2,400,271)	(559,973)	(638,985)	(515,542)
Exchange gains	6	7,957	(12,479)	1,342	(12,479)
		1,407,454	1,390,547	(229,026)	163,359
Changes in working capital:					
(Increase)/decrease in inventories	18	5,606,146	(5,529,841)	606,767	2,069,522
Decrease/(increase) in trade and other receivables	19	(4,925,225)	528,015	(4,985,140)	(578,640)
Increase/(decrease) in trade and other payables	22	(3,115,248)	11,973,197	2,015	(39,878)
Cash flow from operating activities		(1,026,872)	8,361,918	(4,605,383)	1,614,362
Tax paid	10	(424,866)	(137,789)	(10,127)	(8,741)
Net Cash inflow from operating activities		(1,451,739)	8,224,129	(4,615,510)	1,605,621
Cash flow from investing activities					
Purchase of property, plant & equipment	13	(514,220)	(227,114)	(234,783)	(20,359)
Purchase of intangible asset	14	(27,044)	(10,736)	-	-
Dividend received	6	62,678	59,264	(62,678)	59,270
Investment in subsidiary	17	-	-	(20)	(490)
Interest received	8	2,400,271	559,973	638,985	515,542
Net cash flow from investing activities		1,921,685	381,387	341,504	553,963
Cash flow from financing activities					
Repayment of borrowings	21	(1,007,606)	(1,679,333)	(1,007,606)	(1,679,333)
Inter company Loan		-	-	3,487,757	-
Interest paid	21	(499,196)	(351,972)	(499,196)	(351,972)
Dividend paid to non-controlling		(185,600)	-	(185,600)	-
Net cash outflows from financing activities		(1,692,402)	(2,031,305)	1,795,355	(2,031,305)
Net increase in cash and cash equivalents		(1,222,455)	6,574,210	(2,478,651)	128,279
Effect of foreign exchange gains	6	(7,957)	12,479	(1,342)	12,479
Cash and cash equivalents at the beginning of the year	20	11,504,698	4,918,009	4,238,385	4,097,627
Cash and cash equivalents for the year	20	10,274,285	11,504,698	1,758,390	4,238,385

UPDC Plc
Consolidated and Separate Statement of Changes in Equity
For the year ended 31 December 2025

	The Group							Non-Controlling	Total
	Attributable to owners of the Company						Total		
	Share Capital	Share Premium	Retained earnings	Other Reserves	Fair value reserve of financial assets at FVOCI	Controlling interest			
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000		
Balance at 1 January 2025	9,279,985	8,971,551	(9,148,885)	-	100,060	9,202,711	282,842	9,485,553	
Profit for the year	-	-	948,104	-	-	948,104	1,064,860	2,012,964	
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	253,486	253,486	-	253,486	
Dividend paid	-	-	(185,600)	-	-	(185,600)	-	(185,600)	
Balance at 31 December 2025	9,279,985	8,971,551	(8,386,381)	-	353,546	10,218,701	1,347,702	11,566,402	
Balance at 1 January 2024	9,279,985	8,971,551	(9,581,075)	-	286,839	8,957,300	(121,877)	8,835,423	
Profit for the year	-	-	432,190	-	-	432,190	404,719	836,909	
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	(186,779)	(186,779)	-	(186,779)	
Balance at 31 December 2024	9,279,985	8,971,551	(9,148,885)	-	100,060	9,202,711	282,842	9,485,553	

	The Company					
	Attributable to owners of the Company					
	Share Capital	Share Premium	Revenue Reserve	Other Reserves	Fair value reserve of financial assets at FVOCI	Total
N'000	N'000	N'000	N'000	N'000	N'000	
Balance at 1 January 2025	9,279,985	8,971,551	(16,966,787)	-	100,060	1,384,808
Dividend paid	-	-	(185,600)	-	-	(185,600)
Profit for the year	-	-	(246,277)	-	-	(246,277)
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	253,486	253,486
Balance at 31 December 2025	9,279,985	8,971,551	(17,398,664)	-	353,546	1,206,419
Balance at 1 January 2024	9,279,985	8,971,551	(17,252,684)	-	286,839	1,285,689
Profit for the year	-	-	285,897	-	-	285,897
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	(186,779)	(186,779)
Balance at 31 December 2024	9,279,985	8,971,551	(16,966,787)	-	100,060	1,384,809

The accompanying notes and accounting policies on pages 8 to 34 form an integral part of these consolidated and separate financial statements.

- 1.** UPDC Plc ('the Company') and its subsidiaries (together 'the Group') is a company incorporated in Nigeria. The Group and the Company have businesses with activities in the following principal sectors: real estate and hotel management. The address of the registered office is 1-5 Odunlami Street, Lagos.

The Company is a public limited company and is listed on the Nigerian Stock Exchange.

1.1 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) UPDC Plc maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement.

1.2 Management's Assessment of Internal Controls

The management of UPDC Plc is responsible for establishing and maintaining adequate internal control over financial reporting. UPDC's internal control system was designed to provide reasonable assurance to the Company's management and board of directors regarding the preparation and fair representation of published financial statements.

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

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards and IFRS Interpretations Committee (IFRSIC) interpretations applicable to companies reporting under IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), Financial Reporting Council of Nigeria (Amendment) Act 2023 and the provisions of Companies and Allied Matters Act, 2020. The consolidated and separate financial statements have been prepared under the historical cost convention except for equity instruments at fair value through other comprehensive income, which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

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

(All amounts are in Naira thousands unless otherwise stated)

2.1 Changes in accounting policy and disclosures

New and amended standards and interpretations

The Group and the Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025. The Group and Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards issued but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency. The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- a spot exchange rate for a purpose other than that for which an entity assesses exchangeability
- the first exchange rate at which an entity is able to obtain the other currency for the specified purpose after exchangeability of the currency is restored (first subsequent exchange rate).

An entity using another estimation technique may use any observable exchange rate—including rates from exchange transactions in markets or exchange mechanisms that do not create enforceable rights and obligations—and adjust that rate, as necessary, to meet the objective as set out above. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, the entity is required to disclose 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 add a new appendix as an integral part of IAS 21. The appendix includes application guidance on the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented. In addition, the IASB made consequential amendments to IFRS 1 to align with and refer to the revised IAS 21 for assessing exchangeability. The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments.

The directors of the company anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the Company does not expect that the application of these amendments will have an impact on the company's financial statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- it is a subsidiary (this includes an intermediate parent)
- it does not have public accountability, and
- its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

A subsidiary has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual Companies and investment banks often meet this second criterion).

Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted. If an entity elects to apply IFRS 19 for a reporting period earlier than the reporting period in which it first applies IFRS 18, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply

IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability.

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7),

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- Clarifies the treatment of non-recourse assets and contractually linked instruments.
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments. The amendment is not expected to have any material impact on the Group's consolidated financial statements.

Power Purchase Agreements - Amendments to IFRS 9 and IFRS 7

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

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

The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. The Company is still assessing the impact of the amendments.

2.1.4 New standards and interpretations effective in the current year

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments contain specific transition provisions for the first annual reporting period in which the group applies the amendments. Under the transitional provisions an entity is not required to disclose:

- comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments
- the information otherwise required by IAS 7:44H(b)(ii)-(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

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

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to IAS 1 Presentation of Financial Statements– Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

Amendments to IFRS 16 Leases–Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

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

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the Profit or Loss.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated when necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

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

(c) Disposal of subsidiaries

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

(d) Associates and joint ventures

Associates are all entities over which the Group and the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group and the Company's investment in associates includes goodwill identified on acquisition.

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

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

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

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

Dilution gains and losses arising on investments in associates are recognised in the Profit or Loss.

(e) Joint arrangements

The Group has applied IFRS 11 to all joint arrangements as of 1 January 2013. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be both joint operations and joint ventures. Joint ventures are accounted for using the equity method. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of

The Group and the Company account for joint operation by treating the operation as its own operations by recognising its assets, including its share of any assets held jointly, its liabilities, including its share of any liabilities held jointly, its revenue from the sale of the output by the joint operation, its share of revenue from the sale of the output by the joint operation, its expenses, including its share of any expenses incurred jointly.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group and the Company.

2.3 Segment reporting

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

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'Administrative expenses'.

