AFRILAND
PROPERTIES

# Expanding Boundaries, Elevating Standards

Real estate innovation that transforms lives





**2024**
ANNUAL REPORT &
FINANCIAL STATEMENTS

www.afrilandproperties.com

AFRILAND PROPERTIES

# TABLE CONTENTS

# COMPANY OVERVIEW

AFRILAND PROPERTIES

# COMPANY OVERVIEW

## WHO WE ARE

Afriland Properties Plc is a property management, investment, and development company, offering end-to-end services across the real estate value chain, from management to joint-venture investments.

With a portfolio size of over N20 billion and one of the largest land banks in Nigeria, Afriland is pioneering the opportunities presented by an institutional approach to real estate, serving niche markets throughout Africa.

We bring innovation to the real estate sector in Nigeria and other African countries by drawing on experience, new competencies, and technology to achieve continuous improvement in service delivery to our clientele.

**Over 100 Assets Managed Across Nigeria**

**Over N20 Billion Portfolio Size**

**One of the Largest Land Banks in Nigeria**

## OUR PURPOSE

Our purpose is to improve lives by investing in the development, management, and maintenance of world-class Real Estate offerings across Africa.

## Core Values

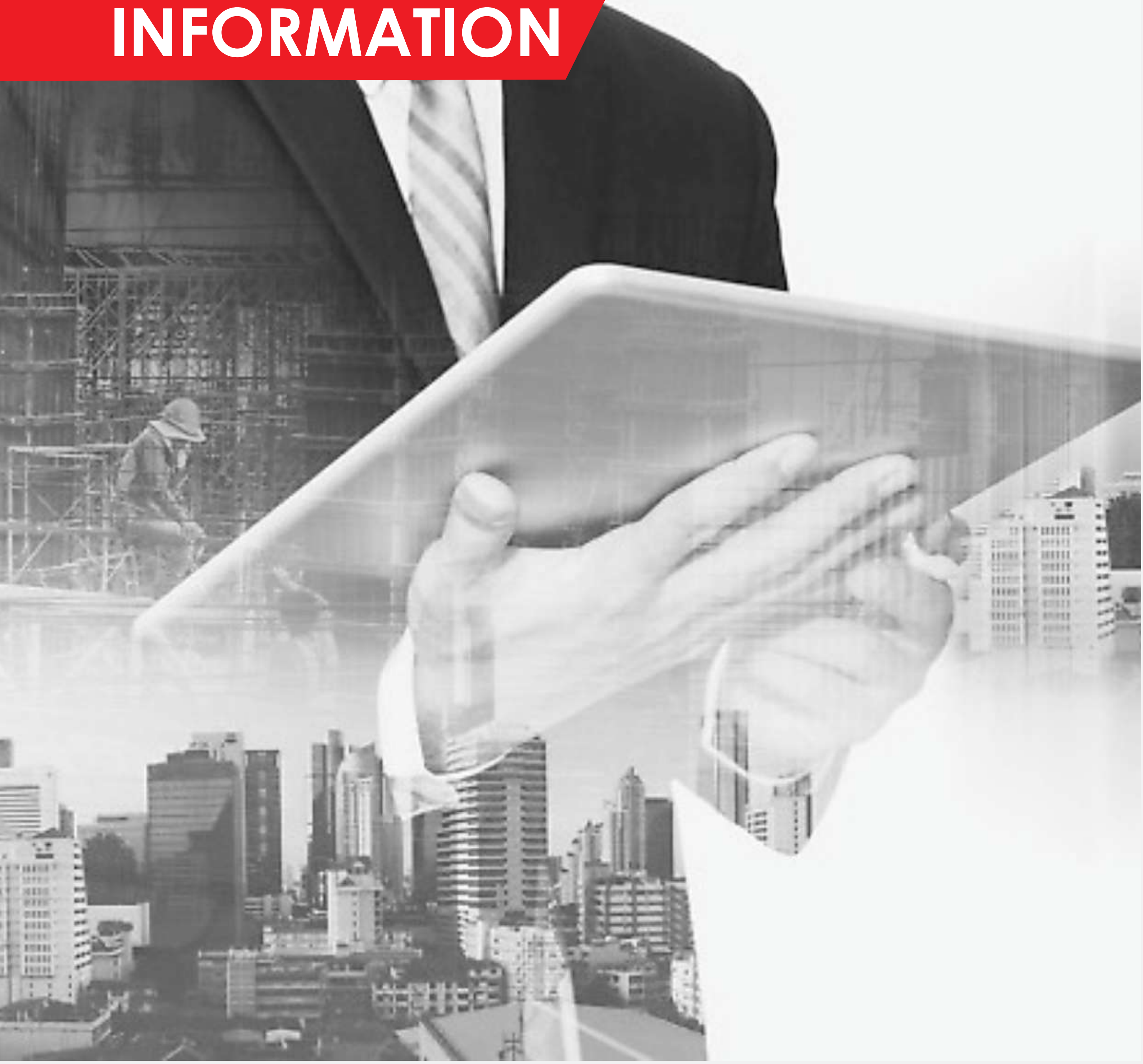
**The 3 Es – Living it…**

**Enterprise**
- Passion
- Ingenuity
- Tenacity

**Execution**
- Hard Work
- Result-Driven
- Accountability

**Excellence**
- Responsiveness
- Diligence
- Distinction

# DIRECTORS AND OTHER CORPORATE INFORMATION



## CORPORATE INFORMATION

| | | |
|---|---|---|
| BOARD OF DIRECTORS | Mr. Emmanuel Nnorom | Chairman |
| | Mrs. Uzoamaka Oshogwe | Managing Director/Chief Executive Officer (Resigned 31 December, 2024) |
| | Mr. Azubike Emodi | Managing Director/Chief Executive Officer (Appointed 1 February, 2025) |
| | Mr. Olukayode Odebiyi | Executive Director (Appointed 1 November, 2024) |
| | Dr. (Mrs). Agatha Obiekwugo | Non-Executive Director |
| | Mr. Ayodeji Adigun | Non-Executive Director |
| | Mr. Obong Idiong | Non-Executive Director |
| | Mr. Olubunmi Akinremi | Independent Non-Executive Director |
| | Dr. (Mrs). Owen Omogiafo, OON | Non-Executive Director |
| SECRETARY | Mrs. Omomene Obanor | |
| REGISTERED OFFICE | Afriland Towers<br>97/105 Broad Street<br>Lagos. | |
| REGISTRATION NUMBER | RC 684746 | |
| WEBSITE | www.afrilandproperties.com | |
| TAX ID. NUMBER (TIN) | 10421616 - 0001 | |
| AUDITOR | Deloitte & Touche<br>Civic Towers,<br>Plot GA1, Ozumba Mbadiwe Avenue,<br>Victoria Island,<br>Lagos State | |
| PRINCIPAL BANKER | United Bank for Africa Plc | |
| REGISTRAR | Africa Prudential Plc<br>220B, Ikorodu Road<br>Palmgrove<br>Lagos. | |
| SOLICITORS | Ogbemudje Omezi & Co,<br>M. E Esonanjor & Co | |

AFRILAND PROPERTIES

## RESULT AT A GLANCE

### 31 December

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Revenue | **3,753,282** | **4,715,778** |
| Profit before taxation | 3,695,529 | 2,411,100 |
| Income tax expenses | (1,081,231) | (684,251) |
| **Profit for the year** | **2,614,298** | **1,726,849** |
| Earnings per share | **₦1.90** | **₦1.26** |

### 31 December

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Total assets | N48,557,990 | N34,073,184 |
| Total equity | **₦34,929,135** | **₦24,485,137** |

# BOARD OF DIRECTORS PROFILE

# BOARD OF DIRECTORS PROFILE

**Emmanuel N. Nnorom**
Chairman

**Emmanuel N. Nnorom** is currently the Chairman of the Board of Directors of Afriland Properties Plc. He is presently the Group Chief Executive Officer of Heirs Holdings Limited. Before this, he was the President/CEO of Transnational Corporation of Nigeria Plc, overseeing all the Transcorp businesses. Prior to Transcorp, he held senior positions as the Executive Director at UBA and Managing

Director of UBA Africa, overseeing United Bank for Africa's operations outside Nigeria and executing corporate strategy in 18 African countries. His other senior roles within UBA included Group COO UBA, followed by his appointment as UBA's Group CFO, with responsibility for Finance and Risk.

