



**Audited 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	12 908 015	11 786 913	10	2 636 429	4 401 353	(40)
Operating profit/(loss)	1 378 058	1 146 780	20	(276 162)	203 574	(236)
Net finance Income	1 867 338	162 139	1 052	7 449	117 708	(94)
Profit /(loss) before taxation	3 245 396	1 308 919	148	(268 713)	321 282	(184)
Taxation	(1 227 062)	(472 010)	(160)	(39 751)	(35 385)	(12)
Total comprehensive profit/(loss) for the year	2 151 615	650 130	231	(175 183)	99 118	(277)
Total Equity	11 451 569	9 485 553	21	1 024 027	1 384 809	(26)
Total equity and liabilities	29 989 374	30 988 108	(3)	13 327 167	10 532 769	27
Cash and Cash equivalents	10 197 862	11 504 698	(11)	1 612 225	4 238 385	(62)
Basic Earnings Per Share (Kobo)	11	5	141	(2)	2	(208)
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	

## Directors' Report

The Directors have the pleasure of submitting their annual report, together with the audited financial Statements for the year ended 31<sup>st</sup> December 2025.

### Principal Activities

UPDC Plc (UPDC or the Company) is a seasoned development company in Nigeria with an established record in developing, selling, and managing real estate assets across Nigeria. UPDC is the first real estate listed company and offers the most diversified portfolio of residential, commercial, retail, and hospitality assets.

### Our Vision

To become the leading lifestyle real estate company of choice in Nigeria by delivering world-class properties and services tailored to the needs of the Nigerian market.

### Our Mission

To build and manage:

- Distinctive lifestyle developments
- To time, cost and quality
- Customers for life: from development stage to sales to asset and facility management
- Shareholder value

### Core Values

- Responsibility,
- Service,
- Integrity,
- Excellence,
- Shareholder Value and
- Customer Focus.

## Operating Results

	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
Revenue	12,908,015	11,786,913	2,636,429	4,401,353
Cost of Sales	(9,286,078)	(8,388,112)	(1,474,367)	(3,191,829)
Gross Profit/(loss)	3,621,937	3,398,801	1,162,062	1,209,524
Selling and distribution expenses	(230,305)	(550,067)	(180,412)	(145,829)
Administrative expenses	(2,369,600)	(1,972,420)	(1,305,314)	(1,012,547)
Other Operating income	605,500	434,071	151,170	193,940
Credit loss expenses	(241,513)	(163,604)	(95,709)	(41,514)
Share of loss from joint venture	(7,959)	-	(7,959)	-
Operating profit/ (Loss)	1,378,058	1,146,780	(276,162)	203,574
Net finance cost	1,867,338	162,139	7,449	117,708
Profit/(loss) before taxation	3,245,396	1,308,919	(268,713)	321,282
Taxation	(1,227,062)	(472,010)	(39,751)	(35,385)
Profit/(loss) for the year	2,018,334	836,909	(308,464)	285,897
Fair value gain on financial assets	133,281	(186,779)	133,281	(186,779)
<b>Total comprehensive profit/(loss) for the year</b>	<b>2,151,615</b>	<b>650,130</b>	<b>(175,183)</b>	<b>99,118</b>

## Dividend

The Board of Directors has approved a dividend of 1 kobo per ordinary share for the financial year ended 31 December 2025 (2024: 1 Kobo). This amounts to a total dividend payout of ₦185,599,699.36, based on the total outstanding ordinary shares of 18,559,969,936.

## Directors' Interests in Shares

Directors' interests in the issued share capital of the Company as recorded in the Register of Members and/or as notified by the Directors in compliance with Sections 301 and 302 of the Companies and Allied Matters Act 2020 and the Listing Requirements of the Nigerian Exchange Limited were as follows:

	31 December 2025		31 December 2024	
	Direct	Indirect	Direct	Indirect
Mr Wole Oshin	-	9,486,390,663		9,486,390,663
Mr Odunayo Ojo	-	-	-	-
Ms Bidemi Fadayomi	-	-	-	-
Mr Folasope Aiyesimoju	-	7,697,451,236	-	7,908,186,837
Mr Oyekunle Osilaja	-	-	-	-
Mr Adeniyi Falade	-	-	-	-

## Directors' Interests in Contracts

In line with Section 303 of the Companies & Allied Matters Act 2020, no Director had interest in any contract with the Company during the year.

## Shareholders with Substantial Interest of 5% and Above

The issued and fully paid-up share capital of the Company is ₦9,279,984,968 divided into 18,559,969,936 ordinary shares of 50 kobo each. The following table shows the shareholders with substantial interest above 5%:

S/N	FULL NAME	ADDRESS	HOLDINGS	%
1	Custodian Investment Plc	Custodian House, 16A, Commercial Avenue, Sabo, Yaba	9,486,390,663	51.11
2	UAC of Nigeria Plc	UAC House, 1 - 5, Odunlami Street, Marina, Lagos.	7,697,451,236	41.47

## Analysis of Shareholding

	Shareholders Number	Shareholding Number	Shareholding %
Directors and Connected Persons	NIL	NIL	NIL
Custodian Investment Plc	1	9486390663	51.11
UAC of Nig Plc	1	7697451236	41.47
Individuals	33,700	786215177	4.24
Other Corporate bodies	1,066	589912860	3.18
<b>Total</b>	<b>34768</b>	<b>18559969936</b>	<b>100</b>

## **Our People**

At UPDC (the Company), our people are central to the achievement of our strategic objectives. We are committed to fostering a workforce that reflects our core values of integrity, responsibility, service, excellence, customer focus, and shareholder value creation. Our corporate culture promotes open communication, collaboration, diversity, and forward thinking, creating an environment where ideas, perspectives, and knowledge are freely shared. This culture supports innovation, enhances employee engagement, and enables our people to contribute effectively to the Company's long-term growth and success.

## **Diversity and Inclusion**

The Company maintains a zero-tolerance stance on discrimination and is committed to promoting fairness and equal opportunity across all aspects of employment. Recruitment, training, and career advancement are based strictly on character, competence, and merit. Our recruitment processes are structured to ensure transparency and fair competition, enabling us to attract and retain highly qualified individuals across relevant fields. Through this approach, we continue to build a diverse and capable workforce that strengthens the Company's performance and sustainability.

## **Health, Safety and Welfare of Employees**

The Company places a high priority on the health, safety and welfare of its employees and maintains policies and procedures designed to ensure a safe working environment.

## **Employee Engagement and Team Communication**

The Company recognizes that its employees are integral to the success of the business and therefore implements initiatives designed to enhance staff morale, engagement, and collaboration. Employees are actively involved in the formulation and execution of strategies within their respective business units, fostering ownership of business plans and commitment to organizational objectives.

To encourage collaboration and information sharing, the Company regularly holds Team Retreats, Business Review Meetings, Strategy Review Sessions, Project Integration Meetings, and Town Hall Meetings. These forums provide opportunities for the exchange of ideas and the dissemination of key business information. The Company has also increasingly adopted technology-enabled platforms to facilitate hybrid meeting formats and enhance participation and efficiency.

## **Learning and Development**

The Company encourages continuous personal and professional development among its employees. To support this, it adopts a training approach that promotes internal knowledge sharing while also encouraging and monitoring self-development initiatives.

In addition, the Company organizes training programmes with external facilitators to support career growth. These programmes cover both technical and people-development competencies and are aligned with employees' development needs. Post-training evaluations indicate positive outcomes and a measurable return on investment from these initiatives.

## **Employee Wellness and Wellbeing**

the Company prioritizes employee wellbeing and mental health, recognizing that a healthy workforce is critical to building resilience and sustaining productivity. The Company periodically implements initiatives aimed at improving the health and overall wellbeing of its employees and encourages participation in programmes that promote healthy lifestyles and support mental, emotional, physical, and social wellbeing.

These initiatives collectively contribute to a supportive workplace culture, enhanced employee engagement, and sustained organizational performance. Some of the wellness initiatives implemented during the year include:

- Health Insurance cover for employees through the Health Maintenance Organizations (HMOs).
- Compulsory Annual Health Checks for all employees, on-site physical health checks, healthier living and maintaining a good work-life balance.
- Regular advisory and health talks during health awareness sessions, work life balance initiatives which include remote work policies.
- A work environment free from health hazards and the continuous provision of resources that create a conducive and ergonomic workplace.
- Paid time off for all medical, maternity and paternity leave.
- A daily meal is provided to staff while on duty.

### **Performance Management**

The Company's performance management framework is designed to maximize employee productivity while maintaining a healthy and motivated workforce. Business objectives are clearly defined, cascaded across the organization, and periodically monitored to ensure alignment with overall corporate goals.

The Company also conducts periodic training on performance management standards, while monitoring compliance to ensure consistency, accountability, and continuous improvement across the organization.

### **Employee Recognition and Incentive Scheme**

Management openly acknowledges and recognises employees who demonstrate exceptional performance each year. Gift vouchers are also awarded in recognition of outstanding individual contributions. In addition, the Company implements incentive initiatives designed to foster employee engagement and encourage strong team performance. These initiatives are aimed at enhancing employee morale and motivation, which in turn contributes positively to productivity and overall business performance.

### **Information Technology Upgrades**

Information Technology is integral to the Company's operations. The Company maintains a stable and up-to-date IT infrastructure to enhance the working environment, improve productivity, and strengthen cybersecurity.

Key initiatives include the deployment of productivity applications, the implementation of a centralized Microsoft Office 365 SharePoint Library for secure document sharing and backup, the establishment of a centralized Storage Area Network (SAN) for secure file storage, and periodic upgrades of antivirus systems to address evolving cybersecurity threats.

### **Internship Management**

The Company operates an Internship Programme designed to build a pipeline of future talent by providing learning opportunities and practical work experience for young undergraduates undertaking their Student Industrial Work Experience Scheme (SIWES) or Industrial Attachment. Through structured learning modules and exposure to the Company's operations, interns develop both technical and soft skills, gaining practical insights that support their career development and readiness for the workplace.

### **Recruitment**

The Company's internal recruitment team is responsible not only for filling open positions but also for partnering with hiring managers to continuously enhance talent acquisition processes,

including workforce marketing, candidate screening, interviewing, onboarding, and employee retention.

To attract and retain high-quality talent, the Company adopts a multi-channel recruitment approach. In addition to recruiting locally within the communities it serves, the Company leverages employee referral programmes, and social media platforms to broaden its talent pipeline and strengthen its employer brand.

### **Corporate Social Responsibility**

The Company is committed to responsible corporate citizenship and actively pursues its corporate social responsibility by supporting communities in less-developed city outskirts, including locations where the Company may not necessarily derive direct business benefit.

Through these initiatives, the Company seeks to contribute to the improvement of living standards and socio-economic wellbeing within these communities. These efforts reflect the Company's commitment to inclusive development and its contribution to broader global initiatives aimed at reducing extreme poverty and supporting sustainable community development.

### **Conflict of Interest**

Employees may engage in external activities provided that such activities do not interfere with the proper performance of their duties and do not conflict with the interests of the Company or involve the misuse of the Company's trademarks, property, reputation, goodwill, or confidential information.

Where an employee has an actual or potential personal interest in any matter relating to the Company's business that conflicts with, or could reasonably be perceived to conflict with, the best interests of the Company, or that may impair the employee's ability to exercise objective judgment, the employee shall promptly disclose such interest in accordance with the Company's conflict of interest policy.

Failure to disclose or appropriately manage such conflicts of interest may result in disciplinary action in accordance with the Company's policies.

### **BY ORDER OF THE BOARD**



**Folake Kalaro (Mrs.)**  
**Company Secretary**  
**FRC/2018/NBA/00000017754**

## MANAGEMENT ASSESSMENT REPORT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

For the year ended 31 December 2025

In accordance with the guidance of Securities and Exchange Commission (SEC) and Financial Reporting Council of Nigeria (FRC) on management assessment of Internal Control Over Financial Reporting, we hereby attest as follows:

UPDC Plc's management is responsible for establishing and maintaining internal controls and attest that the company's internal controls were effective as of 31 December 2025.

UPDC Plc's management has designed and maintained an internal control system as recommended by the Investment and Securities Act, 2007 which is able to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards (IFRS).

That the Audited Financial Statements does not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

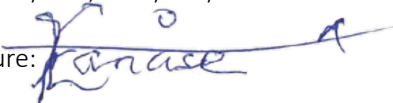
In evaluating the effectiveness of internal control over financial reporting, we adopted the Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). Based on our evaluation, we are of the opinion that the Internal Control Over Financial Reporting of UPDC Plc is effective as of 31 December 2025.

Management takes responsibility to remediate deficiencies where identified. Any significant deficiencies in the design and operation of internal controls which could adversely affect the financial information of the entity has been disclosed to the independent Auditor and the Audit Committee.

Our auditor, Messrs Deloitte, has issued an attestation report on management's assessment of the entity's internal control over financial reporting as of 31 December 2025. This report will be filed as part of the annual report of UPDC Plc.

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

Signature:



Date: 30, March 2026

Name: Odunayo Ojo  
Designation: Chief Executive Officer  
FRC/2016/NIESV/00000014322

Signature:



Date: 30, March 2026



30<sup>th</sup> March 2026

The Director-General  
Securities & Exchange Commission  
SEC Tower  
Plot 272 Samuel Ademulegun Street  
Central Business District  
Abuja.

Dear Sir,

**CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2025**

To comply with the provision of SEC Guidance on implementation of section 60-63 of investment and securities act 2025, I hereby make the following statement regarding the internal control of UPDC Plc for the year ended 31 December 2025.

I, Odunayo Ojo, certify that:

- a) I have reviewed this management assessment on Internal Control over financial reporting of UPDC Plc;
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
- d) The company's other certifying officer(s) and I:
  - i) are responsible for establishing and maintaining internal controls;
  - ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

**UPDC PLC** RC.321582

UAC House, 1-5 Odunlami Street, Lagos.  
[info@updcplc.com](mailto:info@updcplc.com) | [www.updcplc.com](http://www.updcplc.com)

Directors: Mr. O. Oshin (Chairman), Mr O. Ojo (CEO), Mr. F. Aiyesimoju, Mr. O. Osilaja, Mr. A. Falade, Ms B. Fadayomi

- iii) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- iv) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation
- e) The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - i) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - ii) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- f) The company's other certifying officer(s) and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Odunayo Ojo  
Designation: Chief Executive Officer  
FRC No: FRC/2016/NIESV/00000014322

Signature: 

Date: 30<sup>th</sup> March 2026





30<sup>th</sup> March 2026

The Director-General  
Securities & Exchange Commission  
SEC Tower  
Plot 272 Samuel Ademulegun Street  
Central Business District  
Abuja.