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other income, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each item of Statement of Financial Position presented are translated at the closing rate at the reporting date;

(b) income and expenses for each Profit or Loss item are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) all resulting exchange differences are recognised in other comprehensive income.

2.5 Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment.

Land and buildings comprise mainly of retail outlets and offices as well as hotel rooms.

Assets are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives.

Property, plant and equipment are depreciated on a straight line basis over the estimated useful lives of the assets. The estimated useful lives of the assets are:

Lea Lease terms vary from 5 to 99 years

Plant and Machinery

a) Heavy 5 to 7 years

b) Light 3 to 5 years

Motor Vehicles

a) Commercial 7 to 10 years

b) Passenger 4 to 5 years

Furniture and Fittings 3 to 5 years

Computer equipment 3 to 5 years

The useful lives, residual values and methods of depreciation are reassessed at the end of each reporting period and adjusted if necessary.

The depreciation on property, plant and equipment is recognised in profit or loss in the year in which it occurred. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

An item of property and equipment is derecognized 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 derecognized.

Subsequent expenditure relating to an item of equipment is capitalised when it is probable that future economic benefits will flow to the entity and the cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it incurred.

2.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset acquired in a business combination is the fair value at the date of acquisition. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Unless internally generated costs meet the criteria for development costs eligible for capitalisation in terms of IAS 38 (refer to accounting policy on Computer Software). All internally generated intangible assets are expensed as incurred.

The useful lives of intangible assets are either finite or indefinite. Intangible assets with finite lives are amortised over their useful lives and assessed for impairment when there is an indication that the asset may be impaired. The amortisation period and the method are reviewed at each financial year end. Changes in the expected useful life or pattern of consumption of future benefits are accounted for prospectively. Intangible assets with indefinite useful lives are not amortised but are tested annually for impairment either individually or at the cash-generating level. The useful lives are also reviewed each period to determine whether the indefinite life assessment continues to be supportable. If not, the change in useful life assessment to a finite life is accounted for prospectively.

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, that is, 5 years or 20%.

An intangible asset is derecognised on disposal or when no future benefits are expected from its use or disposal. The gain or loss on derecognition is the difference between any net disposal proceeds and carrying amount of the asset.

2.7 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the entities in the consolidated group, are classified as investment properties. Investment properties comprise mainly of commercial projects constructed and acquired with the aim of leasing out to tenants.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

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

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

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

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

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

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

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

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

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in profit or loss against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sell, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

Leasehold investment properties represent properties acquired under government consent for 99 years.

2.8 Impairment of non-financial assets

The carrying value of assets is reviewed for impairment at each reporting date. Assets are impaired when events or changes in circumstances indicate that their carrying value may not be recoverable. If such indication exists and where carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Recoverable amounts are determined as the higher of fair value less costs to sell or value in use. Impairment losses and the reversal of impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

2.9 Financial Instruments-recognition and subsequent measurement

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

Financial Assets

Initial recognition

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group and 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 Group and Company has applied the practical expedient, the Group and 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 Group and Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in Revenue from contracts with customers below.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Fair value through OCI financial assets are non-derivatives that are either designated in this category or not classified in any other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. These include investments in shares.

Recognition and measurement

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

For purposes of subsequent measurement, financial assets are classified into:

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and Company. The Group and Company measures financial assets at amortised cost if both of the following conditions are met:

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

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

The Group and Company's financial assets at amortised cost includes trade receivables, cash and cash equivalents and related parties receivables. A financial asset recoverable within one year is classified as current asset. If not, is presented as non-current asset.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the 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' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

.. .

When the Group and Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and Company have retained.

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

Impairment of financial assets

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

- Disclosures for significant assumptions Note 4.1b
- Trade receivables and other financial assets Note 20

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

ECLs are recognised in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (i.e. stage 1 - 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 (i.e. stage 2 & 3 - a lifetime ECL).

Significant increase in credit risk

The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment including forward-looking.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

For receivables from related parties (non-trade), and short-term deposits, the Group and Company apply general approach in calculating ECLs. It is the Group and Company's policy to measure ECLs on such asset on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

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

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve.

2.10 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 recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group and Company's financial liabilities include trade and other payables.

Subsequent measurement

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

Trade and other payables

Trade payables classified as financial liabilities are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Other payables that are within the scope of IFRS 9 are subsequently measured at amortized cost.

Derecognition

A financial liability is derecognised 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.11 Financial guarantee contracts

Financial guarantees contracts are contracts that require the Group and Company to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of the debt instrument. Such financial guarantees are given on behalf of debtors to secure loans.

The fair value of a financial guarantee contract is calculated as the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee. Cost incurred on financial guarantee contracts is usually expensed and reported in the Statement of Profit or Loss where no asset is recoverable in the course.

2.12 Offsetting financial instruments

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

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Profit or Loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Inventories

Inventories include assets held for sale in the ordinary course of business (land and homes), assets (land, homes and infrastructure, including amenities) in the production process for sale in the ordinary course of business (work in process), and materials and supplies that are consumed in production (raw materials).

Inventories are stated at the lower of cost and estimated net realisable value. Cost comprises:

- Historical cost (or fair valuation) of land
- Other costs of purchase (including taxes, transport - where applicable, handling, agency etc) net of discounts received
- Costs of production or conversion to homes, infrastructure & amenities (including fixed and variable construction overheads and the cost of services and consultants involved in the production process, projects management costs - including cost of supervision and internal projects management) and
- Other costs incurred in bringing the inventories to their present location and condition
- Capitalised borrowing costs in relation to qualifying assets

Any write-down to NRV is recognised as an expense in the period in which the write-down occurs. Any reversal is recognised in the income statement in the period in which the reversal occurs.

The valuation of the inventories was carried out by an independently appointed asset valuer Diya Fatimilehin & Co. - FRC/2013/NIESV/0000000754) who hold recognised relevant professional qualifications and have relevant experience in the locations and categories of the inventories valued.

2.2 Cash, cash equivalents and bank overdrafts

Cash, cash equivalents and bank overdrafts includes cash at bank and in hand plus short-term deposits less overdrafts. Short-term deposits have a maturity of less than three months from the date of acquisition. Bank overdrafts are repayable on demand and form an integral part of the Group and Company's cash management.

2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.17 Provisions

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

Provisions for restructuring costs are recognised when the Group and Company has a detailed formal plan for the restructuring that has been communicated to affected parties. Provisions are not recognised for future operating losses.

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

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

2.18 Share capital

Ordinary shares are classified as equity.

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

Where any Group or Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.19 Current and deferred income tax

The tax for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised in other comprehensive income or directly in equity. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Profit or Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the reporting liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Profit or Loss, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and Company intend to settle its current tax liabilities on a net basis.

2.20 Employee benefits

(a) Defined contributory schemes

The defined contribution plan the Group and Company have for its employees is statutory pension scheme.

Pension scheme

The Pension Reform Act of 2014 requires all companies to pay a minimum of 10% of basic salary (including housing and transport allowances) to a pension fund on behalf of all full time employees to pension fund administrator. The employees also contribute a minimum of 8% of his/her emoluments (i.e. basic, housing and transport allowances). The Company's contributions are recognised as employee benefit expenses when they are due. The Group and Company has no further payment obligation once the contributions have been paid.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. This includes salaries and wages.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans 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.

Termination benefits

The Group recognizes termination benefits as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal dedicated plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Group settles termination benefits within twelve months and are accounted for as short-term benefits.

(b) Profit-sharing and bonus plans

The Group and Company recognise a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group and Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.21 Revenue from contracts with customers

The Group and Company is in the business of acquiring, developing, selling and managing high quality, serviced commercial and residential accommodation and retail space. These contracts are divided into three revenue streams namely:

- Sales of Goods - Sale of property stock
- Hotel Management services: Sale of rooms, conference halls as well as food & beverages.
- Facilities management services provided to the customer: Rendering of services - Management fees and service charge surcharge

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

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 4.

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

Sale of goods - Sale of Property Stock

Revenue from Sale of Property Stock is recognised at the point in time when control of the asset is transferred to the customer, generally on transfer of the property. The normal credit term is 30 to 90 days upon transfer.