Emmanuel is qualified as a chartered accountant, and brings over 3 decades of professional experience in the corporate and financial sectors, working with publicly listed companies. He is an alumnus of Oxford University's Templeton College, and a Prize winner and Fellow of the Institute of Chartered Accountants of Nigeria.

He was appointed to the board on October 30, 2014, and has served a cumulative period of 10 years and 5 months.

**Uzoamaka Oshogwe**
Chief Executive Officer

**Uzoamaka Oshogwe** is the Managing Director/Chief Executive Officer of Afriland Properties Plc. She is a seasoned and skilled professional who joined the company when It was still known as UBA Properties Limited and has garnered over 26 years of working experience in her professional career.

She is responsible for implementing strategic plans, driving organisational success, providing guidance and direction to the company to ensure that it achieves its financial vision, mission and long term goals.

She holds a BSc in Chemistry from Ambrose Alli University, Edo State, an MSc in Information Systems Design from the University of Westminister, London and a professional certificate in Real Estate Management from Havard Business School. She also holds an Advanced Management Program (AMP) certification from Lagos Business School and IESE, Barcelona. Uzo is a member of the Institute of Directors (IOD) Nigeria.

She is a RICS accredited Civil and Commercial Mediator, a Fellow of the Institute of Management Consultants (FIMC), and a Fellow of the Institute of Credit Administration (FICA).

# BOARD OF DIRECTORS PROFILE

**Uzoamaka Oshogwe Continued**

Her carer progression has seen her distinguish herself in international organisations such as Ford Motors UK, Accenture UK, J.Sainbury's UK, and UBA Plc before she joined UBA Properties Limited.

*She resigned as the MD/CEO on December 31, 2024.

**Azubike Emodi**
Chief Executive Officer

**Azubike Emodi** is a seasoned professional with over 20 years of experience spanning financial services, real estate development, and strategic planning. He has a strong track record of driving organizational growth, delivering transformative results, and executing high-impact projects.

He holds a BSc in Banking and Finance, an MBA in Management, and an MSc in Finance. He is also a Fellow of the Chartered Institute of Bankers, a Fellow of the Chartered Institute of Credit Administrators, and a Member of the Canadian Securities Institute.

Before joining Afriland Properties Plc, Azubike held leadership roles across various industries. He was Managing Director at VBank, where he drove financial technology innovation and market expansion. He also led Anchoria Asset Management and Herel Global, spearheading strategic real estate investments and development projects.

*He was appointed to the Board on February 1, 2025, and he has served a cumulative period of 2 months.

**Kayode Odebiyi**
Executive Director

**Kayode Odebiyi** is a consummate professional with over 21 years of work experience cutting across Real Estate & Portfolio Management, Strategy Development, Finance & Treasury Management, and Business Development.

He has functioned in various roles in his career, amassing knowledge in Analysis, Project management, and Design & Building Efficiency.

He has a BSc in Economics and a Master's degree in Business Administration. He is also an alumnus of Harvard Graduate School of Design where he completed the Advanced Management Development Program.

Prior to joining Afriland, Kayode functioned as the Head, Real Estate Portfolio at Total E&P SMCS Limited responsible for the overall operation and management of the Total cooperative real estate portfolio. He also worked at Legacy Realties Limited, Alitheia Capital Limited, and Trojan Estates Group.

He was appointed to the Board on November 1, 2024, and has served a cumulative period of 4 months.

AFRILAND PROPERTIES

# BOARD OF DIRECTORS PROFILE

**Agatha Obiekwugo**
Non-Executive Director

**Agatha Obiekwugo** is a seasoned entrepreneur and business strategist with over 25 years of experience spanning banking, commerce, IT, and consulting. She is the Founder and CEO of Adassa Energy Limited, operating in the oil and gas sector, and has successfully led multiple businesses across IT solutions, procurement, logistics, commodity trading, and entertainment.