Dear Sir,

**CERTIFICATION PURSUANT TO SECTION 60(2) OF THE INVESTMENT & SECURITIES ACT, 2025**

I, Francis Falola, certify that:

- a) I have reviewed the 2025 audited Financial Statements of UPDC Plc;
- b) Based on my knowledge, the report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
- d) The company's other certifying officer(s) and I:
  - i) are responsible for establishing and maintaining internal controls;
  - ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - iii) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

**UPDC PLC** RC.321582

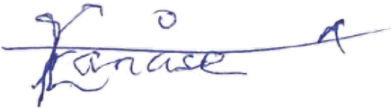
UAC House, 1-5 Odunlami Street, Lagos.  
[info@updcplc.com](mailto:info@updcplc.com) | [www.updcplc.com](http://www.updcplc.com)

Directors: Mr. O. Oshin (Chairman), Mr O. Ojo (CEO), Mr. F. Aiyesimoju, Mr. O. Osilaja, Mr. A. Falade, Ms B. Fadayomi

- iv) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation
- e) The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - i) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - ii)
  - iii) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- f) The company's other certifying officer(s) and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Francis Falola  
Designation: Chief Financial Officer  
FRC No: FRC/2025/PRO/ICAN/001/105473

Signature:



Date: 30<sup>th</sup> March 2026



## Assurance Report of Independent Auditor

### To the Shareholders of UPDC Plc

### Assurance Report on Management's Assessment of Controls over Financial Reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of UPDC Plc ("the Company") and its subsidiaries ("the Group") as of 31 December, 2025, in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ("the ICFR framework"), and the SEC Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007 and FRC Guidance on Management report on Internal Control over Financial Reporting. UPDC Plc's management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the accompanying Management's Report on Internal Control Over Financial Reporting.

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

#### *Limited Assurance Conclusion*

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the Company and the Group did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on the SEC Guidance on Management Report on Internal Control Over Financial Reporting and FRC Guidance on Management report on Internal Control over Financial Reporting.

#### *Definition of internal control over financial reporting*

Internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company and group;

- II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and group; and
- III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### ***Inherent limitations***

Our procedures included the examination of historical evidence of the design and implementation of the Company's and the Group's system of internal control over financial reporting for the year ended 31 December 2025. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### ***Directors' and Management's Responsibilities***

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting.

Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the International Accounting Standards and the ICFR framework.

Section 7(2f) of the Financial Reporting Act 2011 (As amended) further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

### ***Our Independence and Quality Control***

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

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

## ***Auditor's Responsibility and Approach***

Our responsibility is to express a limited assurance opinion on the Company's and Group's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the Company and the Group did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the Company and Group established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.



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Deloitte & Touche (FRC/2022/COY/091021)

Faturoti Ayonike, FCA - **FRC/2022/PRO/ICAN/004/611525**

For: Deloitte & Touche

Chartered Accountants

Lagos, Nigeria

31 March 2026



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of UPDC Plc

### Report on the Audit of the Consolidated and Separate Financial Statements

#### Opinion

We have audited the consolidated and separate financial statements of **UPDC Plc** and its subsidiaries (the Group and Company) set out on pages 23 to 66, which comprise the consolidated and separate statements of financial position as at 31 December 2025, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, the notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of **UPDC Plc** as at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, Companies and Allied Matters Act, 2020, the Investment and Securities Act CAP S124 LFN 2007 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

#### Basis for Opinion

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

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



## Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<b>Group Audit Consideration - Special Considerations for the Audit of Group Financial Statements</b>	
<p>The statutory audit of UPDC Plc includes the audit of the standalone financial statements of the parent company and the audit of the group consolidated financial statements which incorporates four operational subsidiaries and one active joint venture.</p> <p>The Group has operations and activities which include developing, selling, and managing real estate assets including maintenance, care, and sustainable power solutions for residential, corporate, and commercial properties and hotel management across Nigeria. Note 17 highlights a comprehensive list of all subsidiaries.</p> <p>Due to the significance and size of some of these subsidiaries within the group, a lot of audit time went to the direction, coordination, and supervision of the audit of these subsidiaries and subsequent engagements and interface with those charged with governance. Hence, we consider this to be a Key Audit Matter.</p>	<p>As the Group Engagement team, we performed the group audit in line with the provisions of ISA 600 (Special considerations—audits of group financial statements (including the work of component auditors)).</p> <p>In line with the requirements of ISA 600, the following audit procedures were performed:</p> <ul style="list-style-type: none"> <li>• provided direction and supervision of the group audit engagement and ensure that all the teams involved in the audit of the group and its components performed the audit in compliance with professional standards and applicable legal and regulatory requirements.</li> <li>• established an overall group audit strategy and developed a group audit plan.</li> <li>• Set materiality for the group financial statements as a whole when establishing the overall group audit strategy.</li> <li>• Determined the type of work to be performed on the Financial Information of Components based on quantitative considerations (i.e. size and materiality) and qualitative considerations (i.e. specific risks associated with the component) including further audit procedures to be performed at the group level and at component level.</li> <li>• Held meetings and two-way communication with the Component Auditors with focus on discussing typical topics that are discussed in client’s meetings throughout the audit.</li> <li>• Performed an assessment of the component auditors in terms of Independence,</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>Group Audit Consideration - Special Considerations for the Audit of Group Financial Statements</b></p>	<p>competence, quality history and level of access to information.</p> <ul style="list-style-type: none"> <li>• Issued referral instructions to the significant component audit team. The referral instructions contained specific instructions on judgement areas and significant account balances.</li> <li>• Arranged review of the file and relevant part of the component auditors’ audit documentation and conclusions thereon including planning considerations, significant risk areas and attention areas communicated in the Referral Instructions.</li> <li>• Performed analytical procedures at group level for significant account balances not selected for further audit procedure.</li> <li>• Reviewed the group financial statements and the consolidation process.</li> <li>• Held communication with group management and Those Charged with Governance of the group.</li> </ul> <p>Based on the review we have performed, and documentation assessed, we have no material exceptions.</p>

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled “UPDC Plc Annual Financial Statements for the year ended 31 December 2025”, which includes the Directors’ Report, Corporate Governance Report, Statement of Directors’ Responsibilities, Certification of the Financial statements, the Board Audit Committee’s Report, the Statement of Corporate Responsibility for Financial Statements, Certification of Management’s assessment on Internal Control Over Financial Reporting and Other National Disclosures required by the Financial Reporting Council of Nigeria which we obtained prior to the date of this report. The other information does not include the consolidated and separate financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material

misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Consolidated and Separate Financial Statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023 and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

In accordance with the Fifth Schedule of Companies and Allied Matters Act we expressly state that:

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

In accordance with the requirements of the Financial Reporting Council of Nigeria, we also performed a limited assurance engagement and reported on management's assessment of the Entity's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with **FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting** and based on the procedures we have performed, and evidence obtained, we have issued an Unmodified conclusion in our report dated 31 March 2026. That report is included on pages 14 to 16 of the financial statements.

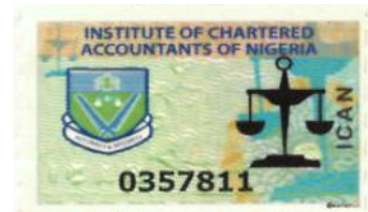
## Contraventions

During the year, the group contravene requirements of SEC and NGX Regulation Limited with regard to late submission of the annual financial statements for the year 2024. Details of the contravention and the related penalties are as disclosed in note 32 to the consolidated and separate financial statements.



For: Deloitte & Touche  
Chartered Accountants  
Lagos, Nigeria  
31 March 2026

Engagement Partner: **Faturoti Ayonike, FCA**  
**FRC/2022/PRO/ICAN/004/611525**



**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	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Revenue	5	12 908 015	11 786 913	2 636 429	4 401 353
Cost of sales	7(i)	(9 286 078)	(8 388 112)	(1 474 367)	(3 191 829)
<b>Gross profit</b>		<b>3 621 937</b>	<b>3 398 801</b>	<b>1 162 062</b>	<b>1 209 524</b>
Selling and distribution expenses	7 (ii)	(230 305)	(550 067)	(180 412)	(145 829)
Administrative expenses	7 (iii)	(2 369 600)	(1 972 420)	(1 305 314)	(1 012 547)
Other Operating income	6	605 500	434 071	151 170	193 940
Credit loss expenses	9	(241 513)	(163 604)	(95 709)	(41 514)
Share of loss from joint venture	15(i)	(7 959)	-	(7 959)	-
<b>Operating profit/(loss)</b>		<b>1 378 058</b>	<b>1 146 780</b>	<b>(276 162)</b>	<b>203 574</b>
Finance income	8	2 328 997	559 973	528 352	515 542
Finance cost	8	(461 659)	(397 834)	(520 903)	(397 834)
<b>Net finance income</b>		<b>1 867 338</b>	<b>162 139</b>	<b>7 449</b>	<b>117 708</b>
<b>Profit/(loss) before taxation</b>		<b>3 245 396</b>	<b>1 308 919</b>	<b>(268 713)</b>	<b>321 282</b>
Taxation	10	(1 227 062)	(472 010)	(39 751)	(35 385)
<b>Profit/(loss) after Taxation</b>		<b>2 018 334</b>	<b>836 909</b>	<b>(308 464)</b>	<b>285 897</b>
<b>Other comprehensive income:</b>					
Items not to be subsequently reclassified to profit or loss:					
Net changes in fair value (loss)/gain on financial assets	16	133 281	(186 779)	133 281	(186 779)
<b>Total comprehensive profit/(loss) for the year</b>		<b>2 151 615</b>	<b>650 130</b>	<b>(175 183)</b>	<b>99 118</b>
<b>Profit/(loss) attributable to:</b>					
Equity holders of the parent		974 617	432 190	(308 464)	285 897
Non controlling interest		1 043 718	404 719	-	-
<b>Total profit</b>		<b>2 018 334</b>	<b>836 908</b>	<b>(308 464)</b>	<b>285 897</b>
<b>Total comprehensive profit attributable to:</b>					
Equity holders of the parent		1 107 897	245 411	(175 183)	99 118
Non controlling interests*		1 043 718	404 719	-	-
<b>Total comprehensive profit attributable to:</b>		<b>2 151 615</b>	<b>650 130</b>	<b>(175 183)</b>	<b>99 118</b>
<b>Earnings per share for profit attributable to the equity holders of the group:</b>					
<b>Basic Earnings Per Share (Kobo)</b>					
From continuing operations	12	11	5	(2)	2
<b>Diluted Profit Per Share (Kobo)</b>					
From continuing operations		11	5	(2)	2

The accompanying notes and accounting policies on pages 27 to 66 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
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	8 450 096	8 252 734	240 213	61 119
Intangible assets	14	74 679	56 303	3 057	5 471
Investments in joint ventures	15	112 182	120 141	111 378	119 337
Equity instrument at fair value	16	920 553	667 067	920 553	667 067
Investments in subsidiaries	17	-	-	1 617 207	1 617 187
		<b>9 557 509</b>	<b>9 096 245</b>	<b>2 892 407</b>	<b>2 470 181</b>
<b>Current assets</b>					
Inventories	18	3 219 099	8 729 999	888 905	1 079 068
Trade and other receivables	19	6 687 775	1 509 966	7 722 279	2 597 935
Current tax assets	10 (i)	327 127	147 200	211 350	147 200
Cash and cash equivalents	20	10 197 862	11 504 698	1 612 225	4 238 385
		<b>20 431 863</b>	<b>21 891 863</b>	<b>10 434 759</b>	<b>8 062 588</b>
<b>Total assets</b>		<b>29 989 374</b>	<b>30 988 108</b>	<b>13 327 167</b>	<b>10 532 769</b>
<b>Equity</b>					
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)	233 341	100 060	233 341	100 060
Retained earnings	25 (ii)	(8 359 868)	(9 148 885)	(17 460 850)	(16 966 787)
<b>Equity attributable to equity holders of the Company</b>		<b>10 125 009</b>	<b>9 202 711</b>	<b>1 024 027</b>	<b>1 384 809</b>
Non controlling interest		1 326 560	282 842	-	-
<b>Total equity</b>		<b>11 451 569</b>	<b>9 485 553</b>	<b>1 024 027</b>	<b>1 384 809</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Interest bearing Loans and Borrowings	21	2 015 168	3 022 763	5 502 925	3 022 763
Deferred taxation liabilities	24	207 144	83 354	192 743	72 537
		<b>2 222 312</b>	<b>3 106 117</b>	<b>5 695 668</b>	<b>3 095 300</b>
<b>Current liabilities</b>					
Trade and other payables	22	14 965 201	17 788 961	6 381 785	5 878 291
Current income tax liabilities	10	1 271 255	490 889	87 406	57 782
Interest bearing Loans and Borrowings	21	79 038	116 587	138 282	116 587
		<b>16 315 494</b>	<b>18 396 437</b>	<b>6 607 473</b>	<b>6 052 660</b>
<b>Total liabilities</b>		<b>18 537 806</b>	<b>21 502 554</b>	<b>12 303 141</b>	<b>9 147 960</b>
<b>Total equity and liabilities</b>		<b>29 989 374</b>	<b>30 988 108</b>	<b>13 327 167</b>	<b>10 532 769</b>

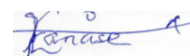
The Consolidated and Separate financial statements were approved by the board of directors on 26 March 2026 and signed on its behalf by:



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 27 to 66 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
<b>Profit before tax</b>		<b>3 245 396</b>	<b>1 308 919</b>	<b>(268 713)</b>	<b>321 282</b>
<b>Adjustment for non cash items:</b>					
Depreciation	13	316 858	308 877	55 689	29 120
Amortization of intangible asset	14	8 666	6 633	2 414	2 414
Share of loss from investment in Joint Venture	15(i)	7 959	-	7 959	-
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	(2 328 997)	(559 973)	(528 352)	(515 542)
Exchange gains	6	11 376	(12 479)	1 342	(12 479)
		<b>1 660 240</b>	<b>1 390 548</b>	<b>(271 436)</b>	<b>163 359</b>
<b>Changes in working capital:</b>					
Decrease/(increase) in inventories	18	5 510 900	(5 529 841)	190 163	2 069 522
(Increase)/decrease in trade and other receivables	19	(5 357 736)	528 015	(5 188 494)	(578 640)
(Decrease)/increase in trade and other payables	22	(2 823 760)	11 973 197	503 494	(39 878)
<b>Cash flow from operating activities</b>		<b>(1 010 356)</b>	<b>8 361 919</b>	<b>(4 766 272)</b>	<b>1 614 363</b>
Tax paid	10	(443 112)	(137 789)	(10 127)	(8 741)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(1 453 469)</b>	<b>8 224 130</b>	<b>(4 776 399)</b>	<b>1 605 622</b>
<b>Cash flow from investing activities</b>					
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	2 328 997	559 973	528 352	515 542
<b>Net cash flow from investing activities</b>		<b>1 850 412</b>	<b>381 387</b>	<b>356 227</b>	<b>553 963</b>
<b>Cash flow from financing activities</b>					
Repayment of borrowings	21	(1 007 606)	(1 679 333)	(1 007 606)	(1 679 333)
Addition to borrowing	21	-	-	3 487 757	-
Interest paid	21	(499 196)	(351 972)	(499 196)	(351 972)
Dividend paid		(185 600)		(185 600)	-
<b>Net cash (outflows)/inflow from financing activities</b>		<b>(1 692 402)</b>	<b>(2 031 305)</b>	<b>1 795 355</b>	<b>(2 031 305)</b>
Net increase in cash and cash equivalents		(1 295 458)	6 574 210	(2 624 818)	128 279
Effect of foreign exchange gains	6	(11 376)	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
<b>Cash and cash equivalents for the year</b>	<b>20</b>	<b>10 197 862</b>	<b>11 504 698</b>	<b>1 612 225</b>	<b>4 238 385</b>

The accompanying notes and accounting policies on pages 27 to 66 form an integral part of these consolidated and separate financial statements.