The Group and Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of property, the Group and Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Significant financing component

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

Contract Balances:**Trade Receivables**

A receivable represents the Group and Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

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

Leases

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

Group and Company as a lessee

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

Right-of-use assets (ROU)

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

If ownership of the leased asset transfers to the Group and Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets. The Group and Company has no right of use asset at the end of the year.

Short-term leases

The Group and Company applies the short-term lease recognition (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases (office rent) are recognised as expense on a straight-line basis over the lease term.

Group and Company as a lessor

Leases in which the Group and Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Dividend distribution

Dividend distribution to the Group and Company's shareholders is recognised as a liability in the Group and Company's financial statements in the period in which the dividends are approved by the Group and Company's shareholders. In respect of interim dividends these are recognised once paid.

4. Material accounting judgements, estimates and assumptions (Cont.)

Identifying performance obligations in a bundled sale of property and maintenance services

The Group and the Company provides planned preventive maintenance and property life cycle maintenance that are sold separately or bundled together with the sale of property to a customer. The maintenance services are a promise to transfer services in the future and are part of the negotiated exchange between the Group and the Company and the customer.

The Group and the Company determined that the property, and the maintenance services are capable of being distinct. The fact that the Group and the Company regularly sells both property, and maintenance on a stand-alone basis indicates that the customer can benefit from each of the products on their own. The Group and the Company also determined that the promises to transfer the property and to provide maintenance are distinct within the context of the contract. The property and the maintenance are not inputs to a combined item in the contract.

In addition, the property and the maintenance are not highly interdependent or highly interrelated, because the Group and the Company would be able to transfer the property even if the customer declined maintenance and would be able to provide maintenance in relation to products sold by other distributors. Consequently, the Group and the Company allocated a portion of the transaction price to the property and the maintenance service based on relative stand-alone selling prices.

Determining the timing of satisfaction of sales of property stock

The Group and the Company concluded that revenue for sales of property stock is to be recognised at a point in time; when the customer obtains control of the property. The Group and the Company assess when control is transferred using the indicators below:

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

b) Useful lives for property, plant & equipment

The estimation of the useful lives of assets is based on management's judgment. Any material adjustment to the estimated useful lives of property, plant and equipment will have an impact on the carrying value. See Note 13 for further details.

c) Impairment of investments in Joint Venture

Investment in Joint Ventures are stated at cost in the books of the Group and Company. However, where there is an objective evidence of impairment of this investment, the investment is written down to the recoverable amount. Evidence of impairment occurs where the Joint Venture incurs a loss and the Group/Company's share of loss exceeds its total investment in the Joint venture. See note 15 (ii). for details of write down in current year.

d) Deferred tax asset

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors such as experience of previous tax audits and differing interpretations by the taxable entity.

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

5. Segment Analysis

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

Nigeria is the Company's primary geographical segment as the operations of the Company are entirely carried out in Nigeria. As at 31 December 2025, UPDC Plc's operations comprised two main business segments which are Property Development, Sales & Management and Hospitality Services.

Property Development, Sales & Management - UPDC Plc's main business is the acquisition, development, sales and management of high quality serviced commercial and residential properties in the Highbrow and Middle Income segments of the real estate market in Nigeria. The Company approaches property planning from the customers' perspective to create comfortable living/working environments. UPDC Facility Management Limited is a subsidiary of UPDC Plc. The Company provides facilities management services to residential and commercial properties in Nigeria.

Hospitality Services - UPDC Hotels Limited, the company's subsidiary is in the hospitality industry and leverages significantly on the success of its principal promoter UPDC Plc. The hotel provides services such as sale of rooms, conference halls as well as food & beverages.

The following measures of performance are reviewed by the Exco:

- Revenue to third parties
- Earnings before interest and tax
- Profit before tax
- Net current assets
- Property, plant and equipment

	The Group		
	Property Development Sales & Management 34	Hospitality Services N'000	Total N'000
31 December 2025			
Total Revenue	11,231,553	1,462,770	12,694,323
Intergroup revenue	-	-	-
Revenue to third parties	11,231,553	1,462,770	12,694,323
Earnings before interest and tax	1,416,943	(256,235)	1,160,708
Profit before tax	3,355,555	(256,235)	3,099,320
Net current asset/(liability)	4,845,609	(770,211)	4,075,398
Property, plant and equipment	350,236	8,121,536	8,471,772

	The Group		
	Property Development Sales & Management N'000	Hospitality Services N'000	Total N'000
31 December 2024			
Total Revenue	10,322,899	1,464,014	11,786,913
Intergroup revenue	-	-	-
Revenue to third parties	10,322,899	1,464,014	11,786,913
Earnings before interest and tax	1,403,015	(256,235)	1,146,779
Profit/(loss) before tax	1,565,154	(256,235)	1,308,919
Net current asset/(liability)	4,469,924	(974,498)	3,495,422
Property, plant and equipment	129,292	8,123,441	8,252,734

	The Company	
	Property development sales & management N'000	Total N'000
31 December 2025		
Total revenue	2,489,682	2,489,682
Intergroup revenue	-	-
Revenue from third parties	2,489,682	2,489,682
Profit/(Loss) before interest and tax	(351,148)	(351,148)
Profit/(Loss) before tax	(233,066)	(233,066)
Net current assets	3,881,513	3,881,513
Property, plant and equipment	240,213	240,213

	The Company	
	Property development sales & management N'000	Total N'000
31 December 2024		
Total revenue	4,401,353	4,401,353
Intergroup revenue	-	-
Revenue from third parties	4,401,353	4,401,353
Earnings before interest and tax	203,574	203,574
Earnings before tax	321,282	321,282
Net current assets	2,009,928	2,009,928
Property, plant and equipment	61,119	61,119

5. Segment Analysis - Continued

Entity wide information

	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Analysis of revenue by category:				
UPDC Sale of Property Stock	1,066,400	4,081,155	1,066,400	4,081,155
Share of James Pinnock Sale of Property Stock	-	-	-	-
Project/ Asset Management Fees	114,540	117,398	114,540	-
Business Management Fees	-	-	1,308,742	320,198
	1,180,940	4,198,553	2,489,682	4,401,353
Grupo Atlanta Sale of Property Stock	8,724,949	5,200,000	-	-
UPDC Hotel Ltd. Revenue	1,462,770	1,464,014	-	-
Deep Horizon Inv. Ltd Sale of Property Stock	-	-	-	-

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	2			
UPDC Facility Mgt Ltd. Management Surcharge Income	1,325,664	924,345	-	-
Group	12,694,323	11,786,913	2,489,682	4,401,353

Analysis of revenue by geographical location:

	N'000	N'000	N'000	N'000
Nigeria	12,694,323	11,786,913	2,489,682	4,401,353

5. (i). Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the Group and Company's revenue from contracts with customers:

For the year ended 31 December 2025			
The Group	Property Development Sales & Management N'000	Hospitality Services N'000	Total N'000
Type of goods or service			
Sale of Property Stock	9,791,349	-	9,791,349
Project/ Asset Management Fee	114,540	-	114,540
UPDC Hotel Ltd. Revenue	-	1,462,770	1,462,770
Deep Horizon Inv. Ltd Sale of Property Stock	-	-	-
UPDC Facility Mgt Ltd. Management Surcharge Income	1,325,664	-	1,325,664
Revenue from contracts with customers	11,231,553	1,462,770	12,694,323
Rental	-	-	-
Total revenue	11,231,553	1,462,770	12,694,323
Geographical markets			
Within Nigeria	11,231,553	1,462,770	12,694,323
Outside Nigeria	-	-	-
Total revenue from contracts with customers	11,231,553	1,462,770	12,694,323
Rental income	-	-	-
Total revenue	11,231,553	1,462,770	12,694,323
Timing of revenue recognition			
Goods transferred at a point in time	9,791,349	-	9,791,349
Services transferred over time	-	1,462,770	1,462,770
Total revenue from contracts with customers	9,791,349	1,462,770	11,254,119
Rental income	-	-	-
Total revenue	9,791,349	1,462,770	11,254,119

For the year ended 31 December 2024			
The Group	Property Development Sales & Management N'000	Hospitality Services N'000	Total N'000
Type of goods or service			
Sale of Property Stock	9,281,155	-	9,281,155
Share of James Pinnock Sale of Property Stock	-	-	-
Project/ Asset Management Fee	117,398	-	117,398
UPDC Hotel Ltd. Revenue	-	1,464,014	1,464,014
Deep Horizon Inv. Ltd Sale of Property Stock	-	-	-
UPDC Facility Mgt Ltd. Management Surcharge Income	924,345	-	924,345
Revenue from contracts with customers	10,322,899	1,464,014	11,786,913
Rental	-	-	-
Total revenue	10,322,899	1,464,014	11,786,913