She holds a Doctor of Business Administration (Honoris Causa) from Enugu State University of Science & Technology and has completed executive education in Strategy Execution at Harvard Business School. Agatha also earned an MBA in Marketing from ESUT Business School and a BA in English from Edo State University.

A strategic leader, she sits on the boards of Afriland Properties Plc, Heirs Insurance Brokers, Houce Limited, and C&A Communication. She is also a founding member of the Women in Energy Network and a member of the Institute of Directors (IOD).

She was appointed to the board on October 18, 2018, and has served a cumulative period of 6 years and 5 months.

**Ayodeji Adigun**
Non-Executive Director

**Ayodeji Adigun** is currently the Chief Operating Officer at United Capital Plc. He was the Chief Finance Officer at Heirs Holdings Limited and had served as the Executive Director/Chief Operating Officer at Nova Merchant Bank Limited. He has over three decades of banking and finance experience with strong background and competencies in financial control, performance management, project management, operations, audit, strategic planning and business transformation.

Prior to joining Nova Merchant Bank, Mr. Adigun was the Chief of Staff to the GMD/CEO at United Bank for Africa Plc (UBA). He also served at various times as the Head, Strategy and Business Transformation, Head, Performance Management, the Chief Financial Officer (North Region), and Chief Operating Officer, UBA Properties during his time at UBA.

Mr. Adigun has served in several executive roles in the banking industry including the Chief Finance Officer at Standard Trust Bank, Head Financial Control & Strategy at Diamond Bank, Head Financial Control & Head Corporate Planning & Development at NAL Merchant Bank (now part of Sterling Bank).Before joining the banking industry,

# BOARD OF DIRECTORS PROFILE

**Ayodeji Adigun Continued**

he worked at Ernst & Young after a brief stint as an Assistant Lecturer at the University of Lagos. Mr. Adigun possesses a B.Sc. Hons in Accounting (First Class) from the University of Lagos.

He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an Associate Member of the Chartered Institute of Management Accountants UK (CIMA) and an Associate Member of the Chartered Institute of Taxation of Nigeria (CITA). He is also an alumnus of the Senior Management Programme at the Lagos Business School.

He was appointed to the board on February 15, 2021, and has served a cumulative period of 3 years and 1 month.

**Obong Idiong**
Non-Executive Director

**Obong Idiong** is the Managing Director and Chief Executive Officer of Heirs Technologies Limited, where he leads the company's strategic vision in delivering innovative digital transformation solutions across various sectors.

He was previously the Managing Director of Africa Prudential Plc, where he spearheaded its digital transformation, expanding its services beyond the traditional registrar business. Prior to that, he served as Legal Adviser and Company Secretary at Heirs Holdings Limited, providing transaction advisory, corporate governance frameworks, and regulatory compliance support.

Obong has also held various roles at United Bank for Africa Plc (UBA), spanning Legal Advisory, Business Development, Strategy, and Customer Service. Earlier in his career, he worked at Alpha Juris Chambers, Lagoon Home Savings & Loans, and Standard Trust Bank (now UBA Plc).

With over 21 years of post-call legal experience, he has expertise in corporate law, financial services, business transformation, and technology. He serves as a Non-Executive Director at Afriland Properties Plc and Redtech Limited and is an Advisory Board member at Heirs Academy.

A past Vice Chairman of the Technology Group at the Nigerian-British Chamber of Commerce, Obong holds qualifications in Law, Finance, and Technology from the Nigerian Law School, the University of Liverpool (LL.M), Lagos Business School, IESE Business School, and MIT.

He was appointed to the board on July 29, 2021 and has served a cumulative period of 3 years and 8 months.

## BOARD OF DIRECTORS PROFILE

**Olubunmi Akinremi**
Independent Non-Executive Director

**Olubunmi Akinremi** is an experienced financial expert with over 31 years of top-level experience in investment banking and transactional experience across the UK, USA, and Nigeria.

His illustrious career includes serving as the Chief of Staff at Heirs holdings where he performed various roles aimed at proffering innovative solutions to create value for stakeholders. He has also served in the public sector as a special assistant on economic policy.

Mr. Akinremi has rich experience in leading highly motivated teams toward delivering remarkable standards of financing solutions to a diverse universe of clients, including large corporates, governments, multilateral agencies, and government parastatals/public enterprises. Bunmi has been involved in fundraising exercises which have raised well in excess of US$3bn in the Nigeria market alone. Notably, he was part of the team that completed the most innovative merger in the banking sector in sub-Saharan Africa at the time; Standard Trust Bank's acquisition of United Bank for Africa Plc.

He holds a BA in Economics (Essex, UK), an MBA (Cranfield, UK), and is a member of the Institute of Chartered Accountants in England and Wales.

He was appointed to the board on October 28, 2021, and has served a cumulative period of 3 years and 5 months.

**Owen Omogiafo**
Non-Executive Director

**Owen Omogiafo** is the President and Group CEO of Transnational Corporation Plc. Before her appointment, she served as the MD/CEO of Transcorp Hotels Plc where she was responsible for driving positive transformation both in Transcorp Hilton Abuja and Transcorp Hotels Calabar.

Dr. Owen has over two decades of corporate experience in organizational development, human capital management, banking, change management, hospitality, and energy. She was the Chief Operating Officer at the Tony Elumelu Foundation, before joining the Trancorp group, where she oversaw the $100m Program aimed at identifying, mentoring, and funding 10,000 entrepreneurs over 10 years.

She previously worked at Accenture as an Organization and Human Performance Consultant, specializing in Change Management. She has also served as a member of the Board of Trustees of the Association of Power Generation Companies (APGC) in Nigeria.

# BOARD OF DIRECTORS PROFILE

**Owen Omogiafo Continued**

Dr. Owen holds a B.Sc in Sociology & Anthropology from the University of Benin, an M.Sc in Human Resource Management from the London School of Economics and Political Science, and is an alumnus of the Lagos Business School and IESE Business School, Spain. She is a member of the Chartered Institute of Personnel and Development, UK, a certified Change Manager with the Prosci Institute, USA, and a member of the Institute of Directors (IOD) Nigeria.