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

	<b>The Group</b>						
	<b>Attributable to owners of the Company</b>				<b>Non-Controlling</b>		
	<b>Share Capital N'000</b>	<b>Share Premium N'000</b>	<b>Retained earnings N'000</b>	<b>Fair value reserve of financial assets at FVOCI N'000</b>	<b>Total N'000</b>	<b>Non Controlling interest N'000</b>	<b>Total N'000</b>
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	-	-	974 617	-	974 617	1 043 718	2 018 334
Net changes in fair value of financial assets through other comprehensive income	-	-	-	133 281	133 281	-	133 281
Dividend paid	-	-	(185 600)	-	(185 600)	-	(185 600)
<b>Balance at 31 December 2025</b>	<b>9 279 985</b>	<b>8 971 551</b>	<b>(8 359 868)</b>	<b>233 341</b>	<b>10 125 009</b>	<b>1 326 560</b>	<b>11 451 569</b>
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)
<b>Balance at 31 December 2024</b>	<b>9 279 985</b>	<b>8 971 551</b>	<b>(9 148 885)</b>	<b>100 060</b>	<b>9 202 711</b>	<b>282 842</b>	<b>9 485 553</b>

	<b>The Company</b>				
	<b>Attributable to owners of the Company</b>				
	<b>Share Capital N'000</b>	<b>Share Premium N'000</b>	<b>Revenue Reserve N'000</b>	<b>Fair value reserve of financial assets at FVOCI N'000</b>	<b>Total N'000</b>
Balance at 1 January 2025	9 279 985	8 971 551	(16 966 787)	100 060	1 384 809
Dividend paid	-	-	(185 600)	-	(185 600)
Profit for the year	-	-	(308 464)	-	(308 464)
Net changes in fair value of financial assets through other comprehensive income	-	-	-	133 281	133 281
<b>Balance at 31 December 2025</b>	<b>9 279 985</b>	<b>8 971 551</b>	<b>(17 460 850)</b>	<b>233 341</b>	<b>1 024 027</b>
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)
<b>Balance at 31 December 2024</b>	<b>9 279 985</b>	<b>8 971 551</b>	<b>(16 966 787)</b>	<b>100 060</b>	<b>1 384 809</b>

The accompanying notes and accounting policies on pages 27 to 66 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 Accounting Standards 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.

**2.1.1 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 effective January 1, 2025**

Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. However, in rare cases, it is possible that one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency transactions that can be undertaken at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets.

Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements and the aim of the amendments therefore is to improve the information companies provide about long-term debt with covenants.

- The nature and financial impacts of the currency not being exchangeable;
- The spot exchange rate used;
- The estimation process; and
- Risk to the company because the currency is not exchangeable

The adoption of this amendment did not affect the group's previously reported financial results significantly, disclosures or accounting policies and did not impact the group's results materially upon transition.

**Amendment to IAS 7 and IFRS accounting standards 17 (Supplier Finance Agreements)**

The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk.

The adoption of this amendment did not affect the group's previously reported financial results significantly, disclosures or accounting policies and did not impact the group's results materially upon transition.

### 2.1.2 Standards and interpretations issued/amended but not yet effected/effective

Other standards issued/amended by the IASB but yet to be effective are outlined below:

i **Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 financial instruments and IFRS 7 financial instruments: Disclosure effective January 1, 2026**

The amendments introduce an additional Solely Payments of Principal and Interest (SPPI) test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs - e.g. where the cash flows change depending on whether the borrower meets an Environmental, Social, and Governance (ESG) target specified in the loan contract.

ii **IFRS 18 Presentation and Disclosure in Financial Statements effective January 1, 2027**

IFRS 18 replaces IAS 1 Presentation of Financial Statements, and IFRS 18 defines management performance measures (MPMs); these measures are currently commonly known as non-GAAP measures, alternative performance measures (APMs) or key performance indicators (KPIs). IFRS 18 affects all companies, bringing significant changes to how you present your income statement and what information you need to disclose, and making certain 'non-GAAP' measures part of your audited financial statements for the first time. You'll see three new categories of income and expenses, two defined income statement subtotals and one single note on management-defined performance measures.

IFRS 18 reshapes how financial results are presented, introducing new mandated subtotals like operating profit, stricter classification of income and expenses, and audited disclosure of management-defined performance measures. It requires more detailed note disclosures and alignment across the profit or loss and cash flow statements. Although it does not change net profit, it must be applied retrospectively, meaning comparatives must be restated and internal reporting systems, chart of accounts, and controls must be updated to support the new structure.

To provide investors with better insight into financial performance, the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether material information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.

iii **IFRS 19 Subsidiaries without Public Accountability: Disclosures effective January 1, 2027**

The IASB intends to update IFRS 19 on an ongoing basis as new or amended disclosure requirements in IFRS Accounting Standards are issued. Because of the timing of IFRS 19's publication, disclosure requirements in new or amended IFRS Accounting Standards issued between 28 February 2021 and May 2024 were included in IFRS 19 without reductions. The IASB issued a 'catch-up' exposure draft in July 2024 to consult on reducing the disclosure requirements for the relevant standards issued in this period, most notably IFRS 18 Presentation and Disclosure in Financial Statements.

iv **Other annual improvements to IFRS Accounting Standards - Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 8**

The IASB's amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price - e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. Other amendments include derecognising lease liabilities. If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

However, the amendment does not address how to distinguish between derecognition and modification of a lease liability. The IASB has indicated that it may consider this issue as part of a future project.

## 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 joint ventures.

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. Please refer to note 5 for additional information.

### **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:

Lez 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;
- 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.

Other than equity instruments designated at fair value through other comprehensive income, 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, it 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 19

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 guarantee 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.

## 2.13 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.

## 2.14 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.

**2.15 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, respectively.

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
- Advisory services- Research, Properties and Assets management, lease management, development management services

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group 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).

#### **Management surcharge income**

Management surcharge income represents fees charged to customers for administrative, documentation, or estate management services associated with property sales. This includes documentation/processing fees, legal/administrative charges, estate infrastructure or service fees. Management surcharge income is recognised when the related performance obligation is satisfied, i.e., when the company transfers the related service to the customer.

#### **Project or Facilities management services fee**

The revenue generated by the company is primarily derived from the management of building properties both commercial and residential building properties. Commercial properties are properties constructed for business activities while Residential properties as described by the client are properties constructed for non-business activity motives. A "management fee" is charged on the estates for the services provided by the company. The management fee charged is a function of the total cost incurred by an estate for a particular month.

**Business Management Fees**

Business Management Fees are fees earned from provision of financial services support, legal support services, internal control & audit support services, Information Technology support services. The fee is earned and recognised at the point in time when the other party had enjoyed the services and invoice is raised to that effect.

**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.

**Cost of sales**

Cost of sales represents the direct costs attributable to properties sold during the period. Cost of sales includes all costs directly related to the acquisition, development, and construction of properties sold, including land acquisition cost (purchase price, legal fees, title registration. Cost of sales is recognised in profit or loss when the related revenue is recognised, in accordance with IFRS 15. For completed property sales (point-in-time recognition). Cost is recognised when control of the property is transferred to the buyer i.e., handover or legal title transfer).

**Other operating income**

Other operating income represents income earned from activities that are incidental to the Company's core operations of property development and sale but arise from ordinary business activities. Other operating income is recognised in profit or loss when it is probable that economic benefits will flow to the Company and the amount can be measured reliably, in accordance with the relevant IFRS Accounting Standards. Components of Other Operating Income include project supervision fees, commission from sales of third party properties, branding and other supervision fees.

**Finance income and Finance cost**

Finance income represents income earned from financial assets and financing activities, not from core property sales. Finance income is recognised using the effective interest rate (EIR) method, which allocates income over the relevant period to achieve a constant periodic return. Finance income includes interest income on Bank deposits, Call accounts and fixed deposits, Loans to staff. Finance costs represent costs incurred in obtaining financing for operations and property development. Finance costs are recognised using the effective interest rate method, except where capitalisation applies. Finance costs include Interest on Bank loans and overdrafts, Project financing facilities, and amortisation of loan transaction costs.

**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.

**3. Financial risk management**

**3.1 Financial risk factors**

Specific risk management functions are carried out by the specific business units.

**(a) Market risk**

**(i) Foreign exchange risk**

There are no exposures to recognised assets and liabilities as the Group and Company has no investments in foreign operations. The foreign exchange risk exposure relates to the Company.

The Group and Company do not make use of derivatives to hedge its exposures. The Group and Company is not involved in direct importation of finishing materials for its projects and uses third party suppliers and logistics agents, who bear the full foreign exchange risk which are priced into contracts upfront.

The Group and Company's concentration of foreign exchange risk is as follows:

The Group	2025			
	USD 000	GBP 000	Euro 000	
<b>Financial assets</b>				
Cash at bank and in hand	18	-	5	
	18	-	5	
	2024			
	USD 000	GBP 000	Euro 000	
<b>Financial assets</b>				
Cash at bank and in hand	19	-	5	
	19	-	5	
	2025			
	USD 000	GBP 000	Euro 000	
<b>Financial assets</b>				
Cash at bank and in hand	18	-	5	
	18	-	5	
	2024			
	USD 000	GBP 000	Euro 000	
<b>Financial assets</b>				
Cash at bank and in hand	19	-	5	
	19	-	5	
	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
The total impact on profit and equity if Naira were to increase/decrease by 10% across currencies would be as follows	3 919	826	3 919	826

In 2025, Management considered a shift of 10% in foreign currency exchange rate appropriate (2024: 2%) to determine the sensitivity of foreign currency denominated financial assets and liabilities vis a vis the Naira.

**(ii) Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of equity (other than those arising from interest rate risk or currency risk). The equity instrument are classified as fair value through other comprehensive income and are susceptible to market price risk arising from uncertainties about future values of the investment securities.

	Change in price	The Group	The Company
		Effect on equity N'000	N'000
UPDC REIT	2025 (38%)	46 028	46 028

**(iii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk as the Group invests in financial instruments at both fixed and floating rate. The risk is managed by the Group by maintaining its' investment on short term tenored investment, hence the Group has no significant concentration of interest rate risk.

**(b) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Company.

The Group and Company is exposed to credit risk from its operating activities primarily trade receivables and deposits with banks and other financial institutions. The Group and Company have a credit control function that weekly monitors trade receivables and resolves credit related matters.

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Group and Company's established policy, procedures and control relating to customer credit risk management. The Group and Company have adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. A sales representative is attached to each customer and outstanding customer receivables are regularly monitored by the representative. The requirement for impairment is analysed at each reporting date on an individual basis for all customers. The Group and Company evaluate the concentration of risk with respect to trade receivables as customers consist of large and reputable financial institutions that are subjected to financial scrutiny by various regulatory bodies. The Group and Company's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

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**Deposits with banks and other financial institutions**

Credit risk from balances with banks and financial institutions is managed by the Group and Company's treasury department in accordance with the Group and Company's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within treasury limits assigned to each of the counterparty. Counterparty treasury limits are reviewed by the Group and Company's Chief Financial Officer periodically and may be updated throughout the year subject to approval of the Chief Financial Officer. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The Group and Company's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

**Impairment losses**

**Trade receivables**

For trade receivables, the Group and Company applied the simplified approach in computing ECL. Therefore, the Group and Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 20. The Group and Company do not hold collateral as security and consider a financial asset in default when contractual payments are 90 days past due.

31 December 2025	<b>The Group</b>					
	<b>Trade Receivables</b>					
	<b>Date Past Due</b>					
	<b>1-3 months</b>	<b>4-6 months</b>	<b>7-9 months</b>	<b>10-12 months</b>	<b>Above 12 months</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000
Expected credit loss rate	0%	0%	8%	22%	100%	
Estimated total gross carrying amount at default	327 930	145 397	80 613	167 927	1 136 490	1 850 667
Expected credit loss	-	-	<b>6 449</b>	<b>36 944</b>	<b>1 136 490</b>	<b>1 179 882</b>

31 December 2024	<b>Trade Receivables</b>					
	<b>Date Past Due</b>					
	<b>1-3 months</b>	<b>4-6 months</b>	<b>7-9 months</b>	<b>10-12 months</b>	<b>Above 12 months</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000
Expected credit loss rate	0%	0%	8%	22%	100%	
Estimated total gross carrying amount at default	160 514	42 500	60 234	162 280	909 027	1 334 555
Expected credit loss	-	-	<b>4 819</b>	<b>35 702</b>	<b>909 027</b>	<b>949 547</b>

31 December 2025	<b>The Company</b>					
	<b>Trade Receivables</b>					
	<b>Date Past Due</b>					
	<b>1-3 months</b>	<b>4-6 months</b>	<b>7-9 months</b>	<b>10-12 months</b>	<b>Above 12 months</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000
Expected credit loss rate	0%	0%	10%	37%	100%	
Estimated total gross carrying amount at default	21 350	16 000	6 850	234	883 165	927 598
Expected credit loss	-	-	<b>685</b>	<b>86</b>	<b>883 165</b>	<b>883 936</b>

31 December 2024	<b>Trade Receivables</b>					
	<b>Date Past Due</b>					
	<b>1-3 months</b>	<b>4-6 months</b>	<b>7-9 months</b>	<b>10-12 months</b>	<b>Above 12 months</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000
Expected credit loss rate	0%	0%	10%	37%	100%	
Estimated total gross carrying amount at default	27 628	15 787	-	-	878 947	922 362
Expected credit loss	-	-	-	-	<b>878 947</b>	<b>878 947</b>

Set out below is the movement in the allowance for expected credit losses of trade receivables:	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	N'000	N'000	N'000	N'000
Balance as at 1 January	949 547	790 744	878 947	878 947
Write off during the year	-	-	-	-
Provision for expected credit losses	230 335	158 803	4 989	-
<b>Balance at 31 December</b>	<b>1 179 882</b>	<b>949 547</b>	<b>883 936</b>	<b>878 947</b>

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stage delinquency to write-off. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group and Company's view of economic conditions over the expected lives of the receivables.