5.1. Revenue from contracts with customers - Continued

Geographical markets	N'000	N'000	N'000
Within Nigeria	10,322,899	1,464,014	11,786,913
Outside Nigeria	-	-	-
Total revenue from contracts with customers	10,322,899	1,464,014	11,786,913
Rental income	-	-	-
Total revenue	10,322,899	1,464,014	11,786,913

Timing of revenue recognition

Goods transferred at a point in time	9,281,155	-	9,281,155
Services transferred over time	1,041,743	1,464,014	2,505,757
Total revenue from contracts with customers	10,322,899	1,464,014	11,786,913
Rental income	-	-	-
Total revenue	10,322,899	1,464,014	11,786,913

For the year ended 31 December 2025			
The Company	Property Development Sales & Management N'000	Hospitality Services N'000	Total N'000
Type of goods or service			
Sale of Property Stock	1,066,400	-	1,066,400
Project/ Asset Management Fee	1,308,742	-	1,308,742
Revenue from contracts with customers	2,375,142	-	2,375,142
Rental income	114,540	-	114,540
Total revenue	2,489,682	-	2,489,682
Geographical markets			
Within Nigeria	2,489,682	-	2,489,682
Outside Nigeria	-	-	-
Total revenue from contracts with customers	2,489,682	-	2,489,682
Rental income	-	-	-
Total revenue	2,489,682	-	2,489,682

Timing of revenue recognition

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Goods transferred at a point in time	1,066,400	-	-	1,066,400
Services transferred over time	1,308,742	-	-	1,308,742
Total revenue from contracts with customers	2,375,142	-	-	2,375,142
Rental income	-	-	-	-
Total revenue	2,375,142	-	-	2,375,142

For the year ended 31 December 2024

The Company	Property Development		Total
	Sales & Management	Hospitality Services	
Type of goods or service	N'000	N'000	N'000
Sale of Property Stock	4,081,155	-	4,081,155
Project/ Asset Management Fee	320,198	-	320,198
Revenue from contracts with customers	4,401,353	-	4,401,353
Rental income	-	-	-
Total revenue	4,401,353	-	4,401,353

5.1. Revenue from contracts with customers - Continued

Geographical markets

Within Nigeria	4,401,353	-	4,401,353
Outside Nigeria	-	-	-
Total revenue from contracts with customers	4,401,353	-	4,401,353
Rental income	-	-	-
Total revenue	4,401,353	-	4,401,353

Timing of revenue recognition

Goods transferred at a point in time	4,081,155	-	4,081,155
Services transferred over time	320,198	-	320,198
Total revenue from contracts with customers	4,401,353	-	4,401,353
Rental income	-	-	-
Total revenue	4,401,353	-	4,401,353

Performance obligations

Information about the Company's performance obligations are summarised below:

Sale of property stock

The performance obligation is satisfied upon transfer of the property which is generally due within 30 to 90 days from transfer.

The Company has applied the practical expedient in paragraph 121 of IFRS 15 and did not disclose information about remaining performance obligations that have original expected durations of one year or less.

	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Contract balances				
Trade receivables - Note 19	47,734	385,008	48,651	43,415
Customers deposit liabilities - Note 22	2,225,259	2,478,520	2,087,910	2,434,177

Disclosure requirements IFRS 15 - Performance Obligations

Quantitative

Information about performance obligations in contracts with customer, including a description of the following:	
<ul style="list-style-type: none"> When the entity typically satisfies its performance obligations (for example, upon shipment, upon delivery, as services are rendered or upon completion of service) including when performance obligations are satisfied in a bill-and-hold arrangement . Significant payment terms (for example, when payment is typically due, whether the contract has a significant financing component, whether the consideration amount is variable and whether the estimate of variable consideration is typically constrained) The nature of the goods or services that the entity has promised to transfer, highlighting any performance obligations to arrange for another party to transfer goods or services (i.e., if the entity is acting as an agent) Obligations for returns, refunds and other similar obligations Types of warranties and related obligations 	IFRS 15.119(a) IFRS 15.119(b) IFRS 15.119(c) IFRS 15.119(d)

Performance obligations - Tabular form

The Company's typical performance obligations include the following:

Performance Obligation	When Performance Obligation is Typically Satisfied	When Payment is Typically Due	How Standalone Selling Price is Typically Estimated
Sale of property stocks	Control of the asset is transferred to the customer, generally on delivery of the property at a point in time.	Payment is due on delivery date	Observable in contract document
Facilities management services provided to the customer	The services are satisfied over time as customers simultaneously receives and consumes the benefits provided by the Company. The Company recognizes revenue for these service contracts over time .	At the beginning of the contract period	Observable in renewal transactions
Project Development and Business Management	Allocation of the consideration and timing of the amount of revenue recognized in relation to the sales.	Within 90 days of services being performed	Observable in transactions without multiple performance obligations

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6. Other income

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Dividend income	62,678	59,264	62,678	59,270
Legal, Transfer and title regularisation fees	-	93,921	-	93,921
Premium fee on rent to own scheme	-	5,031	-	5,031
Exchange gain/(Loss)	(7,957)	12,479	(1,342)	12,479
Recovery on facility management*	240,179	228,415	-	-
Commission from sales of 3rd party properties	-	23,238	-	23,238
Others	401,119	11,723	89,834	-
Total other income	696,019	434,071	151,170	193,940

Dividend income represents dividend received on investment in UPDC REIT.

Foreign exchange gain arises from foreign currency denominated bank balance at year end.

* Recovery on facility management primarily consists of compensations received for Customer Service Managers (CSMs) deployed to estates and other facilities. The determination of this revenue class is typically based on a percentage of the staff cost of the CSMs and is agreed upon on a case-by-case basis.

7. Expenses by nature

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
7.(i) Cost of sales				
Change in inventories of finished goods & other direct costs of inventories	8,320,689	8,197,142	762,846	3,000,859
Personnel expenses (Note 7b)	137,592	110,462	131,952	110,462
Agency Fees	230,887	77,092	9,760	77,092
Others	569,810	3,416	569,810	3,416
	9,258,978	8,388,112	1,474,367	3,191,829

7.(ii) Selling and distribution expenses

Personnel expenses (Note 7b)	68,900	74,733	68,900	74,733
Marketing, advertising & communication	145,141	475,334	111,512	71,096
	214,042	550,067	180,412	145,829

7.(iii) Administrative expenses

Property Maintenance expenses	47,736	35,502	47,736	35,502
Personnel expenses (Note 7b)	937,891	710,626	456,644	311,748
Depreciation of Property, Plant & Equipment	278,974	52,671	55,689	29,120
Amortization of intangible asset (Note 14)	16,667	6,633	2,414	2,414
Rent and rates	18,379	13,842	12,704	13,842
Vehicles repairs, maintenance & fueling	26,646	23,986	16,864	17,624
Other repairs & maintenance	35,206	85,416	-	4,905
Legal expenses	76,697	24,620	75,137	23,533
Auditors' remuneration*	74,887	51,821	41,875	33,863
Directors' emoluments (Note 7b(i))	37,118	108,492	31,118	108,492
Information Technology	216,729	179,873	189,425	159,158
Insurance	48,878	51,826	23,482	16,485
Communication	19,357	28,313	17,739	26,503
Professional fees	138,835	87,275	96,376	73,023
Agency Fees	-	17,332	-	-
Printing and stationery	8,351	-	7,605	15,728
Energy Cost - UPDC Hotel Ltd.	-	-	-	-
Listing/ Regulatory fees	8,025	5,632	8,025	5,632
Bank Charges	36,066	-	7,413	-
Others	693,172	488,608	221,975	134,974
	2,719,613	1,972,422	1,312,221	1,012,547

Total cost by Nature

Cost of sales	9,258,978	2,917,046	1,474,367	2,086,729
Selling and distribution expenses	214,042	184,482	180,412	133,608
Administrative expenses	2,719,613	1,867,762	1,312,221	799,537
	12,192,633	4,969,290	2,967,001	3,019,874

* Auditors' remuneration relates to audit fees incurred for the provision of only statutory audit services to the Group.