She has a Honorary Doctorate Degree in Business Administration from Edo State University and a Honorary Doctorate Degree in Engineering from the Federal University of Petroleum Resources Effurun.

Dr. Owen was conferred the Honour of Officer of the Order of the NIger (OON) by President Mohammed Buhari in 2023.

She was appointed to the board on November 2, 2022, and has served a cumulative period of 2 years and 4 months.

# EXECUTIVE MANAGEMENT

**Uzoamaka Oshogwe**
Chief Executive Officer

**Uzoamaka Oshogwe** is the Managing Director/Chief Executive Officer of Afriland Properties Plc. She is a seasoned and skilled professional who joined the company when It was still known as UBA Properties Limited and has garnered over 25 years of working experience in her professional career.

She is responsible for implementing strategic plans, driving organisational success, providing guidance and direction to the company to ensure that it achieves its financial vision, mission and long term goals.

She holds a BSc in Information Systems Design from the University of Westminister, London and a professional certificate in Real Estate Management from Havard Business School. She also holds an Advanced Management Program (AMP) certification from Lagos Business School and IESE, Barcelona. Uzo is a member of the Institute of Directors (IOD) Nigeria.

She is a RICS accredited Civil and Commercial Mediator, a Fellow of the Institute of Management Consultants (FIMC), and a Fellow of the Institute of Credit Administration (FICA).

Her carer progression has seen her distinguish herself in international organisations such as Ford Motors UK, Accenture UK, J.Sainbury's UK, and UBA Plc before she joined UBA Properties Limited.

*She resigned on December 31, 2024.

**Azubike Emodi**
Chief Executive Officer

**Azubike Emodi** is a seasoned professional with over 20 years of experience spanning financial services, real estate development, and strategic planning. He has a strong track record of driving organizational growth, delivering transformative results, and executing high-impact projects.

He holds a BSc in Banking and Finance, an MBA in Management, and an MSc in Finance. He is also a Fellow of the Chartered Institute of Bankers, a Fellow of the Chartered Institute of Credit Administrators, and a Member of the Canadian Securities Institute.

Before joining Afriland Properties Plc, Azubike held leadership roles across various industries. He was Managing Director at VBank, where he drove financial technology innovation and market expansion. He also led Anchoria Asset Management and Herel Global, spearheading strategic real estate investments and development projects.

*He was appointed on 1 February, 2025.

AFRILAND PROPERTIES

# EXECUTIVE MANAGEMENT

**Kayode Odebiyi**
Executive Director

**Kayode Odebiyi** is a consummate professional with over 20 years of work experience cutting across Real Estate & Portfolio Management, Strategy Development, Finance & Treasury Management, and Business Development.

He has functioned in various roles in his career, amassing knowledge in Analysis, Project management, and Design & Building Efficiency.

He has a BSc in Economics and a Master's degree in Business Administration. He is also an alumnus of Harvard Graduate School of Design where he completed the Advanced Management Development Program.

Prior to joining Afriland, Kayode functioned as the Head, Real Estate Portfolio at Total E&P SMCS Limited responsible for the overall operation and management of the Total cooperative real estate portfolio. He also worked at Legacy Realties Limited, Alitheia Capital Limited, and Trojan Estates Group.

**Obiorah Ozugha**
Chief Financial Officer

**Obiorah Ozugha** is an experienced finance professional with over 20 years of various experience in financial management, Financial Planning and Control, Audit and Risk Management, Treasury Management and Financial Advisory.

He is an Associate Member of the Institute of Chartered Accountants of Nigeria (ICAN), the Chartered Institute of Taxation of Nigeria (CITA) and a Fellow of the Institute of Credit Administration (FICA). He also Holds a Higher National Diploma from the Institute of Management and Technology, Enugu and a Masters degree in Business Administration from the University of Suffolk, UK.

He started his career with KPMG and later joined Akintola William Deloitte, where he was the team lead in providing Financial Advisory Services to clients in financial institutions, oil and gas, non-profit organisation audit and the manufacturing sector. He also worked with Transcorp Hotels Plc as a Finance Manager, where he was responsible for the funds accounting raised for the upgrade of Transcorp Hilton before joining Afriland Properties Plc as the Chief Financial Officer.

AFRILAND PROPERTIES

## EXECUTIVE MANAGEMENT

**Omomene Obanor**
Company Secretary/Legal Adviser

**Omomene Obanor** is an astute and dynamic attorney with over 18 years of professional post-call working experience. Her experience spans different sectors, including Legal, Real Estate, Oil and Gas, and Energy Sector, serving as a Legal adviser and Company Secretary.

She holds an LL.B from University of Benin, MBA, University of South Wales, UK. She is a member, Chartered Institute of Secretary and Administrators of Nigeria (ICSAN), Nigerian Bar Association.

Omomene is also a member of the International Bar Association, International Federation of Women Lawyers (FIDA) and Association of Professional Negotiators and Mediators (APNM).

Before joining Afriland Properties Plc, she worked with G-Eurafric as the Company Secretary and Legal Adviser , JURISLAW Associates, JK Gadzama & Partners and Chevron Nigeria Limited where she garnered experience in litigation, Real Estate, corporate /commercial practice, company secretarial and general business advisory.

**Timothy Adeleye**
Head, Project Design

**Timothy Adeleye** is an accomplished professional with over 20 years of expertise in engineering design, project management, and construction. He has extensive experience in the commercial and contract management of major engineering projects spanning building, civil/structural works, and the oil and gas sector, with a track record across several countries in Africa and Europe.

He holds a B.Eng in civil engineering from the University of Ilorin and a Masters in Project Management (MPM) from the University of Lagos. He is a member of the Nigerian Society of Engineers (NSE), Nigerian Institution of Civil Engineers (NICE) and is a Registered Chartered member of the Council for the Regulation of Engineering in Nigeria (COREN).

Before joining UBA Properties, now Afriland Properties Plc, Timothy worked with renowned consulting firms and construction companies.