**Expected credit loss measurement - other financial assets**

The Group and Company applied the general approach in computing expected credit losses (ECL) for intercompany receivables and short-term deposits. 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.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (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 and or credit impaired, 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).

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

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

The Group 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.

**Analysis of inputs to the ECL model under multiple economic scenarios**

An overview of the approach to estimating ECLs is set out in Note 3 Summary of significant accounting policies and in Note 4 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Group and Company obtain the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within its credit risk department verifies the accuracy of inputs to the Group and Company's ECL models including determining the weights attributable to the multiple scenarios.

The following tables outline the impact of multiple scenarios on the allowance showing contribution of each scenario to the expected credit loss:

	The Group			The Company		
	Short-term deposit N'000	Intercompany receivables N'000	Total N'000	Short-term deposit N'000	Intercompany receivables N'000	Total N'000
31 December 2025						
Upside (10%)	87	326 182	326 269	18	1 742 924	1 742 942
Base (81%)	705	2 642 071	2 642 776	142	14 117 687	14 117 829
Downside (9%)	78	293 563	293 642	16	1 568 632	1 568 648
Total	871	3 261 816	3 262 686	175	17 429 243	17 429 418
31 December 2024						
Upside (10%)	20	325 131	325 151	20	1 733 850	1 733 870
Base (81%)	165	2 633 559	2 633 725	163	14 044 182	14 044 344
Downside (9%)	18	292 618	292 636	20	1 560 465	1 560 485
Total	203	3 251 307	3 251 511	203	17 338 496	17 338 699

**Short-term deposits**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

	The Group				The Company			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2025	8 935 970	-	-	8 935 970	3 691 538	-	-	3 691 538
New asset purchased	8 288 579	-	-	8 288 579	1 236 433	-	-	1 236 433
Asset derecognised or repaid (excluding write offs)	(8 935 970)	-	-	(8 935 970)	(3 691 538)	-	-	(3 691 538)
At 31 December 2025	8 288 579	-	-	8 288 579	1 236 433	-	-	1 236 433
ECL allowance as at 1 January 2025	203	-	-	203	203	-	-	203
New asset purchased	871	-	-	871	175	-	-	175
Asset derecognised or repaid (excluding write offs)	(203)	-	-	(203)	(203)	-	-	(203)
At 31 December 2025	871	-	-	871	175	-	-	175
Gross carrying amount as at 1 January 2024	3 415 552	-	-	3 415 552	3 415 552	-	-	3 415 552
New asset purchased	8 935 970	-	-	8 935 970	3 691 538	-	-	3 691 538
Asset derecognised or repaid (excluding write offs)	(3 415 552)	-	-	(3 415 552)	(3 415 552)	-	-	(3 415 552)
At 31 December 2024	8 935 970	-	-	8 935 970	3 691 538	-	-	3 691 538
ECL allowance as at 1 January 2024	149	-	-	149	149	-	-	149
New asset purchased	203	-	-	203	203	-	-	203
Asset derecognised or repaid (excluding write offs)	(149)	-	-	(149)	(149)	-	-	(149)
At 31 December 2024	203	-	-	203	203	-	-	203

**3. Financial risk management - Continued**  
**3.1 Financial risk factors - Continued**

**Intercompany receivables**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

	The Group				The Company			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2024	-	-	3 732 934	3 732 934	-	-	-	-
Changes in receivables	3 761 574	-	-	3 761 574	24 831 548	-	-	24 831 548
At 31 December 2025	3 761 574	-	3 732 934	7 494 508	24 831 548	-	-	24 831 548
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2025	-	-	3 251 307	3 251 307	-	-	17 338 496	17 338 496
Changes in receivables	3 261 816	-	-	3 261 816	17 429 243	-	-	17 429 243
At 31 December 2025	<b>3 261 816</b>	-	<b>3 251 307</b>	<b>6 513 123</b>	<b>17 429 243</b>	-	<b>17 338 496</b>	<b>34 767 739</b>
<b>Net Intercompany receivables as at 31 December 2025 - Note 26</b>				<b>981 385</b>				<b>(9 936 193)</b>

As restated\*

	The Group				The Company			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2024	-	-	4 231 593	4 231 593	-	-	18 773 417	18 773 417
Changes in receivables	-	-	(498 659)	(498 659)	-	-	843 990	843 990
At 31 December 2024	-	-	<b>3 732 934</b>	<b>3 732 934</b>	-	-	<b>19 617 407</b>	<b>19 617 407</b>
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	-	-	3 246 560	3 246 560	-	-	17 297 037	17 297 037
(Unused amount reversed)/Charge for the year	-	-	4 747	4 747	-	-	41 459	41 459
At 31 December 2024	-	-	<b>3 251 307</b>	<b>3 251 307</b>	-	-	<b>17 338 496</b>	<b>17 338 496</b>
<b>Net Intercompany receivables as at 31 December 2024 - Note 26</b>				<b>481 626</b>				<b>2 278 911</b>

\*Refer to note 32 for changes to presentation of comparatives figures.

**Impairment allowance for financial assets under general approach**

In assessing the Group and Company's internal rating process, the Group and Company's customers and counter parties are assessed based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Any publicly available information on the Group and Company's customers and counter parties from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond or press releases and articles.
- Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the Group and Company's performance.

**3. Financial risk management - Continued**

**3.1 Financial risk factors - Continued**

*(c) Liquidity risk*

The Group and Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Group and Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, and preference shares. The Group and Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. The Group and Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group and Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Liquidity risk arises from mis-match in expected inflows from sales, rentals and other revenue sources and outflows to fund projects, debt service and repayment obligations. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group and Company finance. Group and Company finance monitors rolling forecasts of the Group and Company's liquidity requirements to ensure it has sufficient cash to meet operational needs. The Group and Company also ensures that at all times it does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

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

	The Group					
	Less than 3 months	Between 3 Months and 1 year	Between 1 and 2 years	Over 2 years	Contractual amount	Carrying value
	N'000	N'000	N'000	N'000	N'000	N'000
<b>At 31 December 2025</b>						
Interest bearing loans and borrowings	138 282	389 814	317 267	5 502 925	2 860 531	2 094 206
Trade and other payables	-	3 737 968	-	-	3 737 968	3 737 968
	<b>138 282</b>	<b>4 127 782</b>	<b>317 267</b>	<b>5 502 925</b>	<b>6 598 499</b>	<b>5 832 174</b>

	The Group					
	Less than 3 months	Between 3 Months and 1 year	Between 1 and 2 years	Over 2 years	Contractual amount	Carrying value
	N'000	N'000	N'000	N'000	N'000	N'000
<b>At 31 December 2024</b>						
Interest bearing loans and borrowings	116 587	389 814	317 267	3 158 664	3 982 332	3 139 350
Trade and other payables	-	4 644 079	-	-	4 644 079	4 644 079
	<b>116 587</b>	<b>5 033 893</b>	<b>317 267</b>	<b>3 158 664</b>	<b>8 626 411</b>	<b>7 783 429</b>

	The Company					
	Less than 3 months	Between 3 Months and 1 year	Between 1 and 2 years	Over 2 years	Contractual amount	Carrying value
	N'000	N'000	N'000	N'000	N'000	N'000
<b>At 31 December 2025</b>						
Interest bearing loans and borrowings	138 282	389 814	317 267	5 502 925	6 348 288	5 641 207
Trade and other payables	-	3 022 367	-	-	3 022 367	3 022 367
	<b>138 282</b>	<b>3 412 181</b>	<b>317 267</b>	<b>5 502 925</b>	<b>9 370 656</b>	<b>8 663 575</b>

	The Company					
	Less than 3 months	Between 3 Months and 1 year	Between 1 and 2 years	Over 2 years	Contractual amount	Carrying value
	N'000	N'000	N'000	N'000	N'000	N'000
<b>At 31 December 2024</b>						
Interest bearing loans and borrowings	116 587	389 814	317 267	3 022 763	3 846 431	3 139 350
Trade and other payables	-	2 896 915	-	-	2 896 915	2 896 915
	<b>116 587</b>	<b>3 286 729</b>	<b>317 267</b>	<b>3 022 763</b>	<b>6 743 346</b>	<b>6 036 265</b>

Trade and other payables is made up of trade payables and amount owed to related parties. Non-financial liabilities excluded from the trade and other payables are contract liabilities, value added tax/withholding tax payables and accruals.

### 3. Financial risk management - Continued

#### 3.2 Capital risk management

Capital includes share capital, share premium and other reserves attributable to equity holders.

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

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

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

No formal debt equity target has been established.

	The Group		The Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Interest bearing debt	2 094 206	3 139 350	5 641 207	3 139 350
Trade and other payables	14 965 201	17 788 961	6 381 785	5 918 172
<b>Total debt</b>	<b>17 060 548</b>	<b>20 928 311</b>	<b>12 022 992</b>	<b>9 057 522</b>
Total capital	10 125 009	9 202 711	1 024 027	1 384 809
<b>Capital and net debt</b>	<b>27 185 557</b>	<b>30 131 023</b>	<b>13 047 019</b>	<b>10 442 331</b>
<b>Gearing ratio</b>	<b>63%</b>	<b>69%</b>	<b>92%</b>	<b>87%</b>

#### 3.3 Fair value estimation

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities for the period ended 31 December.

	The Group				The Company			
	Total N'000	Quoted price in active market (Level 1) N'000	Significant observable input (Level 2) N'000	Significant unobservable input (Level 3) N'000	Total N'000	Quoted price in active market (Level 1) N'000	Significant observable input (Level 2) N'000	Significant unobservable input (Level 3) N'000
<b>31 December 2025</b>								
<b>Assets measured at fair value</b>								
Equity instrument at fair value through OCI	920 553	920 553	-	-	920 553	920 553	-	-
<b>Assets measured at amortised cost with fair value disclosure</b>								
Trade receivables	683 464	-	-	683 464	48 651	-	-	48 651
Receivables from group companies	519 217	-	-	519 217	7 493 052	-	-	7 493 052
Cash at bank and in hand	10 197 862	-	-	10 197 862	2 615 623	-	-	2 615 623
<b>Liabilities for which fair values are disclosed:</b>								
Interest-bearing loans and borrowings	2 094 206	-	-	2 094 206	2 094 206	-	-	2 094 206
Trade Payables and other payables	2 935 546	-	-	2 935 546	2 615 623	-	-	2 615 623

	The Group				The Company			
	Total N'000	Quoted price in active market (Level 1) N'000	Significant observable input (Level 2) N'000	Significant unobservable input (Level 3) N'000	Total N'000	Quoted price in active market (Level 1) N'000	Significant observable input (Level 2) N'000	Significant unobservable input (Level 3) N'000
<b>31 December 2024</b>								
<b>Assets measured at fair value</b>								
Equity instrument at fair value through OCI	667 067	667 067	-	-	667 067	667 067	-	-
Trade receivables	385 008	-	-	385 008	43 415	-	-	43 415
Receivables from group companies	481 626	-	-	481 626	2 278 911	-	-	2 278 911
Cash at bank and in hand	11 504 698	-	-	11 504 698	2 496 819	-	-	2 496 819
<b>Liabilities for which fair values are disclosed:</b>								
Interest-bearing loans and borrowings	3 139 350	-	-	3 139 350	3 139 350	-	-	3 139 350
Trade Payables and other payables	3 012 345	-	-	3 012 345	2 496 819	-	-	2 496 819

There have been no transfers between Level 1 and Level 2 during the year.

**3. Financial risk management - Continued**

**i) Assets measured at fair values**

Investment properties: The valuation techniques used and key inputs to valuation of investment properties have been disclosed in Note 15.

**ii) Liabilities for which fair values are disclosed**

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

**3.3 Fair value estimation**

The following table represents the Groups' financial assets and liabilities that fair value is disclosed.

	The Group			
	2025		2024	
	Carrying Value N'000	Fair Value N'000	Carrying Value N'000	Fair Value N'000
<b>Assets</b>				
<b>Assets measured at fair value</b>				
Equity instrument at fair value through OCI	920 553	920 553	667 067	667 067
<b>Assets measured at amortised cost with fair value disclosure</b>				
Trade receivables	683 464	683 464	385 008	385 008
Receivables from group companies	519 217	519 217	481 626	481 626
Cash at bank and in hand	10 197 862	10 197 862	11 504 698	11 504 698
<b>Liabilities</b>				
Interest bearing loans and borrowings	2 094 206	2 094 206	3 139 350	3 139 350
Trade Payables and other payables	2 935 546	2 935 546	3 012 345	3 012 345

	The Company			
	2025		2024	
	Carrying Value N'000	Fair Value N'000	Carrying Value N'000	Fair Value N'000
<b>Assets</b>				
<b>Assets measured at fair value</b>				
Equity instrument at fair value through OCI	920 553	920 553	667 067	667 067
<b>Assets measured at amortised cost with fair value disclosure</b>				
Trade receivables	48 651	48 651	43 415	43 415
Receivables from group companies	7 493 052	7 493 052	2 278 911	2 278 911
Cash at bank and in hand	1 612 197	1 612 197	4 238 385	4 238 385
<b>Liabilities</b>				
Interest bearing loans and borrowings	5 641 207	5 641 207	3 139 350	3 139 350
Trade and other payables	2 615 623	2 615 623	2 496 819	2 496 819

Trade receivables is fair valued at net of impairment. Other receivables is made up of receivables to related parties which fairly approximates their stated carrying values. Trade and other payables is made up of trade payables and amount owed to related parties.

The carrying amount approximates the fair value of the instruments.

The Company does not expect to default on its various obligations represented in its liabilities as at year end.