7b. Personnel expenses

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Personnel expenses include:				
<i>Wages and salaries:</i>				
Cost of sales	137,592	93,723	131,952	93,723
Selling and distribution expenses	68,900	74,733	68,900	74,733
Administrative expenses	937,891	710,626	456,644	311,748

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	1,144,383	879,082	657,496	480,204
8. Net Finance Income/(Cost)	The Group			
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Finance Income	2,400,271	559,973	638,985	515,542
Interest on borrowings	(461,659)	(397,834)	(520,903)	(397,834)
Finance Costs	(461,659)	(397,834)	(520,903)	(397,834)
Net Finance income/(cost)	1,938,612	162,139	118,082	117,708

Finance income relate to interest accrued and received on short term deposits during the period

9. Credit loss expense	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Receivable in UPDC Metro City Ltd.	-	2,216	-	2,216
Impairment of receivable of UPDC Hotels Ltd.	25,000	-	25,000	37,124
Receivable in Pinnacle Apartment Development Ltd.	-	2,119	-	2,119
Receivable in other related parties	-	412	-	-
Receivable of UPDC FM LTD	-	-	-	-
Impairments of trade receivables	-	158,803	-	-
Impairments of short term investment	12,000	54	-	54
	37,000	163,604	25,000	41,514

10. Taxation	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
<i>Current tax</i>				
Minimum tax charge for the year	24,925	25,258	13,211	25,258
Current income tax *	964,792	382,755	-	-
Education tax *	96,479	53,115	-	10,111
Police Trust Fund *	161	65	-	16
Total current tax charge	1,086,356	461,193	13,211	35,385
Total deferred tax (note 24)	-	10,817	-	-
Total deferred tax (note 24)	-	10,817	-	-
Income tax charge	1,086,356	472,010	13,211	35,385

Nigeria corporation tax is calculated at 30% (2025: 30%) of the estimated assessable profit for the year.

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

* Refer to note 33 for restatement of comparative figures.

Per statement of financial position	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
At 1 January	490,889	167,485	57,781	31,138
Charge for the year	1,086,356	461,193	13,211	35,385
Payments during the year	(424,866)	(137,789)	(10,127)	(8,741)
Withholding tax utilized	-	-	-	-
At 31 December, 2025	1,152,379	490,889	60,865	57,781

10. (i) Current tax assets	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Unutilised withholding tax credit notes as at January 1	147,200	147,200	147,200	147,200
Additional during the year	241,982	-	64,149	-
Utilization during the year	-	-	-	-
Unutilised withholding tax credit notes as at December 31	389,182	147,200	211,350	147,200

These relate to WHT credit notes yet to be utilized. The notes will be utilized against future income tax liabilities when filing tax returns to the FIRS.

12. Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the Company and held as treasury shares.

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Profit attributable to ordinary equity shareholders (NGN'000)	2,012,964	836,909	(246,277)	285,897
Profit for the year	2,012,964	836,909	(246,277)	285,897
Basic earnings per share (Kobo)	11	5	(1)	2
From continuing operations	3	11	5	(1)
Diluted earnings per share (Kobo)	4	11	(1)	2
From continuing operations	5	11	5	(1)

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	Number ('000)	Number ('000)	Number ('000)	Number ('000)
Basic weighted average and Diluted weighted average number of shares	18,559,970	18,559,970	18,559,970	18,559,970
Absolute number of shares (Note 25)	18,559,970	18,559,970	18,559,970	18,559,970

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The group has no dilutive instruments.

13. Property, plant and equipment

The Group

	Land	Building	Motor vehicles	Plant and Machinery	Furniture & Fittings	Computer Equipment	Total
Cost	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2024	1,103,600	7,024,885	80,995	201,153	102,283	107,273	8,620,189
Addition	-	341	51,500	136,910	16,179	22,183	227,114
At 31 December 2024	1,103,600	7,025,226	132,495	338,063	118,462	129,456	8,847,303
At 1 January 2025	1,103,600	7,025,226	132,495	338,063	118,462	129,456	8,847,303
Addition	-	-	243,500	10,693	202,746	57,281	514,220
At 31 December 2025	1,103,600	7,025,226	375,995	348,756	321,208	186,737	9,361,522
Accumulated depreciation and impairment							
At 1 January 2024	-	67,383	30,386	58,595	55,910	73,418	285,692
Charge for the year	-	221,292	30,190	4,358	38,367	14,670	308,877
At 31 December 2024	-	288,675	60,576	62,953	94,277	88,088	594,569
At 1 January 2025	-	288,675	60,576	62,953	94,277	88,088	594,569
Charge for the year	-	154,440	68,562	39,264	10,852	22,064	295,182
At 31 December 2025	-	443,115	129,138	102,217	105,129	110,151	889,750
Net book values							
At 31 December 2025	1,103,600	6,582,111	246,857	246,539	216,079	76,586	8,471,772
At 31 December 2024	1,103,600	6,736,551	71,919	275,110	24,185	41,369	8,252,734

There is no restriction on title, and no property, plant and equipment were pledged as security for liabilities as at 31 December 2025 (2024: Nil).

No property, plant and equipment retired from active use, and none was classified as held for sale in accordance with IFRS 5.

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The Company

	Motor vehicles	Plant and Machinery	Furniture & Fittings	Computer Equipment	Total
Cost	N'000	N'000	N'000	N'000	N'000
At 1 January 2024	69,486	12,736	54,153	84,805	221,180
Additions	-	-	10,390	9,969	20,359
At 31 December 2024	69,486	12,736	64,543	94,774	241,539
At 1 January 2025	69,486	12,736	64,543	94,774	241,539
Additions	182,500	-	22,387	29,897	234,783
At 31 December 2025	251,986	12,736	86,929	124,671	476,322
Accumulated depreciation and impairment					
At 1 January 2024	25,503	12,736	47,539	65,523	151,301
Charge for the year	19,297	-	2,288	7,535	29,120
At 31 December 2024	44,800	12,736	49,827	73,058	180,420
At 1 January 2024	44,800	12,736	49,827	73,058	180,420
Charge for the year	40,437	-	4,572	10,680	55,689
At 31 December 2025	85,238	12,736	54,399	83,738	236,109
Net book values					
At 31 December 2025	166,748	-	32,530	40,933	240,213
At 31 December 2024	24,686	-	14,716	21,716	61,119

There is no restriction on title, and no property, plant and equipment were pledged as security for liabilities as at 31 December 2025 (2024: Nil).

No property, plant and equipment retired from active use, and none was classified as held for sale in accordance with IFRS 5.

14. Intangible Assets

	The Group	The Company
Cost	Software	Software
	N'000	N'000
At 1 January 2024	397,231	305,770
Additions	10,736	-
At 31 December 2024	407,967	305,770
At 1 January 2025	407,967	305,770
Additions	27,044	-
At 31 December 2025	435,011	305,770
Amortisation		
At 1 January 2024	345,032	297,885
Amortisation for the year	6,633	2,414
At 31 December 2024	351,666	300,299
At 1 January 2024	351,666	300,299
Amortisation for the year	6,285	2,414
At 31 December 2025	357,951	302,713
Net book values		
At 31 December 2025	77,060	3,057
At 31 December 2024	56,302	5,472

No intangible asset was pledged as security for any liability as at 31 December 2025 (2024: Nil)

15. Investments in equity accounted joint ventures

The amounts recognised in the statement of financial position are as follows:

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Joint ventures	120,141	120,141	119,337	119,337
	120,141	120,141	119,337	119,337

15 (i). Investments in joint ventures

	The Company					
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	1 December 2024
	N'000	N'000	N'000	N'000	% holding	% holding
Investment in Joint Ventures						
First Restoration Dev. Co. Limited	120,141	120,141	119,337	119,337	51.0%	51.0%
	120,141	120,141	119,337	119,337		

All other investment in joint ventures have been written down to NIL because of the losses recorded over the years.