# EXECUTIVE MANAGEMENT

**Sarafa Aminu**
Head, Project Management Office

**Sarafa Aminu** is an experienced professional with over 20 years of experience spanning across in Engineering and Project Management.

He holds a BSC in Civil Engineering from Obafemi Awolowo University, a Postgraduate Certificate in Mechanics of Project Finance from Middlesex University London, and a Masters in Diplomacy and Strategic Studies from the University of Lagos. He is a registered engineer with Council for the Regulation of Engineering in Nigeria (COREN), corporate member of the Nigerian Society of Engineers (NSE), and a certified member of the Project Management Institute (PMI), International Association for the Advancement of Cost Engineering (AACE), and American Society for Quality (ASQ). He is a professional with diversified experiences and skills in engineering, human resources, processes, and project management.

Before joining Afriland, Sarafa served as Project Manager and Consultant on various notable projects for organizations such as Total E&P Nigeria Limited, Association Française Nigeria, Proparco, the French Consulate, Total Deepwater Nigeria Limited (Egina Field), and CAP (Dulux).

**Emmanuel Akpan**
Head, Technical Consultancy

**Emmanuel Akpan** has over 20 years of experience in Quantity Surveying practice and Construction Management.

He holds a B.Tech in Quantity Surveying from the Federal University of Technology, Minna, an Advanced Diploma in Safety & Environmental Management from Obafemi Awolowo University, Ife and an Advanced Diploma in Project manager from the University of Lagos. Emmanuel is also a member of the Nigerian Institute of Quantity Surveyors (MNIQS).

Before Joining Afriland Properties Plc, Emmanuel worked at Ikeja Hotels Plc, Qu-ess Partnership and Julius Berger Plc.

# EXECUTIVE MANAGEMENT

**Jennifer Egbukole**
Head, Human Resources

**Jennifer Egbukole** is a seasoned Human Resources professional with over 18 years of experience spanning multiple HR pillars. She has a strong track record in talent acquisition and retention, employee relations, performance management, compensation and benefits, learning and development, HR operations, policy formulation, compliance, and strategic workforce planning. She is also skilled in organizational development, change management, and HR technology optimization, ensuring alignment between human capital and business objectives.

She holds a Bachelor of Science in Political Science from Ahmadu Bello University, Zaria, Kaduna, and a Master's Degree in International Law and Diplomacy from the University of Lagos.

Jennifer is a certified Senior Professional in Human Resources – International (SPHRi) and Global Professional in Human Resources – International (GPHRi), accredited by the HR Certification Institute (HRCI).

**Abimboye Ogunbanjo**
Head, Estate Management

**Abimboye Ogunbanjo** is an experienced and versatile professional with over 15 years working experience in Estate Management and associated roles.

She holds a B.Tech from the Federal University of Technology Minna and a Masters degree in Facilities Management from University of Lagos. Abimboye is also a member of the Nigerian Institute of Estate Surveyors and Valuers.

Before joining Afriland Properties, she worked with UAC Property Development Company (UPDC) where she garnered valuable experience in Estate Management and Real Estate advisory.

# EXECUTIVE MANAGEMENT

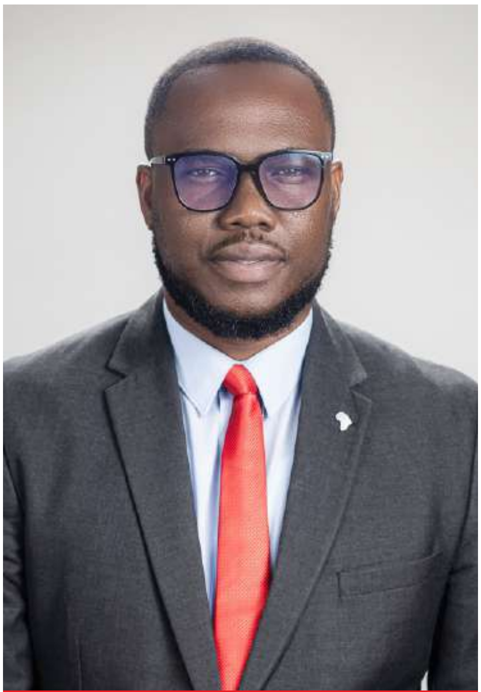
**Aderemi Oniyide**
Head, Internal Audit & Compliance

**Aderemi Oniyide** is a seasoned Chartered Accountant and Administrator with over 25 years of experience spanning accounting, auditing, taxation, and corporate administration.

A Fellow of the Institute of Chartered Accountants of Nigeria (FCA), he is also an Associate Member of the Chartered Institute of Administration (ACIA). His academic credentials include an HND in Accounting and Finance, a Postgraduate Diploma in Management from the University of Calabar, and an MBA from Ladoke Akintola University of Technology, Ogbomoso.

Aderemi began his career at Biodun Fakeye & Co. (Chartered Accountants), where he progressed from Audit Supervisor to Audit Manager. He later held key positions as an accountant at Astute Trust & Investment Ltd and Nathole Petroleum Ltd as the Accountant and Admin Manager.

Prior to joining Afriland Properties Plc (formerly UBA Properties), he was the Branch Finance and Administration Manager (South-South Region) at Xerox H.S. Nigeria Ltd.