**3.4 Financial instruments by category**

	The Group	
	2025 N'000	2024 N'000
	<b>Financial assets</b>	
Equity instrument at fair value through OCI		
Trade and other receivables	1 202 681	866 634
Cash at bank and in hand	10 197 862	11 504 698
<b>Financial liabilities</b>		
Interest bearing Loans and Borrowings	2 094 206	3 139 350
Trade and other payables	2 935 546	3 012 345

	The Company	
	2025 N'000	2024 N'000
	<b>Financial assets</b>	
Equity instrument at fair value through OCI		
Trade and other receivables	7 541 703	2 322 326
Cash at bank and in hand	1 612 197	4 238 385
<b>Financial liabilities</b>		
Interest bearing Loans and Borrowings	5 641 207	3 139 350
Trade and other payables	2 615 623	2 496 819

**4. Material accounting judgements, estimates and assumptions**

**4.1 Material estimates**

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

**4.2 Material judgements**

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

**a) Revenue from Contracts with Customers**

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

**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.

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**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

	<b>The Group</b>		
	<b>Property Development Sales &amp; Management N'000</b>	<b>Hospitality Services N'000</b>	<b>Total N'000</b>
<b>31 December 2025</b>			
Total Revenue	11 450 201	1 457 814	12 908 015
Intergroup revenue	-	-	-
<b>Revenue to third parties</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>
Depreciation and amortisation	97 765	227 758	325 523
Share of loss from joint venture	(7 959)	-	(7 959)
<b>Earnings before interest and tax</b>	<b>1 177 598</b>	<b>200 460</b>	<b>1 378 058</b>
Finance income	2 328 997	-	-
Finance cost	(248 551)	(213 108)	(461 659)
<b>Profit before tax</b>	<b>3 044 936</b>	<b>200 460</b>	<b>3 245 396</b>
Income tax expense	(1 169 234)	(57 828)	(1 227 062)
Net current asset/(liability)	5 090 867	(974 498)	4 116 369
Property, plant and equipment	350 088	8 100 008	8 450 096

**Restated**

	<b>The Group</b>		
	<b>Property Development Sales &amp; Management N'000</b>	<b>Hospitality Services N'000</b>	<b>Total N'000</b>
<b>31 December 2024</b>			
Total Revenue	10 322 899	1 464 014	11 786 913
Intergroup revenue	-	-	-
<b>Revenue to third parties</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
Depreciation and amortisation	44 357	271 153	315 510
Share of loss from joint venture	-	-	-
<b>Earnings before interest and tax</b>	<b>1 403 015</b>	<b>(256 235)</b>	<b>1 146 780</b>
Finance income	559 973	-	559 973
Finance cost	(347 464)	(50 370)	(397 834)
<b>Profit /(loss) before tax</b>	<b>1 565 154</b>	<b>(256 235)</b>	<b>1 308 919</b>
Income tax expense	(460 653)	(11 357)	(472 010)
Net current asset/(liability)	4 469 924	(974 498)	3 495 426
Property, plant and equipment	129 292	8 123 441	8 252 734

\*Refer to note 32 for changes to presentation of comparatives figures.

	<b>The Company</b>	
	<b>Property development sales &amp; management N'000</b>	<b>Total N'000</b>
<b>31 December 2025</b>		
Total revenue	2 636 429	2 636 429
Intergroup revenue	-	-
<b>Revenue from third parties</b>	<b>2 636 429</b>	<b>2 636 429</b>
Depreciation and amortisation	58 103	58 103
Share of loss from joint venture	(7 959)	(7 959)
<b>Loss before interest and tax</b>	<b>(276 162)</b>	<b>(276 162)</b>
Finance income	528 352	528 352
Finance cost	(520 903)	(520 903)
<b>Loss before tax</b>	<b>(268 713)</b>	<b>(268 713)</b>
Income tax expense	(39 751)	(39 751)
Net current assets	3 827 285	3 827 285
Property, plant and equipment	240 213	240 213

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**Restated**

	<b>The Company</b>	
	<b>Property development sales &amp; management</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>
<b>31 December 2024</b>		
Total revenue	4 401 353	4 401 353
Intergroup revenue	-	-
<b>Revenue from third parties</b>	<b>4 401 353</b>	<b>4 401 353</b>
Depreciation and amortisation	31 534	31 534
Share of loss from joint venture	-	-
<b>Earnings before interest and tax</b>	<b>203 574</b>	<b>203 574</b>
Finance income	515 542	515 542
Finance cost	(397 834)	(397 834)
<b>Earnings before tax</b>	<b>321 282</b>	<b>321 282</b>
Income tax expense	(35 385)	(35 385)
Net current assets	2 009 928	2 009 928
Property, plant and equipment	61 119	61 119

**5. Segment Analysis - Continued**

<b>Entity wide information</b>	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Analysis of revenue by category:</b>				
UPDC Sale of Property Stock	1 066 400	4 081 155	1 066 400	4 081 155
Project/ Asset Management Fees	76 199	117 398	261 286	320 198
Business Management Fees	-	-	1 308 742	-
	<b>1 142 599</b>	<b>4 198 553</b>	<b>2 636 429</b>	<b>4 401 353</b>
Grupo Atlanta Sale of Property Stock	8 724 949	5 200 000	-	-
UPDC Hotel Ltd. Revenue	1 457 814	1 464 014	-	-
UPDC Facility Mgt Ltd. Management Surcharge Income	1 582 653	924 345	-	-
<b>Group</b>	<b>12 908 015</b>	<b>11 786 913</b>	<b>2 636 429</b>	<b>4 401 353</b>
<b>Analysis of revenue by geographical location:</b>				
Nigeria	<b>12 908 015</b>	<b>11 786 913</b>	<b>2 636 429</b>	<b>4 401 353</b>

**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:

<b>The Group</b>	<b>For the year ended 31 December 2025</b>		
	<b>Property Development Sales &amp; Management</b>	<b>Hospitality Services</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Type of goods or service</b>			
Sale of Property Stock	9 791 349	-	9 791 349
Project/ Asset Management Fee	76 199	-	76 199
UPDC Hotel Ltd. Revenue	-	1 457 814	1 457 814
UPDC Facility Mgt Ltd. Management Surcharge Income	1 582 653	-	1 582 653
<b>Revenue from contracts with customers</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>
Rental	-	-	-
<b>Total revenue</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>
<b>Geographical markets</b>			
Within Nigeria	11 450 201	1 457 814	12 908 015
Outside Nigeria	-	-	-
<b>Total revenue from contracts with customers</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	9 791 349	-	9 791 349
Services transferred over time	1 658 851	1 457 814	3 116 666
<b>Total revenue from contracts with customers</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>11 450 201</b>	<b>1 457 814</b>	<b>12 908 015</b>

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**For the year ended 31 December 2024**

<b>The Group</b>	<b>Property Development Sales &amp; Management N'000</b>	<b>Hospitality Services N'000</b>	<b>Total N'000</b>
<b>Type of goods or service</b>			
Sale of Property Stock	9 281 155	-	9 281 155
Project/ Asset Management Fee	117 398	-	117 398
UPDC Hotel Ltd. Revenue	-	1 464 014	1 464 014
UPDC Facility Mgt Ltd. Management Surcharge Income	924 345	-	924 345
<b>Revenue from contracts with customers</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
<b>Geographical markets</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Within Nigeria	10 322 899	1 464 014	11 786 913
Outside Nigeria	-	-	-
<b>Total revenue from contracts with customers</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	9 281 155	-	9 281 155
Services transferred over time	1 041 743	1 464 014	2 505 758
<b>Total revenue from contracts with customers</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>

**For the year ended 31 December 2025**

<b>The Company</b>	<b>Property Development Sales &amp; Management N'000</b>	<b>Hospitality Services N'000</b>	<b>Total N'000</b>
<b>Type of goods or service</b>			
Sale of Property Stock	1 066 400	-	1 066 400
Project/ Asset Management Fee	1 308 742	-	1 308 742
<b>Revenue from contracts with customers</b>	<b>2 375 142</b>	<b>-</b>	<b>2 375 142</b>
Rental income	261 286	-	261 286
<b>Total revenue</b>	<b>2 636 429</b>	<b>-</b>	<b>2 636 429</b>
<b>Geographical markets</b>			
Within Nigeria	2 636 429	-	2 636 429
Outside Nigeria	-	-	-
<b>Total revenue from contracts with customers</b>	<b>2 636 429</b>	<b>-</b>	<b>2 636 429</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>2 636 429</b>	<b>-</b>	<b>2 636 429</b>
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	1 066 400	-	1 066 400
Services transferred over time	1 308 742	-	1 308 742
<b>Total revenue from contracts with customers</b>	<b>2 375 142</b>	<b>-</b>	<b>2 375 142</b>
Rental income	261 286	-	261 286
<b>Total revenue</b>	<b>2 636 429</b>	<b>-</b>	<b>2 636 429</b>

**For the year ended 31 December 2024**

<b>The Company</b>	<b>Property Development Sales &amp; Management N'000</b>	<b>Hospitality Services N'000</b>	<b>Total N'000</b>
<b>Type of goods or service</b>			
Sale of Property Stock	4 081 155	-	4 081 155
Project/ Asset Management Fee	320 198	-	320 198
<b>Revenue from contracts with customers</b>	<b>4 401 353</b>	<b>-</b>	<b>4 401 353</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>4 401 353</b>	<b>-</b>	<b>4 401 353</b>
<b>Geographical markets</b>			
Within Nigeria	4 401 353	-	4 401 353
Outside Nigeria	-	-	-
<b>Total revenue from contracts with customers</b>	<b>4 401 353</b>	<b>-</b>	<b>4 401 353</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>4 401 353</b>	<b>-</b>	<b>4 401 353</b>
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	4 081 155	-	4 081 155
Services transferred over time	320 198	-	320 198
<b>Total revenue from contracts with customers</b>	<b>4 401 353</b>	<b>-</b>	<b>4 401 353</b>
Rental income	-	-	-
<b>Total revenue</b>	<b>4 401 353</b>	<b>-</b>	<b>4 401 353</b>

**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
<b>Contract balances</b>				
Trade receivables - Note 19	670 784	385 008	43 662	43 415
Customers deposit liabilities - Note 22	3 975 707	2 478 520	2 082 038	2 434 177

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

In 2025, N1.2billion (Company: N0.8billion) was recognised as provision for expected credit losses on trade receivables (2024:N0.9billion for Group and N0.8billion for Company).

Customers deposit liabilities include advances received from customers in respect of sale of property stocks and facility management fees.

**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"> <li>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 .</li> <li>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)</li> <li>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)</li> <li>Obligations for returns, refunds and other similar obligations</li> <li>Types of warranties and related obligations</li> </ul>	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 (loss)/gain	(11 376)	12 479	(1 342)	12 479
Recovery on facility management*	363 031	228 415	-	-
Commission from sales of 3rd party properties	-	23 238	-	23 238
Other sundry income	191 167	11 723	89 834	-
<b>Total other income</b>	<b>605 500</b>	<b>434 071</b>	<b>151 170</b>	<b>193 940</b>

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
<b>7.(i) Cost of sales</b>				
Change in inventories of finished goods & other direct costs of inventories	8 146 170	8 197 142	762 846	3 000 859
Personnel expenses (Note 7b)	132 781	93 723	131 952	93 723
Directors' emoluments (Note 7b(i))	-	16 738	-	16 738
Agency Fees	222 843	77 092	9 760	77 092
Management fees	562 759	-	562 759	-
Other expenses	221 525	3 416	7 051	3 416
	<b>9 286 078</b>	<b>8 388 112</b>	<b>1 474 367</b>	<b>3 191 829</b>

**7.(ii) Selling and distribution expenses**

Personnel expenses (Note 7b)	68 900	74 733	68 900	74 733
Marketing, advertising & communication	161 405	314 784	111 512	71 096
Others	-	160 550	-	-
	<b>230 305</b>	<b>550 067</b>	<b>180 412</b>	<b>145 829</b>

**7.(iii) Administrative expenses**

Property Maintenance expenses	47 736	35 502	47 736	35 502
Personnel expenses (Note 7b)	931 215	710 626	449 736	311 748
Depreciation of Property, Plant & Equipment	316 857	308 877	55 689	29 120
Amortization of intangible asset (Note 14)	8 666	6 633	2 414	2 414
Rent and rates	20 690	13 842	12 704	13 842
Vehicles repairs, maintenance & fueling	26 646	23 986	16 864	17 624
Other repairs & maintenance	107 005	85 416	-	4 905
Legal expenses	76 697	24 620	75 137	23 533
Auditors' remuneration*	55 306	51 821	36 500	33 863
Directors' emoluments (Note 7b(i))	121 509	108 492	115 509	108 492
Information Technology	230 270	179 873	189 425	159 158
Insurance	48 502	51 826	23 482	16 485
Communication expenses	19 357	28 313	17 739	26 503
Professional fees	158 446	87 275	101 751	73 023
Printing and stationery	14 012	17 332	7 605	15 728
Listing/ Regulatory fees	8 025	5 632	8 025	5 632
Others	178 662	232 402	137 583	134 974
	<b>2 369 600</b>	<b>1 972 421</b>	<b>1 305 314</b>	<b>1 012 547</b>

\* 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
<b>Personnel expenses include:</b>				
Wages and salaries:				
Cost of sales	132 781	93 723	131 952	93 723
Selling and distribution expenses	68 900	74 733	68 900	74 733
Administrative expenses	931 215	710 626	449 736	311 748
	<b>1 132 896</b>	<b>879 082</b>	<b>650 588</b>	<b>480 204</b>

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**Particulars of Directors and Staff**

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

	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Key management personnel compensation:				
Short term benefit	271 508	233 461	164 995	141 874
Post employment benefits	16 676	10 416	12 798	7 994
	<b>288 184</b>	<b>243 877</b>	<b>177 793</b>	<b>149 868</b>
Directors' emoluments:				
Fees	3 400	3 400	3 400	3 400
Other emoluments	115 509	121 830	115 509	121 830
	<b>118 909</b>	<b>125 230</b>	<b>118 909</b>	<b>125 230</b>
Other staff personnel compensation:				
Short term benefit	781 700	563 507	373 386	291 547
Post employment benefits	65 613	54 960	26 324	22 050
	<b>847 313</b>	<b>618 467</b>	<b>469 396</b>	<b>313 597</b>
<b>Total</b>	<b>1 254 405</b>	<b>987 574</b>	<b>766 097</b>	<b>588 696</b>

The table below shows the number of employees (excluding directors), who earned over =N=60,000 as emoluments in the year and were within the bands stated.