The movement in the investment in joint ventures during the year is stated below:

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
At 1 January	120,141	120,141	119,337	119,337
Share of loss from joint venture	-	-	-	-
	120,141	120,141	119,337	119,337

Nature of investment in Joint ventures:

Name	Project	Country of incorporation	Nature of relationship	Measurement method	% Interest held
First Festival Mall Ltd.	Festival Mall	Nigeria	Joint venture	Equity	45%
First Restoration Dev. Coy Ltd.	Olive Court	Nigeria	Joint venture	Equity	51%
Pinnacle Apartment Dev. Ltd.	Pinnacle Apartments	Nigeria	Joint venture	Equity	51%
UPDC Metro City Ltd.	Metrocity	Nigeria	Joint venture	Equity	60%
Transit Village*	Transit Village	Nigeria	Joint venture	Equity	40%

All joint ventures are primarily set up for projects as stated above. The investments in Joint Venture were measured using equity accounted method in the separate financial statements.

* Transit Village JV was not operational as at year end. The company's investment represents the seed capital contributed towards acquiring the land for the project. Set out below are the summarised financial information for the associate and joint ventures accounted for using the equity method.

Name	Non Current Asset	Current Asset	Non-Current Liabilities	Current Liabilities	Cash & Cash Equivalent	Net Asset	Carrying value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
31 December 2025							
First Festival Mall Ltd.	-	-	-	-	-	-	-
First Restoration Dev. Coy Ltd.	-	301,265	-	57,988	25,964	269,241	120,141
Pinnacle Apartment Dev. Ltd.	-	-	-	-	-	-	-
Calabar Golf Estate Ltd.	-	-	-	-	-	-	-
UPDC Metro City Ltd.	-	-	-	-	-	-	-
Transit Village*	-	-	-	-	-	-	-

Name	Revenue	Depreciation	Interest Income	Interest Expense	Tax Expense	Profit/ (Loss)
	N'000	N'000	N'000	N'000	N'000	N'000
31 December 2025						
First Festival Mall Ltd.	-	-	-	-	-	-
First Restoration Dev. Coy Ltd.	-	-	-	-	-	-
Pinnacle Apartment Dev. Ltd.	-	-	-	-	-	-
Calabar Golf Estate Ltd.	-	-	-	-	-	-
UPDC Metro City Ltd.	-	-	-	-	-	-
Transit Village	-	-	-	-	-	-

Name	Non Current Asset	Current Asset	Non-Current Liabilities	Current Liabilities	Cash & Cash Equivalent	Net Asset	Carrying value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
31 December 2024							
First Festival Mall Ltd.	-	-	-	-	-	-	-
First Restoration Dev. Coy Ltd.	-	301,265	-	-	25,964	269,241	120,141
Pinnacle Apartment Dev. Ltd.	-	-	-	-	-	-	-
UPDC Metro City Ltd.	-	-	-	-	-	-	-
Transit Village	-	-	-	-	-	-	-

Name	Revenue	Depreciation	Interest Income	Interest Expense	Tax Expense	Profit
	N'000	N'000	N'000	N'000	N'000	N'000
31 December 2024						
First Festival Mall Ltd.	-	-	-	-	-	-
First Restoration Dev. Coy Ltd.	-	-	-	-	-	(10,796)
Pinnacle Apartment Dev. Ltd.	-	-	-	-	-	-
UPDC Metro City Ltd.	-	-	-	-	-	-
Transit Village	-	-	-	-	-	-

16. Equity instrument at fair value through other comprehensive income

As at 31 December 2025, UPDC held 133,413,475 units, representing 5% of the total issued REIT units. This is in compliance with Section 532(z) of the SEC Rules and Regulations (as amended) that requires promoters of real estate investment schemes to subscribe to a minimum of 5% of the registered units of the scheme at inception and hold such units throughout the life of the real estate investment scheme. The fair value changes is as a result of the difference in share price from prior year of N6.30 to N6.60 per unit in current period.

	The Group		The Company	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
As at 1 January	667,067	853,846	667,067	853,846
Fair value changes	253,486	(186,779)	253,486	(186,779)
	920,552	667,067	920,552	667,067

	The Group		The Company	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
Opening balance of Investment	667,067	853,846	667,067	853,846
Fair valuation at reporting date	(920,552)	(667,067)	(920,552)	(667,067)
Fair value loss/(gain)	(253,486)	186,779	(253,486)	186,779

17. Investments in subsidiaries

Principal investments	The Company		% Shareholding	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 %	31 December 2024 %
<i>UPDC Hotels Ltd.</i> 2,082,500,000 Shares of ₦1.00 each	2,082,500	2,082,500	94.0%	94%
<i>Manor Gardens Dev. Company Ltd.</i> 53,810,000 Ordinary Shares of ₦1.00 each	53,810	53,810	67.5%	67.5%
<i>UPDC Facility Management Ltd.</i> 5,000,000 Ordinary Shares of ₦1.00 each	5,000	5,000	50%	50%
<i>Deep Horizon Investment Ltd.</i> 1,000,000 Ordinary Shares of ₦1.00 each	1,611,697	1,611,697	100%	100%
Grupo Atlanta (Nig) Ltd 510,000 Ordinary Shares of ₦1.00 each	510	490	51%	49%
	3,753,517	3,753,497		
Impairment of investments	(2,136,310)	(2,136,310)		
	1,617,207	1,617,187		

Investments in subsidiaries are measured at cost.

In 2024, UPDC Plc and Paragon Holding Investment acquired the total equity of Grupo Atlanta, UPDC was allotted 49% while Paragon was allotted 51% with a condition that Paragon will relinquish 2% of her holding to UPDC upon the obtainance of Federal Competition & Consumer Protection Commission (FCCPC) approval, the FCCPC approval was obtained in January 2025 and UPDC got the total of 51% holding. UPDC's has the higher representative of the Board and chair the board of Grupo Atlanta right from the onset of the acquisition and as well as controlling its' financial and operational decision making.

17. (i) Material partly owned subsidiary

Financial information of subsidiary that have material non-controlling interest is provided below;

Proportion of equity interests held by non-controlling interests:

	The Company		% Shareholding	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 %	31 December 2024 %
UPDC Facility Management Limited: 5,000,000 Ordinary Shares of ₦1.00 each	5,000	5,000	50	50
Grupo Atlanta (Nig) Ltd: 510,000 Ordinary Shares of ₦1.00 each	510	490	51	49

17. (ii) Profit allocated to material non-controlling interest

The summarized financial information of the subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of financial positions

	UPDC Facility Management		UPDC Hotel Limited		Deep Horizon Investment Limited		Grupo Atlanta Nig Ltd	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Current assets	1,085,025	815,636	1,089,290	455,819	3,408,904	3,559,784	9,558,445	13,501,241
Non-current assets	151,742	19,039	8,153,737	8,289,426	-	-	-	-
Current liabilities	(730,715)	(520,872)	(17,055,349)	(16,411,432)	(1,602,408)	(1,693,617)	(15,951,560)	(12,822,862)
Non-current liabilities	-	-	(250,000)	(250,000)	-	-	-	-
Total Equity	506,052	313,803	(8,062,321)	(7,916,187)	1,806,496	1,866,167	(6,393,115)	678,379
Attributable to:								
Equity holders of parent	253,026	156,902	(7,578,582)	(7,441,216)	(1,791,891)	1,866,167	(3,132,626)	332,406
Non-controlling interest	253,026	156,902	(483,739)	(474,971)	-	-	(3,260,488)	345,973
	506,052	313,804	(8,062,321)	(7,916,187)	(1,791,891)	1,866,167	(6,393,115)	678,379

Statement of profit or loss and other comprehensive income

	31 December 2025	31 December 2024						
	N'000							
Revenue from contract with customer	1,325,664	367,030	1,462,770	843,390	-	1,731,092	8,724,949	5,200,000
Cost of Sales	(1,349,043)	(345,463)	(1,549,692)	(1,136,388)	(5,986)	(1,517,690)	(7,630,883)	(4,226,768)
Net Finance cost	11,012	-	(42,091)	(31,456)	-	-	1,851,609	44,432
Other income	282,664	130,259	262,185	-	-	17,000	-	-
Profit before tax	270,297	151,937	133,172	(280,794)	(5,986)	230,402	2,945,676	1,017,664
Income tax expense	(89,211)	(53,717)	(11,714)	(4,242)	-	(76,449)	(972,220)	(335,880)
Profit for the year	181,085	98,220	121,458	(285,036)	(5,986)	153,953	1,973,455	681,784
Other comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive income	181,085	98,220	121,458	(285,036)	(5,986)	153,953	1,973,455	681,784
Attributable to:								
Equity holders of parent	90,543	49,110	114,170	(267,934)	(5,986)	153,953	1,006,462	334,074
Non-controlling interest	90,543	49,110	7,287	(17,102)	-	-	966,993	347,710
	181,085	98,220	121,458	(285,036)	(5,986)	153,953	1,973,455	681,784

18. Inventories

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Non trade stock	370,603	351,124	-	-
Properties under construction - Note 18 (i)	2,753,250	8,378,876	472,301	1,079,068
Balance	3,123,853	8,729,999	472,301	1,079,068

All Inventory above are carried at lower of cost or net realisable value at all the periods reported.