**Okafor Chukwunonso**
Head, Brand, Marketing & Corporate Communications

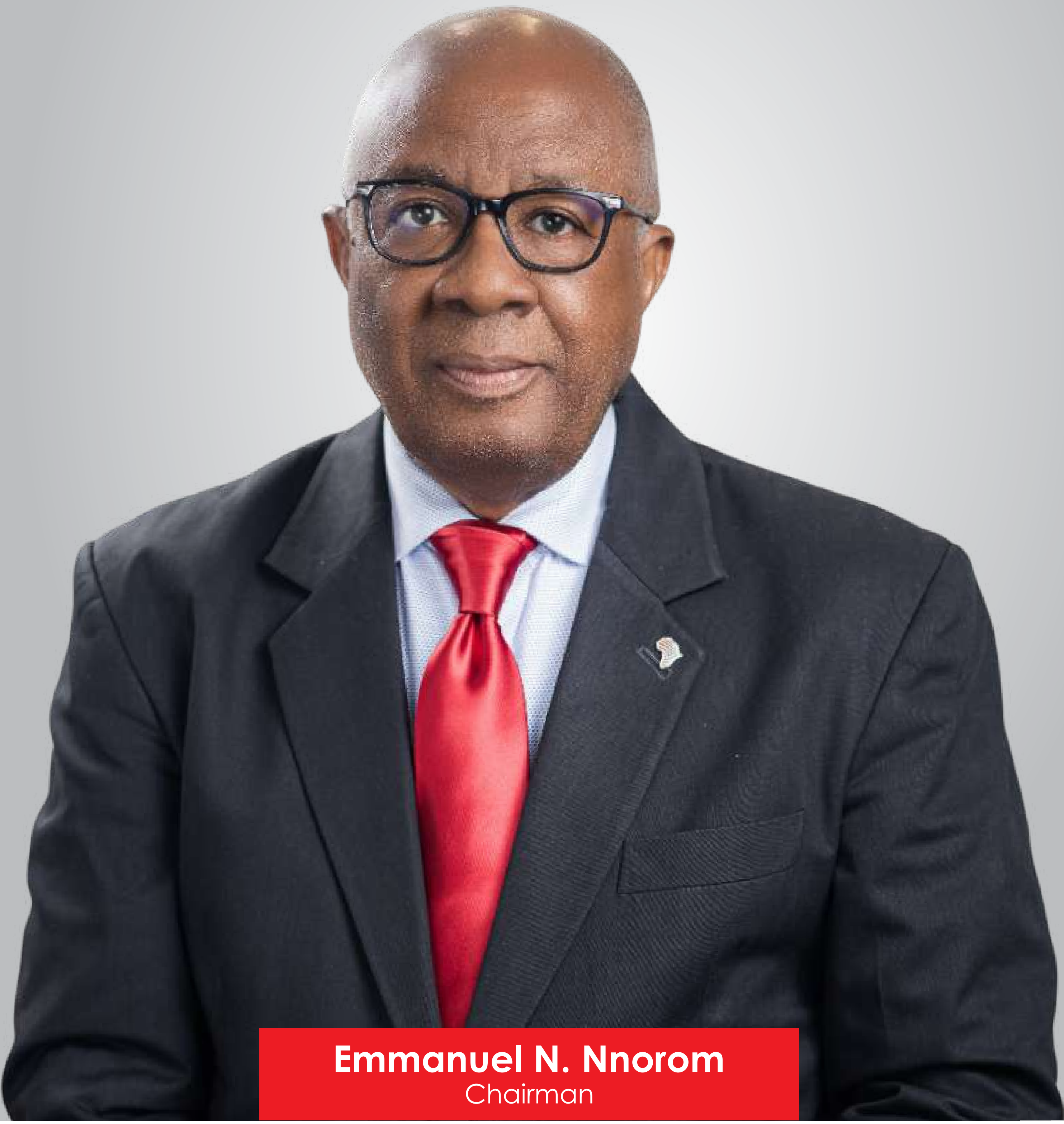
**Chukwunonso Okafor** is a seasoned marketing and communications professional with over 17 years of experience spanning corporate communications, public relations, and marketing.

He holds a BSc in Biochemistry from Madonna University, Okija, and a Postgraduate Diploma in Financial Management from Lagos State University, Ojo. A certified communications expert, Nonso is an Associate Member of the Nigerian Institute of Public Relations (NIPR) and has served on key industry committees, including the Corporate Affairs Managers Committee of the Nigerian Insurance Association (CAMCONIA) and the NIPR Reform Committee for Banking, Insurance, and Finance.

Prior to joining Afriland Properties, Nonso excelled in communication and brand management roles at Franchise Communications, Charvet Nigeria Limited, Prize Communications, and the Chartered Insurance Institute of Nigeria.

AFRILAND PROPERTIES

# CHAIRMAN'S REPORT



**Emmanuel N. Nnorom**
Chairman

# CHAIRMAN'S REPORT

**Dear Esteemed Shareholders,**

It is with great pleasure that I welcome you to the 12th Annual General meeting of your company, and present to you the annual reports and financial statements for the year ended 31 December 2024.

Over the past year, we navigated a complex economic landscape characterized by global uncertainties, regional challenges, and emerging opportunities. Despite these dynamics, our company remained resilient, leveraging our expertise in the real estate sector to drive sustainable growth and created long-term value for our stakeholders.

I will provide an overview of the global and Nigerian economic landscapes within which your company operated in 2024 and its impact on company's performance, an outlook for 2025, and concluding remarks on our strategy moving forward.

## The Global Economy in 2024

The global economy in 2024 experienced a moderate recovery following the turbulence of previous years. The International Monetary Fund (IMF) had projected global Gross Domestic Product (GDP) growth at approximately 3.2%, driven by gradual stabilization in key economies, the easing of supply chain disruptions, and a resurgence in consumer and business confidence.

Economic growth, however, remained uneven across regions in the year. Advanced economies, particularly the United States and the Eurozone, faced challenges due to lingering inflationary pressures, tight monetary policies, and geopolitical tensions. The U.S. economy demonstrated resilience with a projected growth rate of 2.5%, supported by a robust labor market and technological advancements. In contrast, the Eurozone struggled with slower growth, as high energy costs and policy uncertainty weighed on economic activity.

Emerging markets, particularly in Asia and Africa, showed stronger performance. China maintained a stable growth trajectory at around 4.5%, supported by government stimulus measures and a resilient industrial sector while India continued its rapid expansion, driven by digital transformation, infrastructure investments, and demographic dividends.

Global real estate markets in 2024 reflected these economic conditions. While some regions saw increased demand for commercial and residential properties, others faced volatility due to fluctuating interest rates and regulatory changes. Sustainable and green building initiatives gained traction, with investors prioritizing energy-efficient and environmentally responsible developments.

## The Nigerian Economy in 2024

Nigeria's economy in 2024 demonstrated a mixed performance, shaped by both domestic and external factors. The country's GDP growth according to the National Bureau of Statistics (NBS) stabilized at around 3.4%, supported by modest improvements in oil production, increased non-oil sector activities particularly in financial and telecommunication services, and government-led infrastructure initiatives.