N	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
60,000 - 999,999	104	106	2	9
1,000,000 - 1,999,999	49	62	0	6
2,000,000 - 2,999,999	41	33	1	3
3,000,000 - 3,999,999	15	15	7	5
4,000,000 - 4,999,999	14	19	2	9
5,000,000 - 5,999,999	15	11	2	2
6,000,000 - and above	41	36	24	17
	<b>279</b>	<b>282</b>	<b>38</b>	<b>51</b>

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>(ii) Emoluments of Directors</b>	N'000	N'000	N'000	N'000
Fees	3 400	3 400	3 400	3 400
Other emoluments	115 509	121 830	115 509	121 830
	<b>118 909</b>	<b>125 230</b>	<b>118 909</b>	<b>125 230</b>
(iii) The Chairman's emolument.	1 700	1 700	1 700	1 700
(iv) Emolument of the highest paid director.	84 391	71 354	84 391	71 354

(v) The fees attributable to the Chairman and non-executive directors, who are employees of the parent company (Custodian Investment Plc (CIP) & UACN Plc) were paid to CIP and UACN Plc.

(vi) The table below shows the number of directors of the company, whose remuneration, excluding pension contributions, fell within the bands shown.

N	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	Number	Number	Number	Number
1,000,001 - 9,000,000	4	4	4	4
9,000,001 - 14,000,000	0	0	0	0
14,000,001 and above	2	3	1	2
	<b>6</b>	<b>7</b>	<b>5</b>	<b>6</b>

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**8. Net Finance Income/(Cost)**

	<b>The Group</b>			
	<b>31 December 2025</b>	<b>31 December 2024</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
	N'000	N'000	N'000	N'000
<b>Finance Income</b>	<b>2 328 997</b>	<b>559 973</b>	<b>528 352</b>	<b>515 542</b>
Interest on borrowings	(461 659)	(397 834)	(520 903)	(397 834)
<b>Finance Costs</b>	<b>(461 659)</b>	<b>(397 834)</b>	<b>(520 903)</b>	<b>(397 834)</b>
<b>Net Finance income</b>	<b>1 867 338</b>	<b>162 139</b>	<b>7 449</b>	<b>117 708</b>

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

**9. Credit loss expense**

	<b>The Group</b>		<b>The Company</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
	N'000	N'000	N'000	N'000
Receivable in UPDC Metro City Ltd.	7 301	2 216	7 301	2 216
Impairment of receivable from UPDC Hotels Ltd.	-	-	78 665	37 124
Receivable in Pinnacle Apartment Development Ltd.	3 208	2 119	3 208	2 119
Receivable in other related parties	-	412	-	-
Receivable of UPDC FM LTD	-	-	1 573	-
Impairments of trade receivables	230 336	158 803	4 989	-
Impairment/(write back) of short term investment	668	54	(28)	54
	<b>241 513</b>	<b>163 604</b>	<b>95 709</b>	<b>41 514</b>

	<b>The Group</b>					
	<b>2025</b>			<b>2024</b>		
	<b>Stage 1 Individual</b>	<b>Stage 3 Individual</b>	<b>Total</b>	<b>Stage 1 Individual</b>	<b>Stage 3 Individual</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000
Short term deposits	668	-	668	54	-	54
Related party receivables	10 509	-	10 509	4 747	-	4 747
Trade receivables	-	230 336	230 336	-	158 803	158 803
	<b>11 177</b>	<b>230 336</b>	<b>241 513</b>	<b>4 801</b>	<b>158 803</b>	<b>163 604</b>

	<b>The Company</b>					
	<b>2025</b>			<b>2024</b>		
	<b>Stage 1 Individual</b>	<b>Stage 3 Individual</b>	<b>Total</b>	<b>Stage 1 Individual</b>	<b>Stage 3 Individual</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000
Short term deposits	(28)	-	(28)	54	-	54
Related party receivables	90 747	-	90 747	41 459	-	41 459
Trade receivables	-	4 989	4 989	-	-	-
	<b>90 719</b>	<b>4 989</b>	<b>95 709</b>	<b>41 514</b>	<b>-</b>	<b>41 514</b>

**10. Taxation**

	<b>The Group</b>		<b>The Company</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
	N'000	N'000	N'000	N'000
<i>Current tax</i>				
Minimum tax charge for the year	-	25 258	-	25 258
Current income tax	1 087 043	382 755	36 877	-
Education tax /Development Levy	136 435	53 115	2 875	10 111
Police Trust Fund	-	65	-	16
<b>Total current tax charge</b>	<b>1 223 478</b>	<b>461 193</b>	<b>39 751</b>	<b>35 385</b>
Total deferred tax (note 24)	3 584	10 817	-	-
<b>Total deferred tax (note 24)</b>	<b>3 584</b>	<b>10 817</b>	<b>-</b>	<b>-</b>
<b>Income tax charge</b>	<b>1 227 062</b>	<b>472 010</b>	<b>39 751</b>	<b>35 385</b>

Nigeria corporation tax is calculated at 30% (2024: 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:

	<b>The Group</b>		<b>The Company</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
	N'000	N'000	N'000	N'000
Profit before taxation	3 245 396	1 308 919	(268 713)	321 282
Tax at the Nigeria corporation tax rate of 30% (2024: 30%)	973 619	392 676	(80 614)	96 385
Education tax	136 435	53 115	2 875	10 111
Effect of expenses that are not deductible in determining taxable profit	263 532	136 319	42 010	42 010
Effect of income that is exempt from taxation	(100 200)	(146 240)	75 481	(138 395)
Impact of temporary differences	14 401	10 817	-	-
Minimum tax adjustments (including PTF)	-	25 323	-	25 274
<b>Tax for the period</b>	<b>1 287 787</b>	<b>472 010</b>	<b>39 751</b>	<b>35 385</b>

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	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>Per statement of financial position</b>	N'000	N'000	N'000	N'000
At 1 January	490 889	167 485	57 782	31 138
Charge for the year	1 223 478	461 193	39 751	35 385
Payments during the year	(443 112)	(137 789)	(10 127)	(8 741)
Withholding tax utilized	-	-	-	-
<b>At 31 December, 2025</b>	<b>1 271 255</b>	<b>490 889</b>	<b>87 406</b>	<b>57 782</b>

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>10. (i) Current tax assets</b>	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	179 927	-	64 149	-
Utilization during the year	-	-	-	-
<b>Unutilised withholding tax credit notes as at December 31</b>	<b>327 127</b>	<b>147 200</b>	<b>211 350</b>	<b>147 200</b>

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 Nigeria Revenue Services (NRS).

**11. Dividends**

The Board of Directors has approved a dividend of ₦0.01 (1 kobo) per ordinary share for the financial year ended 31 December 2025 (2024: ₦0.01). This amounts to a total dividend payout of ₦185,599,699.36, based on the total outstanding ordinary shares of 18,559,969,936. The dividend will be presented for approval by shareholders at the Company's Annual General Meeting and, if approved, will be paid to shareholders whose names appear in the Register of Members as at the specified record date.

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**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 / (Loss) attributable to ordinary equity shareholders (NGN'000)	2 018 334	836 909	(308 464)	285 897
Profit / (Loss) for the year	2 018 334	836 909	(308 464)	285 897
<b>Basic earnings / (Loss) per share (Kobo)</b>	<b>11</b>	<b>5</b>	<b>(2)</b>	<b>2</b>
From continuing operations	11	5	(2)	2
<b>Diluted earnings per share (Kobo)</b>	<b>11</b>	<b>5</b>	<b>(2)</b>	<b>2</b>
From continuing operations	11	5	(2)	2

	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
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Cost</b>							
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
<b>At 31 December 2024</b>	<b>1 103 600</b>	<b>7 025 226</b>	<b>132 495</b>	<b>338 063</b>	<b>118 462</b>	<b>129 456</b>	<b>8 847 303</b>
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
<b>At 31 December 2025</b>	<b>1 103 600</b>	<b>7 025 226</b>	<b>375 995</b>	<b>348 756</b>	<b>321 208</b>	<b>186 737</b>	<b>9 361 522</b>
<b>Accumulated depreciation and impairment</b>							
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
<b>At 31 December 2024</b>	<b>-</b>	<b>288 675</b>	<b>60 576</b>	<b>62 953</b>	<b>94 277</b>	<b>88 088</b>	<b>594 569</b>
At 1 January 2025	-	288 675	60 576	62 953	94 277	88 088	594 569
Charge for the year	-	92 110	68 639	120 842	9 656	25 611	316 858
<b>At 31 December 2025</b>	<b>-</b>	<b>380 785</b>	<b>129 215</b>	<b>183 795</b>	<b>103 933</b>	<b>113 698</b>	<b>911 426</b>
<b>Net book values</b>							
<b>At 31 December 2025</b>	<b>1 103 600</b>	<b>6 644 441</b>	<b>246 780</b>	<b>164 961</b>	<b>217 275</b>	<b>73 039</b>	<b>8 450 096</b>
<b>At 31 December 2024</b>	<b>1 103 600</b>	<b>6 736 551</b>	<b>71 919</b>	<b>275 110</b>	<b>24 185</b>	<b>41 369</b>	<b>8 252 734</b>

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
<b>At 31 December 2024</b>	<b>69 486</b>	<b>12 736</b>	<b>64 543</b>	<b>94 774</b>	<b>241 539</b>
At 1 January 2025	69 486	12 736	64 543	94 774	241 539
Additions	182 500	-	22 387	29 897	234 783
<b>At 31 December 2025</b>	<b>251 986</b>	<b>12 736</b>	<b>86 929</b>	<b>124 671</b>	<b>476 322</b>
<b>Accumulated depreciation and impairment</b>					
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
<b>At 31 December 2024</b>	<b>44 800</b>	<b>12 736</b>	<b>49 827</b>	<b>73 058</b>	<b>180 420</b>
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
<b>At 31 December 2025</b>	<b>85 238</b>	<b>12 736</b>	<b>54 399</b>	<b>83 738</b>	<b>236 109</b>
<b>Net book values</b>					
<b>At 31 December 2025</b>	<b>166 748</b>	<b>-</b>	<b>32 530</b>	<b>40 933</b>	<b>240 213</b>
<b>At 31 December 2024</b>	<b>24 686</b>	<b>-</b>	<b>14 716</b>	<b>21 716</b>	<b>61 119</b>

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 N'000	Software N'000
At 1 January 2024	397 231	305 770
Additions	10 736	-
<b>At 31 December 2024</b>	<b>407 967</b>	<b>305 770</b>
At 1 January 2025	407 967	305 770
Additions	27 044	-
<b>At 31 December 2025</b>	<b>435 011</b>	<b>305 770</b>
<b>Amortisation</b>		
At 1 January 2024	345 032	297 885
Amortisation for the year	6 633	2 414
<b>At 31 December 2024</b>	<b>351 666</b>	<b>300 299</b>
At 1 January 2024	351 666	300 299
Amortisation for the year	8 666	2 414
<b>At 31 December 2025</b>	<b>360 332</b>	<b>302 713</b>
<b>Net book values</b>		
<b>At 31 December 2025</b>	<b>74 679</b>	<b>3 057</b>
<b>At 31 December 2024</b>	<b>56 302</b>	<b>5 472</b>

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

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**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	112 182	120 141	111 378	119 337
	<b>112 182</b>	<b>120 141</b>	<b>111 378</b>	<b>119 337</b>

**15 (i). Investments in joint ventures**

	The Group		The Company		31 December 2025	31 December 2024
	31 December 2025	31 December 2024	31 December 2025	31 December 2024		
<b>Investment in Joint Ventures</b>	N'000	N'000	N'000	N'000	% holding	% holding
<b>First Restoration Dev. Co. Limited</b>	112 182	120 141	111 378	119 337	51.0%	51.0%
	<b>112 182</b>	<b>120 141</b>	<b>111 378</b>	<b>119 337</b>		

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	(7 959)	-	(7 959)	-
	<b>112 182</b>	<b>120 141</b>	<b>111 378</b>	<b>119 337</b>

**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.

Set out below are the summarised financial information for the associate and joint venture accounted for using the equity method.

Name	Non Current Asset	Current Asset	Non-Current Liabilities	Current Liabilities	Cash & Cash Equivalent	Net Asset	Carrying value
<b>31 December 2025</b>	N'000	N'000	N'000	N'000	N'000	N'000	N'000
First Restoration Dev. Coy Ltd.	-	311 469	-	92 122	25 964	219 964	112 182

Name	Revenue	Depreciation	Total Income	Total Expense	Tax Expense	Profit/ (Loss)
<b>31 December 2025</b>	N'000	N'000	N'000	N'000	N'000	N'000
First Restoration Dev. Coy Ltd.	-	-	-	(15 606)	-	(15 606)

Name	Non Current Asset	Current Asset	Non-Current Liabilities	Current Liabilities	Cash & Cash Equivalent	Net Asset	Carrying value
<b>31 December 2024</b>	N'000	N'000	N'000	N'000	N'000	N'000	N'000
First Restoration Dev. Coy Ltd.	-	301 265	-	57 988	25 964	269 241	120 141

Name	Revenue	Depreciation	Total Income	Total Expense	Tax Expense	Profit
<b>31 December 2024</b>	N'000	N'000	N'000	N'000	N'000	N'000
First Restoration Dev. Coy Ltd.	-	-	-	-	-	-

**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 N5.00 to N6.90 per unit in current period.

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	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)
	<b>920 553</b>	<b>667 067</b>	<b>920 553</b>	<b>667 067</b>

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Opening balance of Investment	667 067	853 846	667 067	853 846
Fair valuation at reporting date	(920 553)	(667 067)	(920 553)	(667 067)
<b>Fair value loss/(gain)</b>	<b>(253 487)</b>	<b>186 779</b>	<b>(253 487)</b>	<b>186 779</b>
Deferred tax	120 206	-	120 206	-
<b>Fair value gain (net of tax)</b>	<b>(133 281)</b>	<b>186 779</b>	<b>(133 281)</b>	<b>186 779</b>

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**17. Investments in subsidiaries**

	The Company		% Shareholding	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Principal investments	N'000	N'000	%	%
<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	68%	68%
<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%
<i>Grupo Atlanta (Nig) Ltd</i>				
510,000 Ordinary Shares of ₦1.00 each	510	490	51%	49%
	<b>3 753 517</b>	<b>3 753 497</b>		
Impairment of investments	(2 136 310)	(2 136 310)		
	<b>1 617 207</b>	<b>1 617 187</b>		

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	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	%	%
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
* <i>Manor Gardens Dev. Company Ltd.</i> 53,810,000 Ordinary Shares of ₦1.00 each	53 810	53 810	68	68