18. (i). Properties under construction

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Balance 1 January	8,378,875	3,148,591	1,079,068	3,148,590
Additions*	156,079	931,337	156,079	931,337
Grupo Atlanta Nig Ltd addition	930,299	7,299,808	-	-
Disposal	(6,712,003)	(3,000,859)	(762,846)	(3,000,859)
Deferred Commissioning cost	-	-	-	-
	2,753,250	8,378,875	472,301	1,079,068

*Included in the additions during the year is the landed property worth of N7.2billion at Brompton city which is under construction for sale in the ordinary course of the business.

19. Trade and other receivables

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Trade receivables	997,282	1,334,555	927,598	922,362
Less: Impairment of trade receivables (Note 3.1b)	(949,547)	(949,547)	(878,947)	(878,947)
Net trade receivables	47,734	385,008	48,651	43,415
Receivables from group companies (Note 26)	435,909	481,626	7,193,961	2,278,911
Other receivables (Note 19 (i))	5,708,929	641,806	276,450	274,084
Advances to staff	636	1,524	(137)	1,525
	6,193,208	1,509,965	7,518,925	2,597,935

19. (i) Analysis of other receivables

	165,897			
Mobilization payments to contractors	5,173,127	26,767	27,473	26,767
Prepayments and accrued income	130,792	70,190	43,670	16,383
Withholding tax receivables	34,604	19,435	15,170	15,170
VAT Receivables	-	-	-	-
Other Debtors*	370,406	525,414	190,137	215,764
	5,708,929	641,806	276,450	274,084

Information about the credit exposures and impairment are disclosed in Note 3.

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*Other debtors comprise mainly of service charge expenses incurred on empty plot of land at Pinnock Beach and receivables from the hotel. These are reimbursable by individual customers upon commencement of development work on their respective plots.

The average credit period on sales of goods is 60 days. No interest is charged on outstanding trade receivables. The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100 per cent against all receivables over 120 days past due because historical experience has indicated that these receivables are generally not recoverable.

The Group has engaged a third-party supplier to provide relevant economic data for determining the factors that are specific to the debtors, the general economic conditions of the industry in which the debtors operate and the forecast direction of conditions at the reporting date. The Group has significantly increased the expected loss rates for trade receivables from the prior year based on its judgement of the impact of current economic conditions and the forecast direction of travel at the reporting date. There has been no change in the estimation techniques during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

20. Cash and cash equivalents

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Cash at bank and in hand	1,899,706	2,568,931	375,967	547,050
Short term investments	8,375,449	8,935,970	1,382,626	3,691,538
Less: Impairment of Short term investments	(871)	(203)	(203)	(203)
Cash and cash equivalents	10,274,285	11,504,698	1,758,390	4,238,385

21. Borrowings

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Current borrowings				
UAC of Nigeria Plc. Loan	32,373	50,075	32,373	50,075
Custodian Investment Plc Loan	46,666	66,513	46,666	66,513
Grupo Atlanta (Nig) Ltd	-	-	59,244	-
	79,038	116,587	138,282	116,587
Non-current borrowings - Principal				
UACN Plc Loan	920,078	1,380,125	920,078	1,380,125
Custodian Investment Plc Loan	1,095,090	1,642,639	1,095,090	1,642,639
Grupo Atlanta (Nig) Ltd	-	-	3,487,757	-
	2,015,168	3,022,763	5,502,925	3,022,763
Total borrowings	2,094,206	3,139,350	5,641,207	3,139,350

Movement in total borrowing during the year is as follows:

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Balance as at 1 January	3,139,349	4,772,820	3,139,349	4,772,820
Additional Loan (GANL)			3,487,757	-
Repayment of Principal	(1,007,606)	(1,679,333)	(1,007,606)	(1,679,333)
Interest accrued	461,659	397,834	520,903	397,834
Interest paid	(499,196)	(351,972)	(499,196)	(351,972)
Balance as at 31 December	2,094,206	3,139,349	5,641,207	3,139,349

*In April 2021, the majority shareholders of UPDC Plc (CIP & UACN Plc) granted UPDC Plc a loan for N5.9billion at the rate of 9% per annum with a 3year moratorium. It was also agreed that the loan would be provided by CIP and UACN Plc's pro rata their shareholding in the UPDC i.e. CIP contributed 54.34% of the Loan whilst UACN Plc contributed 45.66% of the Loan. The purpose of the loan was to pay down the 5-year bond and UACN Bridge Finance. The loan was later restructured in 2024 with the interest rate adjusted from 9% to 18%.

*In April and October 2025, UPDC Plc repaid total sum of N503.7million, being tranche 4&5 repayment of the Shareholders' loan to CIP & UACN Plc as well as the accrued interest as at the date of principal repayment.

*In October 2025, UPDC Plc secured a related party loan of N4b from Grupo Atlanta with an annual interest rate of 20%, N3.49b was drawn down in December 2025

22. Trade and other payables

	The Group		The Company	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
Trade payables	3,493,473	2,738,404	528,451	378,284
Customers deposit liabilities (Note 23)	2,225,259	2,478,520	2,087,910	2,434,177
Amounts owed to other related parties (Note 26)	252,970	273,940	2,087,172	2,118,535
	5,971,702	5,490,864	4,703,532	4,930,997
Value Added Tax/ Withholding Tax Payables	280,661	176,328	134,783	41,927
Other payables*	6,424,028	10,143,499	277,386	179,737
Assets Replacement Deposits	257,845	115,795	137,409	94,795
Unclaimed dividend (Note 23 (i))	220,452	230,740	220,452	230,740
Accruals**	1,519,025	1,631,734	406,744	400,096
Total	14,673,713	17,788,961	5,880,306	5,878,293

*Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The directors consider the carrying amount of trade and other payables to approximate its fair value due to their short term maturity period and no significant discounts is expected on payments of the obligations.

*Other payables includes payable for cost of land for phases 1,2 & 3 of Brompton City of N9.7billion, development levy deposits, and other payroll related statutory payment due.

**Accruals is made up of payables to vendors for accrue expenses, legal fee, audit fee, amongst others.

23. Customer deposit liabilities

	The Group		The Company	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	N'000
Deposit by customers	2,225,259	2,478,520	2,087,910	2,434,177
	2,225,259	2,478,520	2,087,910	2,434,177

This represents advances received from customers in respect of sale of property stocks and facility management fees. This is a non-interest bearing liability.

23. (i) Unclaimed dividend

	The Group		The Company	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	N'000
As at 1 January	230,739	252,411	230,739	252,411
Unclaimed dividend fund paid	(10,287)	(21,672)	(10,287)	(21,672)
	220,452	230,739	220,452	230,739

24. Deferred taxation

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

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Deferred tax liabilities:				
- Deferred tax liability to be recovered after more than 12 months	83,354	83,354	72,537	72,537
- Deferred tax liability to be recovered within 12 months	-	-	-	-
Deferred tax liabilities	83,354	83,354	72,537	72,537

The gross movement on the deferred income tax account is as follows:

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
At 1 January	83,354	72,537	72,537	72,537
Recognised in Profit or Loss	-	10,817	-	-
At 31 December, 2025	83,354	83,354	72,537	72,537

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

The Group

	Property, plant and equipment	Investment property	Provisions	Tax losses	Capital gains to be reinvested	Exchange difference	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2024	(69,440)	1,273,022	(96,895)	(1,151,609)	116,291	1,168	72,537
Charged/(credited) to profit or loss	10,817	-	-	-	-	-	10,817
At 31 December 2024	(58,623)	1,273,022	(96,895)	(1,151,609)	116,291	1,168	83,354
Charged/(credited) to profit or loss	-	-	-	-	-	-	-
At 31 December 2025	(58,623)	1,273,022	(96,895)	(1,151,609)	116,291	1,168	83,354

The Company

	Property, plant and equipment	Investment property	Provisions	Tax losses	Capital gains to be reinvested	Exchange difference	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2024	(69,440)	1,273,022	(96,895)	(1,151,609)	116,291	1,168	72,537
Charged/(credited) to profit or loss	-	-	-	-	-	-	-
At 31 December 2024	(69,440)	1,273,022	(96,895)	(1,151,609)	116,291	1,168	72,537
Charged/(credited) to profit or loss	-	-	-	-	-	-	-
At 30 December 2025	(69,440)	1,273,022	(96,895)	(1,151,609)	116,291	1,168	72,537

The Group/ The Company

*The deferred tax asset computation for the year amounted to N5.3 billion (2024: N5.3 billion), the management has however assessed and concluded that it is not probable that sufficient taxable profits will be available to offset this, hence the decision not to recognise the asset.