During the year, the Central Bank of Nigeria (CBN) sustained its efforts to harmonize the country's multiple exchange rates, aiming for a market-driven rate. The ongoing liberalization of the exchange rate market is expected to support improvements in both fiscal and external balances in the coming years.

To address high inflation during the year, the Central Bank of Nigeria implemented a

## CHAIRMAN'S REPORT

stringent monetary policy, raising the Monetary Policy Rate (MPR) by 875 basis points to 27.50%, while inflation stood at 34.80%. The sharp increase in the MPR led to higher borrowing costs, adversely affecting both businesses and households.

The real estate sector in Nigeria faced both opportunities and hurdles. On the positive side, urbanization continued to drive demand for residential and commercial properties, particularly in key cities such as Lagos, Abuja, and Port Harcourt. The government's push for affordable housing and public-private partnerships (PPPs) provided avenues for growth in the mid-to-long term.

However, challenges such as rising construction costs, limited access to credit, and infrastructural deficits posed constraints to sectoral growth. Additionally, fluctuating exchange rates impacted the cost of imported building materials, influencing project costs and affordability for developers and consumers alike.

Despite these challenges, our company continued to expand its footprint in the Nigerian real estate market. Through strategic investments, innovative housing solutions, and customer-centric approaches, we sustained growth and profitability while adapting to the evolving economic environment.

### Financial Performance

Despite the harsh business environment experienced in 2024, your company recorded an operating profit of N3.5 billion for the financial year ended 31 December 2024. This represents a 47% increase above what was achieved in 2023 and is attributable to increased level of activities in project development, project management and increased rental income and re-valuation gains on investment properties.

The company achieved a profit before tax (PBT) of N3.7 billion and profit after tax of N2.6 billion respectively for the financial year ended 31 December 2024. These performances are 53% and 51% higher than the amount achieved in previous year.

In view of the performance above, the Board of Directors is proposing the sum of N865,557,000.00 as Dividend payment for the year ended 31 December 2024. This translates to 63 kobo per ordinary share. During the year, the company paid an interim dividend of N178,607,000 translating to 13k per share.

### Activities during the year

During the year, the Company initiated thirty-four (34) projects with ten (10) of the projects completed at year end, while twenty-four (24) are at various stages of completion across different locations in the country.

### Economic Outlook for 2025

Looking ahead, 2025 presents both optimism and caution for the global and Nigerian economies. According to the International Monetary Fund, the global economic growth rate is projected to be stable at 3.3% in 2025, with emerging market and developing economies continuing to drive expansion. The effectiveness of monetary policies, geopolitical stability, and technological advancements will play crucial roles in shaping economic performance.

In the real estate sector, Jones Lang LaSalle (JLL) reported that the coming year is expected to be a significant turning point for the commercial real estate sector. However, performance is likely to vary across regions, markets, and different asset types worldwide.

For Nigeria, the outlook remains cautiously optimistic. GDP growth is projected to improve slightly, reaching approximately 3.5%, driven by increased government investment in infrastructure, improvements in

# CHAIRMAN'S REPORT

oil production, and diversification efforts in sectors such as technology, agriculture, and manufacturing.

The real estate sector in 2025 is expected to benefit from government initiatives aimed at improving housing accessibility and infrastructure development. The ongoing digital transformation in the sector, including the adoption of smart building technologies and prop-tech solutions, will further enhance operational efficiencies and investment attractiveness.

However, some challenges persist such as inflationary pressures, foreign exchange volatility, and security concerns could pose risks to economic stability and investor confidence. To mitigate these risks, policy consistency, regulatory reforms, and enhanced private-sector participation will be critical. Our company remains well-positioned to capitalise on emerging opportunities.

We will continue to invest in innovative and sustainable real estate solutions, expand our project portfolio, and strengthen our partnerships to drive long-term value creation. Additionally, our focus on customer satisfaction and operational excellence will enable us to navigate potential uncertainties while maintaining our competitive edge.

## Board Changes

Effective 31st December 2024, Mrs. Uzoamaka Oshogwe resigned from her position as the Managing Director and Chief Executive Officer of the Company. To fill the leadership gap created by her departure, Mr. Azubike Emodi was appointed as her successor, effective 1st February 2025. However, Uzoamaka Oshogwe will remain on the board in a non-executive capacity.

Additionally, Mr. Olukayode Odebiyi was appointed as the Executive Director of the Company, effective 1st November 2024, with the mandate to support the Chief Executive Officer in overseeing the company's operations.

## Conclusion

As we conclude another year, I extend my gratitude to our esteemed shareholders, partners, employees, and customers for their unwavering support and confidence in our vision. The year 2024 has demonstrated our resilience and adaptability, and we remain committed to fostering sustainable growth and excellence in the real estate sector.

Looking ahead, we are optimistic about the opportunities that 2025 holds. By staying true to our values of Enterprise, Execution, and Excellence, we will continue to deliver value to all stakeholders.

Together, we will shape the future of real estate in Nigeria and beyond.

Finally, I would like to express my profound gratitude to the erstwhile Managing Director, Chief Executive, Uzoamaka Oshogwe, for her laudable efforts in leading the company over the years and wishing her the very best in her future endeavors. We promised that the legacy she left behind would be upheld tenaciously by the board.

**Emmanuel N. Nnorom**
Chairman, Board of Directors

AFRILAND PROPERTIES

# CEO'S REPORT

**Azubike Emodi**
Chief Executive Officer

## CEO'S REPORT

**Distinguished shareholders,**

I am pleased to welcome you to the 12th Annual General Meeting (AGM) of Afriland Properties Plc, and to present to you, our full-year report that highlights our performance in 2024 financial year.

This occasion is particularly significant for me, as it marks my first AGM as the Managing Director and Chief Executive Officer of our esteemed company.

During the 2024 fiscal year, we navigated an economic landscape marked by global uncertainties and evolving regulatory changes, coupled with rising business costs. It is important to mention some macroeconomics index that helped shape both the global and local economy that impacted on our performance.