\*Manor Gardens Dev. Company Ltd is domant (not in operational)

**17. (ii) Summarized financial information of the subsidiaries**

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

	UPDC Facility Management		UPDC Hotel Limited		Deep Horizon Investment		Grupo Atlanta Nig Ltd	
	31 December 2025	31 Dec 24	31 December 2025	31 Dec 24	31 December 2025	31 Dec 24	31 December 2025	31 Dec 24
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Current assets	1 196 356	1 085 025	736 262	949 415	1 835 777	3 408 904	15 066 924	13 501 241
Non-current assets	151 742	85 978	8 129 769	8 156 509	-	-	3 487 757	-
Current liabilities	(749 053)	(730 715)	(16 875 529)	(17 039 712)	(53 689)	(1 602 408)	(3 659 631)	(12 822 862)
Non-current liabilities	(14 401)	-	(250 000)	(250 000)	-	-	(12 224 613)	-
Total Equity	584 643	440 288	(8 259 499)	(8 183 787)	1 782 088	1 806 496	2 670 437	678 379
Attributable to:								
Equity holders of parent	292 321	220 144	(7 763 929)	(7 692 760)	1 782 088	(1 806 499)	1 348 353	332 406
Non-controlling interest	292 321	220 144	(495 570)	(491 027)	-	-	1 322 084	345 973
	<b>584 643</b>	<b>440 288</b>	<b>(8 259 499)</b>	<b>(8 183 787)</b>	<b>1 782 088</b>	<b>(1 806 499)</b>	<b>2 670 437</b>	<b>678 379</b>
<b>Statement of profit or loss and other comprehensive income</b>								
	31 December 2025	31 Dec 24	31 December 2025	31 Dec 24	31 December 2025	31 Dec 24	31 December 2025	31 Dec 24
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue from contract with customer	1 582 653	924 345	1 457 814	1 464 014	-	-	8 724 949	5 200 000
Cost of Sales	(1 586 186)	(917 244)	(2 155 984)	(1 679 203)	(26 560)	(62 080)	(7 555 563)	(4 226 768)
Other income	240 149	228 415	893 387	9 315	-	2 408	-	-
Earnings before interest and tax	236 615	235 516	195 217	(205 873)	(26 560)	(59 672)	1 169 386	973 232
Net Finance cost	11 012	-	(213 108)	(50 370)	-	-	1 848 877	44 432
Profit before tax	<b>247 627</b>	<b>235 516</b>	<b>(17 891)</b>	<b>(256 243)</b>	<b>(26 560)</b>	<b>(59 672)</b>	<b>3 018 263</b>	<b>1 017 664</b>
Income tax expense	(103 273)	(89 386)	(57 829)	(11 357)	-	-	(1 026 209)	(335 880)
Profit for the year	144 354	146 130	(75 719)	(267 600)	(26 560)	(59 672)	1 992 054	681 784
Other comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive income	<b>144 354</b>	<b>146 130</b>	<b>(75 719)</b>	<b>(267 600)</b>	<b>(26 560)</b>	<b>(59 672)</b>	<b>1 992 054</b>	<b>681 784</b>
Attributable to:								
Equity holders of parent	72 177	73 065	(71 176)	(251 544)	(26 560)	(59 672)	1 015 947	334 074
Non-controlling interest	72 177	73 065	(4 543)	(16 056)	-	-	976 106	347 710
	<b>144 354</b>	<b>146 130</b>	<b>(75 719)</b>	<b>(267 600)</b>	<b>(26 560)</b>	<b>(59 672)</b>	<b>1 992 054</b>	<b>681 784</b>

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**17 (iii) Non-controlling interest**

	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	282 842	(121 877)	-	-
Profit for the year	1 043 718	404 719	-	-
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-
<b>Balance 31 December</b>	<b>1 326 560</b>	<b>282 842</b>	<b>-</b>	<b>-</b>

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
<b>Profit/(loss) attributable to Non-Controlling interest from the components:</b>				
UPDC Facility Management Limited	72 177	73 065	-	-
UPDC Hotel Limited	(4 543)	(16 056)	-	-
Deep Horizon Investment Limited	-	-	-	-
Grupo Atlanta Nig Ltd	976 106	347 710	-	-
	<b>1 043 740</b>	<b>404 719</b>	<b>-</b>	<b>-</b>

**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	95 226	351 124	-	-
Properties under construction - Note 18 (i)	3 123 873	8 378 876	888 905	1 079 068
<b>Balance</b>	<b>3 219 099</b>	<b>8 729 999</b>	<b>888 905</b>	<b>1 079 068</b>

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	8 378 876	3 148 591	1 079 068	3 148 590
Additions	1 389 671	8 231 144	572 683	931 337
Disposal	(6 644 673)	(3 000 859)	(762 846)	(3 000 859)
	<b>3 123 873</b>	<b>8 378 876</b>	<b>888 905</b>	<b>1 079 068</b>

\*Included in the additions during the year is the landed property worth of N817million (2024: 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	1 850 667	1 334 555	927 598	922 362
Less: Impairment of trade receivables (Note 3.1b)	(1 179 882)	(949 547)	(883 936)	(878 947)
Net trade receivables	<b>670 784</b>	<b>385 008</b>	<b>43 662</b>	<b>43 415</b>
Receivables from group companies (Note 26)	499 758	481 626	7 402 304	2 278 911
Other receivables (Note 19 (i))	5 516 467	441 806	276 313	274 084
Advances to staff	766	1 525	-	1 525
	<b>6 687 775</b>	<b>1 509 966</b>	<b>7 722 279</b>	<b>2 597 935</b>

**19. (i) Analysis of other receivables**

Mobilization payments to contractors	5 173 127	26 767	27 473	26 767
Prepayments and accrued income	109 069	70 190	43 670	16 383
Withholding tax receivables	35 387	19 435	15 170	15 170
VAT Receivables	-	-	-	-
Other Debtors*	198 885	525 414	190 000	215 764
	<b>5 516 467</b>	<b>641 806</b>	<b>276 313</b>	<b>274 084</b>

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

\*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.

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**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	1 910 153	2 568 931	375 967	547 050
Short term investments	8 288 579	8 935 970	1 236 433	3 691 538
Less: Impairment of Short term investments	(871)	(203)	(175)	(203)
<b>Cash and cash equivalents</b>	<b>10 197 862</b>	<b>11 504 698</b>	<b>1 612 225</b>	<b>4 238 385</b>

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

**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
<b>Current borrowings</b>				
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	-
	<b>79 038</b>	<b>116 587</b>	<b>138 282</b>	<b>116 587</b>
<b>Non-current borrowings - Principal</b>				
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	-
	<b>2 015 168</b>	<b>3 022 763</b>	<b>5 502 925</b>	<b>3 022 763</b>
<b>Total borrowings</b>	<b>2 094 206</b>	<b>3 139 350</b>	<b>5 641 207</b>	<b>3 139 350</b>

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	3 139 350	4 772 820	3 139 350	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	<b>2 094 206</b>	<b>3 139 350</b>	<b>5 641 207</b>	<b>3 139 350</b>

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 restructured in October 2024 with the interest rate increased from 9% to 18% pa.

\*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 drawdown in December 2025. The loan is for a tenor of 18months from the draw down.

**22. Trade and other payables**

	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 payables	2 670 312	2 738 404	528 451	378 284
Customer deposit liabilities (Note 23)	3 975 707	2 478 520	2 082 038	2 434 177
Amounts owed to other related parties (Note 26)	252 970	273 940	2 087 172	2 118 535
	<b>6 898 989</b>	<b>5 490 864</b>	<b>4 697 660</b>	<b>4 930 996</b>
Value Added Tax/ Withholding Tax Payables	323 193	176 328	147 205	41 927
Other payables*	6 462 301	10 143 499	772 315	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**	802 421	1 631 734	406 744	400 096
<b>Total</b>	<b>14 965 201</b>	<b>17 788 961</b>	<b>6 381 785</b>	<b>5 878 291</b>

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 2 & 3 of Brompton City of N6.4billion (2024: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	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	N'000	N'000
Deposit by customers	3 975 707	2 478 520	2 082 038	2 434 177
	<b>3 975 707</b>	<b>2 478 520</b>	<b>2 082 038</b>	<b>2 434 177</b>

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	31 December 2024	31 December 2025	31 December 2024
	N'000	N'000	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)
	<b>220 452</b>	<b>230 739</b>	<b>220 452</b>	<b>230 739</b>

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

**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
<b>Deferred tax liabilities:</b>				
- Deferred tax liability to be recovered after more than 12 months	207 144	83 354	192 743	72 537
- Deferred tax liability to be recovered within 12 months	-	-	-	-
<b>Deferred tax liabilities</b>	<b>207 144</b>	<b>83 354</b>	<b>192 743</b>	<b>72 537</b>

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	3 584	10 817	-	-
Tax charge relating to components of other comprehensive income	120 206	-	120 206	-
<b>At 31 December, 2025</b>	<b>207 144</b>	<b>83 354</b>	<b>192 743</b>	<b>72 537</b>

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**

**Restated**

	Property, plant and equipment	Equity instrument	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	2 079	-	93 845	57 180	(80 686)	119	72 537
Charged to profit or loss	5 815	-	5 002	-	-	-	10 817
At 31 December 2024	7 894	-	98 847	57 180	(80 686)	119	83 354
Charged to profit or loss	3 584	-	-	-	-	-	3 584
Charged to other comprehensive income	-	120 206	-	-	-	-	120 206
<b>At 31 December 2025</b>	<b>11 478</b>	<b>-</b>	<b>98 847</b>	<b>57 180</b>	<b>(80 686)</b>	<b>119</b>	<b>207 144</b>

**The Company**

	Property, plant and equipment	Equity instrument	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	2 079	-	93 845	57 180	(80 686)	119	72 537
Charged to profit or loss	-	-	-	-	-	-	-
At 31 December 2024	2 079	-	93 845	57 180	(80 686)	119	72 537
<b>Unrecognised deferred tax credit</b>	<b>11 728</b>	<b>-</b>	<b>(100 089)</b>	<b>(5 049 775)</b>	<b>(15 110)</b>	<b>5 286</b>	<b>(5 147 960)</b>
Charged to profit or loss	-	-	-	-	-	-	-
Charged to other comprehensive income	-	120 206	-	-	-	-	120 206
<b>At 30 December 2025</b>	<b>2 079</b>	<b>120 206</b>	<b>93 845</b>	<b>57 180</b>	<b>(80 686)</b>	<b>119</b>	<b>192 743</b>
<b>Unrecognised deferred tax credit</b>	<b>40 208</b>	<b>-</b>	<b>(144 868)</b>	<b>(5 009 386)</b>	<b>(61 022)</b>	<b>-</b>	<b>(5 175 068)</b>

\*Refer to note 32 for changes to presentation of comparatives figures.

**The Group/ The Company**

\*The deferred tax asset computation for the year amounted to N5.0 billion (2024: N5.1 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 N16.7 billion unrelieved tax losses (2024: N16.6 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
<b>Authorised shares</b>				
At 1 January	18 559 970	9 279 985	18 559 970	9 279 985
Share Cancellation				
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**

**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:

	The Group		The Company	
	31 December 2025	31-Dec-24	31 December 2025	31-Dec-24
	N'000	N'000	N'000	N'000
<b>Period-end balances arising from sales/purchases of goods/services:</b>				
<b>Receivable:</b>				
Receivables balance	3 761 574	3 732 934	24 831 548	19 617 407
Provision for expected credit losses	(3 261 816)	(3 251 307)	(17 429 243)	(17 338 496)
<b>Balance as at 31 December</b>	<b>499 758</b>	<b>481 626</b>	<b>7 402 304</b>	<b>2 278 911</b>

	Relationship	The Group		The Company	
		31 December 2025	31-Dec-24	31 December 2025	31-Dec-24
		N'000	N'000	N'000	N'000
<b>Period-end balances arising from sales/purchases of goods/services</b>					
<b>Receivable:</b>					
UPDC Metrocity Limited	Joint Venture	462 455	408 436	462 455	408 436
UPDC Hotel Ltd.	Subsidiary	-	-	14 828 506	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	49 747	98 489	49 747	98 489
Manor Gardens	Subsidiary	-	-	317 244	317 244
Groupo Atlanta Nig Ltd	Subsidiary	-	-	5 964 719	1 086 803
UPDC Facility Management Ltd.	Subsidiary	-	-	94 561	72 226
		3 761 574	3 732 934	24 831 548	19 617 407
Impairment of Intercompany receivables		(3 261 816)	(3 251 307)	(17 429 243)	(17 338 496)
		<b>499 758</b>	<b>481 624</b>	<b>7 402 304</b>	<b>2 278 911</b>

	Relationship	The Group		The Company	
		31 December 2025	31/12/2024	31 December 2025	31/12/2024
		N'000	N'000	N'000	N'000
<b>Payable:</b>					
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
		<b>252 970</b>	<b>273 940</b>	<b>2 087 172</b>	<b>2 118 535</b>

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 17 cases as a defendant and 1 case as a plaintiff. The total amount claimed in the 17 cases against the Group is estimated at N4.3billion while the total amount claimed in the one case instituted by the Company is N22.8 million.

The Directors are of the opinion that none of the aforementioned cases is likely to have material adverse effect on the Company and are not aware of any other pending and or threatened claims or litigation which may be material to the financial statements.

**28. Events after reporting period**

There were no subsequent events which could have had a material effect on the financial position and performance of the bank as at 31 December 2025 which had not been adequately provided for or disclosed.

**29. Financial Reporting Council's Certification Requirement for Professionals Engaged in Financial Reporting Process**

In line with Financial Reporting Council of Nigeria certification requirement for professionals engaged in the financial reporting process: external auditors, officers of reporting entities and other professional providing assurance to reporting assurance to reporting entities, below is a list of professionals engaged in the financial reporting process relating to financial statements during the period.

NAME OF PROFESSIONAL	FRC_NUMBER	SERVICES	FEES	
			N'000	
Goldwyns - Anthony Molade	FRC/2013/ICAN/00000003138	Tax Consultant	3 765	3 765
Goldwyns - Anthony Molade	FRC/2013/ICAN/00000003138	ICFR	5 375	5 375
Diya Fatimilehin & Co	FRC/2023/COY/098756	Property Valuation Specialist	3 870	3 870
Society for Corporate Governance Nigeria	FRC/2014/NIM/00000007899	Board Evaluation Consultant	3 000	3 000

**30. Provision of Non-audit services**

Auditor's fees represents fees for the interim and full year audit of the company for the year ended 31 December 2025. Deloitte & Touche rendered an assurance service to the company in relation to the Internal Control over Financial Reporting amounting to N8.5million.