At the reporting date, the Group has N17.3 billion unrelieved tax losses (2024:N17.3 billion) available for offset against future profits.

UPDC Plc
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

25. Share capital

Group and Company

		31 December 2025		31 December 2024	
		Units '000	Amount N'000	Units '000	Amount N'000
<i>Authorised:</i>					
Ordinary shares of 50k each		18,559,970	9,279,985	18,559,970	9,279,985
<i>Issued and fully paid:</i>					
Ordinary shares of 50k each		18,559,970	9,279,985	18,559,969	9,279,985
	3				
Authorised shares	4				
At 1 January	5	18,559,970	9,279,985	18,559,970	9,279,985
Share Cancellation	6				
At 31 December		18,559,970	9,279,985	18,559,969	9,279,985

25 (i). Share Premium

Share Premium is the premium on actual price of share issue above the par value of 50 kobo and it is used to take care of bonus issues.

Section 145 of Companies and Allied Matters Act, 2020 requires that where a company issues shares at premium (i.e. above the par value), the value of the premium should be transferred to share premium.

25 (ii). Retained earnings

Retained earnings represent net accumulated result over the years.

25 (iii) Fair value reserve

The fair value reserve comprises the net cumulative change in the fair value of financial assets measured at fair value through other comprehensive income.

UPDC Plc
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

25. Share capital

Group and Company

	31 December 25		31 December 24
	Units '000	Amount N'000	Units '000 30
<i>Authorised:</i>			
Ordinary shares of 50k each	18,559,970	9,279,985	18,559,970
<i>Issued and fully paid:</i>			
Ordinary shares of 50k each	18,559,970	9,279,985	18,559,970
Authorised shares			
At 1 January	18,559,970	9,279,985	18,559,970
Share Cancellation			
At 31 December 2025	18,559,970	9,279,985	18,559,970

25 (i). Share Premium

34

Share Premium is the premium on actual price of share issue above the par value of 50 kobo and it is used to take care of bonus issues.

Section 145 of Companies and Allied Matters Act, 2020 requires that where a company issues shares at premium (i.e. above the par value), the value of the premium should be transferred to share premium.

25 (ii). Retained earnings

Retained earnings represent net accumulated result over the years.

25 (iii) Fair value reserve

The fair value reserve comprises the net cumulative change in the fair value of financial assets measured at fair value through other comprehensive income.

26. Related party transactions

The ultimate parent and controlling party of the Company is Custodian Investment Plc incorporated in Nigeria. There are other companies that are related to UPDC through common shareholdings.

The following transactions were carried out with related parties:

(a) Sales of goods and services

	Relationship	Nature of transaction	The Group		The Company	
			31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
UAC of Nigeria Plc	Associate	Asset/Property and Development Management	-	-	-	-
UPDC REIT	Equity investment		-	-	-	-

(b) Purchases of goods and services

	Relationship	Nature of transaction	The Group		The Company	
			31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
UAC of Nigeria Plc.	Associate	Rent of office space from	-	-	-	-

Period-end balances arising from sales/purchases of goods/services

	The Group		The Company	
	31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
Receivable:				
Receivables balance	3,687,217	3,732,934	24,557,457	19,617,407
Provision for expected credit losses	(3,251,307)	(3,251,307)	(17,363,496)	(17,338,496)
Balance as at 31 December	435,909	481,626	7,193,961	2,278,911

Period-end balances arising from sales/purchases of goods/services

	Relationship	The Group		The Company	
		31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
Receivable:					
UPDC Metrocity Limited	Joint Venture	401,894	408,436	401,894	408,436
UPDC Hotel Ltd.	Subsidiary	-	-	14,640,396	14,543,255
First Festival Mall Limited	Joint Venture	2,614,513	2,614,513	2,614,513	2,614,513
Pinnacle Apartment Dev. Ltd/ Imani and Sons	JV Partner	560,825	537,462	425,770	402,407
Galaxy Mall Current Account	Joint Venture	74,034	74,034	74,034	74,034
UPDC REIT	Associate	35,950	98,489	35,950	98,489
Manor Gardens	Subsidiary	-	-	317,244	317,244
Groupo Atlanta Nig Ltd	Subsidiary	-	-	5,953,095	1,086,803
UPDC Facility Management Ltd.	Subsidiary	-	-	94,561	72,226
		3,687,217	3,732,934	24,557,457	19,617,407
Impairment of Intercompany receivables		(3,251,307)	(3,251,307)	(17,363,496)	(17,338,496)
		435,909	481,624	7,193,961	2,278,911

	Relationship	The Group		The Company	
		31 December 2025 N'000	31 December 2024 N'000	31 December 2025 N'000	31 December 2024 N'000
Payable:					
UAC of Nigeria Plc.	Associate	-	7,002	-	7,002
MDS Logistics Ltd.	Sister Company	-	1,787	-	1,787
First Restoration Dev. Co. Limited	Joint Venture	252,970	265,151	252,970	265,151
Deep Horizon Investment Ltd.	Subsidiary	-	-	1,834,202	1,844,595
		252,970	273,939	2,087,172	2,118,535

All trading balances will be settled in cash.

The related party transactions were carried out on commercial terms and conditions.

27. Contingent liabilities

As at 31 December 2025, the Group in its ordinary course of business is presently involved in 31 cases as a defendant and 14 cases as a plaintiff. The total amount claimed in the 29 cases against the Company is estimated at N19.1billion, while the total amount claimed in the 14 cases instituted by the Group is N108.5million. The Directors are of the opinion that none of the aforementioned cases is likely to have material adverse effect on the Group and are not aware of any other pending and or threatened claims or litigation which may be material to the financial statements.

UPDC Plc
Shareholding Structure/Free Float Status

UPDC Free Float Computation				
Company Name:	UPDC PLC			
Board Listed:	MAIN BOARD			
Year End:	December			
Reporting Period:	December 2025			
Share Price at end of reporting period:	₦4.90			
Shareholding Structure/Free Float Status				
Description	December 2025			
	Units	Percentage		
Issued Share Capital	18,559,969,936	100%		
Substantial Shareholdings (5% and above)				
Custodian Investment Plc	9,486,390,663	51.11%		
UAC of Nigeria Plc	7,697,451,236	41.47%		
Total Substantial Shareholdings	17,183,841,899	92.59%		
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Mr Wole Oshin	-	9,486,390,663		
Mr Odunayo Ojo	-	-		
Ms Bidemi Fadayomi	-	-		
Mr Folasope Aiyesimoju	-	7,697,451,236		
Mr Oyekunle Osilaja	-	-		
Mr Adeniyi Falade	-	0		
Total Directors' Shareholdings	-	-		
Other Influential Shareholdings				
First PCN/Crusader Pensions - PFA Main	213,642,424	1.15%		
Free Float in Units and Percentage	906,792,952	4.89%		
Free Float in Units and Percentage	469,335,085	2.53%		
Free Float in Value	₦2,299,741,916.50			

Declaration:

UPDC Plc, with a free float percentage of 4.89% as at 31 December 2025, does not meet the free float requirements of the Nigerian Exchange Group for companies listed on the Main Board.

The Company has taken steps to resolve this. This plan will be communicated once fully executed.