**31. Dividend proposed**

The Board of Directors has approved a dividend of ₦0.01 (1 kobo) per ordinary share for the financial year ended 31 December 2025 (2024: ₦0.01). This amounts to a total dividend payout of ₦185,599,699.36, based on the total outstanding ordinary shares of 18,559,969,936. The dividend will be presented for approval by shareholders at the Company's Annual General Meeting and, if approved, will be paid to shareholders whose names appear in the Register of Members as at the specified record date.

**32 Changes to presentation of comparatives figures**

In the disclosure note on segment reporting in note 5, the Company did not disclose some information in its segment reporting in the prior year as required by IFRS8:23. Information such as depreciation and amortisation, finance income, finance expenses, share of loss from joint venture and income tax expense were not disclosed. These undisclosed items were considered material and are now disclosed as required by IFRS8 (23) accordingly.

Also in note 3.1 on the analysis of changes in the gross carrying amount and the corresponding ECL allowances, in prior year, the Company disclosed the impairment (Expected credit loss) of its intercompany receivables which had suffered significant increase in credit risk with a provision or charge of about 90% of the gross receivable in stage 1 rather than in stage 3. This disclosure error was considered material, and it is now correctly disclosed as required by IFRS7:35H accordingly.

In addition, in note 24 on movement in deferred income tax assets and liabilities, the Company entity did not disclose the items in notes showing the movement in deferred income tax assets and liabilities during the year properly as some deferred tax movement for unutilised tax loss, property plant and equipment and capital allowances were disclosed under investment property.

The following summarise the adjustments arising from change in the correction of prior period (i.e. 31 December 2024) errors in the disclosure of the Group and Company's segment reporting in note 5, and note 3.1 for the restated ECL staging on intercompany receivables and note 24 for the restated movement in deferred tax asset and liabilities for the group and the company.

**Note 5, as previously stated**

**31 December 2024**

Total Revenue  
**Revenue to third parties**  
 Earnings before interest and tax  
 Profit before tax  
 Net current asset/(liability)  
 Property, plant and equipment

The Group		
Property Development Sales & Management	Hospitality Services	Total
N'000	N'000	N'000
10 322 899	1 464 014	11 786 913
<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
1 403 015	(256 235)	1 146 780
<b>1 565 154</b>	<b>(256 235)</b>	<b>1 308 919</b>
4 469 924	(974 498)	3 495 425
129 292	8 123 441	8 252 734

**31 December 2024**

Total revenue  
 Revenue from third parties  
 Profit before interest and tax  
 Profit before tax  
 Net current assets  
 Property, plant and equipment

The Company		
Property development sales & management		Total
N'000		N'000
4 401 353		4 401 353
<b>4 401 353</b>	<b>4 401 353</b>	<b>4 401 353</b>
203 574		203 574
<b>321 282</b>	<b>321 282</b>	<b>321 282</b>
2 009 927		2 009 927
61 119		61 119

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

**Note 5 as restated**

**31 December 2024**

Total Revenue
Revenue to third parties
Depreciation and amortisation
Share of loss from joint venture
Earnings before interest and tax
Finance income
Finance cost
Profit/(loss) before tax
Income tax expense
Net current asset/(liability)
Property, plant and equipment

The Group		
Property Development Sales & Management	Hospitality Services	Total
N'000	N'000	N'000
10 322 899	1 464 014	11 786 913
<b>10 322 899</b>	<b>1 464 014</b>	<b>11 786 913</b>
44 357	271 153	315 510
-	-	-
<b>1 403 015</b>	<b>(256 235)</b>	<b>1 146 780</b>
559 973	-	559 973
(347 464)	(50 370)	(397 834)
<b>1 565 154</b>	<b>(256 235)</b>	<b>1 308 919</b>
(460 653)	(11 357)	(472 010)
4 469 924	(974 498)	3 495 426
129 292	8 123 441	8 252 734

**31 December 2024**

Total revenue
Revenue from third parties
Depreciation and amortisation
Share of loss from joint venture
Earnings before interest and tax
Finance income
Finance cost
Earnings before tax
Income tax expense
Net current assets
Property, plant and equipment

The Company		
Property development sales & management		Total
N'000		N'000
4 401 353		4 401 353
<b>4 401 353</b>		<b>4 401 353</b>
31 534		31 534
-		-
<b>203 574</b>		<b>203 574</b>
515 542		515 542
(397 834)		(397 834)
<b>321 282</b>		<b>321 282</b>
(35 385)		(35 385)
2 009 928		2 009 928
61 119		61 119

**Note 3.1, as previously stated**

Gross carrying amount as at 1 January 2024
Changes in receivables
At 31 December 2024

	The Group			The Company		
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000
4 231 593	-	-	-	-	-	18 773 417
(498 659)	-	-	-	-	-	843 990
<b>3 732 934</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 617 407</b>
3 246 560	-	-	-	-	-	17 297 037
4 747	-	-	-	-	-	41 459
<b>3 251 307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 338 496</b>
<b>481 627</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 278 911</b>

**Note 3.1, as restated**

Gross carrying amount as at 1 January 2024
Changes in receivables
At 31 December 2024

	The Group			The Company		
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000
-	-	4 231 593	-	-	-	18 773 417
-	-	(498 659)	-	-	-	843 990
<b>-</b>	<b>-</b>	<b>3 732 934</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 617 407</b>
-	-	3 246 560	-	-	-	17 297 037
-	-	4 747	-	-	-	41 459
<b>-</b>	<b>-</b>	<b>3 251 307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 338 496</b>
<b>-</b>	<b>-</b>	<b>481 627</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 278 911</b>

**Note 24, as restated**

**The Group**

At 1 January 2024
Charged to profit or loss
At 31 December 2024

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
(69 440)	1 273 022	(96 895)	(1 151 609)	116 291	1 168	72 537
-	-	-	-	-	-	-
<b>(69 440)</b>	<b>1 273 022</b>	<b>(96 895)</b>	<b>(1 151 609)</b>	<b>116 291</b>	<b>1 168</b>	<b>72 537</b>

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

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

<b>The Group</b>	<b>Property, plant and equipment</b>	<b>Equity instrument</b>	<b>Provisions</b>	<b>Tax losses</b>	<b>Capital gains to be reinvested</b>	<b>Exchange difference</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
At 1 January 2024	2 079	-	93 845	57 180	(80 686)	119	72 537
Charged to profit or loss	5 815	-	5 002	-	-	-	10 817
At 31 December 2024	7 894	-	98 847	57 180	(80 686)	119	83 354

<b>The Company</b>	<b>Property, plant and equipment</b>	<b>Equity instrument</b>	<b>Provisions</b>	<b>Tax losses</b>	<b>Capital gains to be reinvested</b>	<b>Exchange difference</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
At 1 January 2024	2 079	-	93 845	57 180	(80 686)	119	72 537
Charged to profit or loss	-	-	-	-	-	-	-
At 31 December 2024	2 079	-	93 845	57 180	(80 686)	119	72 537
Unrecognised deferred tax credit	11 728	-	(100 089)	(5 049 775)	(15 110)	5 286	(5 147 960)

**UPDC Plc**  
**STATEMENT OF VALUE ADDED**  
For the year ended 31 December 2025

	The Group				The Company			
	2025		2024		2025		2024	
	N'000	%	N'000	%	N'000	%	N'000	%
Sale of properties, rents and services	12 908 015		11 786 913		2 636 429		4 401 353	
Bought in materials and services (All local)	(8 879 789)		(9 867 141)		(2 920 619)		(4 137 037)	
<b>Value Added</b>	<b>4 028 226</b>	<b>100</b>	<b>1 919 772</b>	<b>100</b>	<b>(284 190)</b>	<b>100</b>	<b>264 316</b>	<b>100</b>
<b>Distribution:</b>								
Employees	931 215	23	710 626	37	449 736	(158)	311 748	118
Company Taxes	1 223 478	30	461 193	24	39 751	(14)	35 385	13
Interest charges	(461 659)	(11)	(397 834)	(21)	(520 903)	183	(397 834)	(151)
Depreciation	316 857	8	308 877	16	55 689	(20)	29 120	11
Transfer to non-controlling interests	1 043 718	26	404 719	21	-	-	-	-
Retained profit	974 617	24	432 190	23	(308 464)	109	285 897	108
<b>Value Added</b>	<b>4 028 226</b>	<b>100</b>	<b>1 919 772</b>	<b>100</b>	<b>(284 190)</b>	<b>100</b>	<b>264 316</b>	<b>100</b>

Value added represents the additional wealth which the group has been able to create by its own and its employees efforts. This statement shows the allocation of that wealth to employees, government, providers of capital and the amount retained for the future creations of more wealth.

**UPDC Plc**  
**Group Five - Year Financial Summary**  
**Statement of financial position as at 31 December**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Liabilities</b>					
Non-current liabilities	2 222 312	3 106 117	4 774 633	4 775 112	5 591 010
Current liabilities	16 315 494	18 396 437	6 053 974	6 462 693	4 927 716
					1 187 897
<b>Total liabilities</b>	<b>18 537 806</b>	<b>21 502 554</b>	<b>10 828 607</b>	<b>11 237 805</b>	<b>11 706 623</b>
Ordinary share capital	9 279 985	9 279 985	9 279 985	9 279 985	9 279 985
Share premium	8 971 551	8 971 551	8 971 551	8 971 551	8 971 551
Other reserves	-	-	-	-	391 420
Revenue reserve and fair value reserve of financial assets at FVOCI	(8 126 527)	(9 048 825)	(9 294 236)	(10 001 355)	(10 654 356)
Shareholders' funds	10 125 009	9 202 711	8 957 300	8 250 181	7 988 600
Non-controlling interest	1 326 560	282 842	(121 877)	(59 583)	(100 457)
<b>Total equity</b>	<b>11 451 569</b>	<b>9 485 553</b>	<b>8 835 423</b>	<b>8 190 598</b>	<b>7 888 143</b>
<b>Net equity and liabilities</b>	<b>29 989 374</b>	<b>30 988 108</b>	<b>19 664 030</b>	<b>19 428 403</b>	<b>19 594 766</b>
PPE & Investment properties	8 524 775	8 309 037	8 386 696	8 435 602	66 317
Long term Investments	1 032 735	787 208	973 987	525 887	722 616
Assets of disposal group classified as held for sale	-	-	-	-	8 086 682
Current assets	20 431 864	21 891 863	10 303 347	10 466 914	10 719 151
<b>Total assets</b>	<b>29 989 374</b>	<b>30 988 108</b>	<b>19 664 030</b>	<b>19 428 403</b>	<b>19 594 766</b>
<b>Comprehensive income</b>					
Revenue	12 908 015	11 786 913	5 343 622	5 896 957	825 404
Profit/ (loss) before taxation	3 245 396	1 308 919	379 935	330 598	(1 617 268)
Taxation	(1 227 062)	(472 010)	(158 430)	(130 066)	(142 969)
Profit/ (loss) after taxation	2 018 334	836 909	221 505	200 532	(1 760 237)
Non-controlling Interest	1 043 718	404 719	(32 008)	40 874	51 055
Total comprehensive profit/(loss) attributable to the equity holders of the parent	1 107 897	245 411	707 119	159 658	(2 067 662)
Retained earnings	1 107 897	245 411	707 119	159 658	(2 067 662)
Basic earnings/ (loss) per share (kobo)	11	5	1	(1)	(9)
Net assets per share (Naira)	0.6	0.5	0.5	0.4	0.4

Note :

The earnings, dividends and net assets per share of 50 kobo are computed respectively on the profit after taxation, proposed dividends and the shareholders' funds each on the basis of the number of shares in issue as at 31st December.

**UPDC Plc**  
**Company Five - Year Financial Summary**  
**Statement of financial position as at 31 December**

	<b>2025</b> <b>N'000</b>	<b>2024</b> <b>N'000</b>	<b>2023</b> <b>N'000</b>	<b>2022</b> <b>N'000</b>	<b>2021</b> <b>N'000</b>
<b>Liabilities</b>					
Non-current liabilities	5 695 668	3 095 300	4 774 633	4 774 633	5 584 190
Current liabilities	6 607 473	6 052 660	6 020 034	5 435 651	4 450 208
<b>Total liabilities</b>	<b>12 303 141</b>	<b>9 147 960</b>	<b>10 794 667</b>	<b>10 210 284</b>	<b>10 034 398</b>
Ordinary share capital	9 279 985	9 279 985	9 279 985	9 279 985	9 279 985
Share premium	8 971 551	8 971 551	8 971 551	8 971 551	8 971 551
Other reserves	-	-	-	-	391 420
Retained earnings and fair value reserve of financial assets at FVOCI	(17 227 509)	(16 866 727)	(16 965 846)	(17 712 104)	(17 815 360)
<b>Total equity</b>	<b>1 024 027</b>	<b>1 384 809</b>	<b>1 285 690</b>	<b>539 432</b>	<b>827 596</b>
<b>Net equity and liabilities</b>	<b>13 327 167</b>	<b>10 532 768</b>	<b>12 080 357</b>	<b>10 749 716</b>	<b>10 861 994</b>
PPE & Investment properties	243 269	66 589	77 765	39 714	45 717
Long term Investments	2 649 138	2 403 590	2 589 879	2 141 780	2 338 509
Current assets	10 434 759	8 062 588	9 412 712	8 568 222	8 477 768
<b>Total assets</b>	<b>13 327 167</b>	<b>10 532 767</b>	<b>12 080 357</b>	<b>10 749 716</b>	<b>10 861 994</b>
<b>Comprehensive income</b>					
Revenue	2 636 429	4 401 353	2 397 109	3 870 963	540 563
Profit/ (loss) before taxation	(268 713)	321 282	316 676	322 957	(8 503 661)
Taxation	(39 751)	(35 385)	(24 024)	(26 251)	(75 717)
Profit/ (loss) after taxation	(308 464)	285 897	292 652	296 706	(8 579 378)
Other comprehensive income for the period net of taxation	133 281	(186 779)	453 606	-	-
Total comprehensive income/(loss)	(175 183)	99 118	746 258	296 706	(8 579 378)
Basic earnings/ (loss) per share (kobo)	(2)	2	2	2	(46)
Net assets per share (Naira)	0.06	0.07	0.07	0.03	0.1

Note :

The earnings, dividends and net assets per share of 3 kobo are computed respectively on the profit after taxation, proposed dividends and the shareholders' funds each on the basis of the number of shares in issue as at 31st December.