According to the Organisation for Economic Co-operation and Development (OECD), the global economy exhibited resilience and helped drive the 2024 annual growth rate above 3% which was consistent with growth rate recorded in the previous year.

The stable performance was achieved despite challenges arising from tighter financial conditions introduced by federal reserve chiefs across the globe and geopolitical tensions that held sway in the year.

Global inflation eased significantly throughout 2024, driven by restrictive monetary policies, stable and lower energy prices, and reduced supply chain pressures.

In Africa, despite ongoing regional and domestic structural challenges, the African Development Bank reported that African economies showed remarkable resilience, with most countries on the continent experiencing growth. The growth expansion is supported by strong performance in the hydrocarbon sector, tourism, agriculture, and, crucially, private investment.

In Nigeria, the policy on transition to a free-floating exchange rate system, which caused significant depreciation of the naira, was sustained in 2024. This caused a significant increase in the general prices of goods and services, with construction items and machinery being the most affected. This negatively impacted the purchasing power of both households and organizations and thus slowing down the volume of real estate transactions in the year.

Despite challenges arising from these economic reforms, it has contributed to reduction in Nigeria's fiscal deficit, from 6.2% of GDP in the first half of the previous year to 4.4% this year. These measures have also led to improvements in service sectors, oil sector stability, and the foreign exchange market.

Looking ahead, the Central Bank of Nigeria projects a GDP growth of 4.17% for Nigeria in 2025, anticipating that the positive effects of current reforms will materialize over time. Inflation is expected to decline from its current rate of 34.8% as these reforms take effect.

In 2024, the Nigerian real estate market exhibited mixed trends, shaped by economic conditions, government policies, and market dynamics. Demand for specific segments, particularly residential and commercial properties in major cities like Lagos, Abuja, and Port Harcourt, demonstrated resilience and growth.

Furthermore, the demand for affordable housing remained strong, while the luxury housing market, fueled by high-net-worth individuals and expatriates, thrived throughout the year and is expected to remain robust beyond 2025.

AFRILAND PROPERTIES

# CEO'S REPORT

Notwithstanding the harsh economic environment within which we operated, we leveraged our inherent strengths and capabilities to provide values for the company and ensured Afriland's business goals and objectives which included the following were, continued in 2024:

- Real Estate Development
- Project construction, supervision and management
- Facilities management of clients' and proprietary properties
- Renovation/Upgrades.
- Breaking into new grounds in the real estate development space

The fundamentals of our business remain very strong. These include:

**Teamwork**

In Afriland, we acknowledge that nothing great is accomplished in isolation and so we work together as a team to surpass our clients' expectations.

Our harmonized and cooperative efforts are in the interest of a common goal, which is to be Africa's leading Real Estate Company that creates long-term value for all stakeholders.

**Corporate Social Responsibility**

Afriland's commitment to corporate social responsibility is motivated by the belief that we are a part of the communities we serve, subsequently, giving back is a fundamental aspect of our Company's identity and values.

**Service Delivery**

The Company is guided by sets of principles, policies, and standards, which enable us, consistently offer excellent service experiences to our clients. We connect with them; we communicate with them, and we listen to them. This way, our deliverables are aligned with our clients' requirements.

**Sustainable Real Estate Development**

Our commitment to attaining the Sustainable Real Estate Development goals remain unrivaled as our strategies are directed at incorporating environmental-friendly designs techniques, materials and technologies into the building process that would impact positively, the environment and the communities in which the developments are situated.

## Financial Performance

**Revenue and Profitability**

The company reported a net revenue of ₦3.13 billion, compared to ₦3.02 billion in the previous year.

Profit before tax for the current year grew by 53% to ₦3.70 billion, up from ₦2.4 billion in 2023, while profit after tax increased to ₦2.61 billion, compared to ₦1.73 billion in the previous year.

The company recorded Earnings Per Share of ₦1.90k, reflecting a significant 51% increase compared to ₦1.26k in 2023.

**Financial Position**

The company's total assets increased by 43% year-on-year to ₦49 billion as of 31 December 2024, up from ₦34 billion as of 31 December 2023. This growth was driven by the acquisition of new properties, fair value gains on investment properties, and a rise in the share price of the company's equity investment.

Shareholders' funds rose significantly by 43% to ₦34.93 billion as of 31 December 2024, compared to ₦24.49 billion in 2023. This growth was driven by profit after tax for the year and unrealized gains from equity investments.

**Key Business Achievements in 2024**

During the last Annual General Meeting, the company announced two projects scheduled to commence in the 2024 financial year.

I am pleased to report that during the year

# CEO'S REPORT

under review, the **Karmo project** was launched. This development features **104 diverse apartment types** within a gated, fully residential community in the **Karmo district of Abuja**. It is thoughtfully designed to promote a balanced family lifestyle, offering ample recreational and communal spaces.

As at **31 December 2024**, phase one of the projects, consisting of **eighteen apartments**, was at different stages of completion.

In addition to the proprietary project mentioned above, ten third-party projects were completed and successfully delivered to clients in 2024.

## Awards And Recognition

I am proud to share the remarkable recognition our company achieved in 2024, reflecting our commitment to excellence, innovation, and industry leadership.

At the Real Estate Excellence Awards, we were honored as the **Property Development Company of the Year**. Additionally, our former Managing Director and Chief Executive Officer, **Uzo Oshogwe**, was celebrated as the **Most Influential Woman in Real Estate**.

Likewise, at the Real Estate Development Awards (REDA), we were honored with the prestigious titles of **Real Estate Firm of the Year – Residential** and **Real Estate Woman of the Year** for **Uzo Oshogwe**.

These accomplishments further strengthen our industry presence and reflect our commitment to delivering outstanding real estate solutions. We remain dedicated to making a lasting impact and setting new standards in the sector.

## Strategic Priorities for 2025

The International Monetary Fund (IMF) projected a GDP of 3.2 per cent in 2025, signaling moderate optimism about the country's economic recovery.

Notwithstanding the measured optimism by IMF, the Central Bank of Nigeria forecast a GDP growth of 4.17%, expecting the impact of ongoing fiscal reforms on valued added tax and progressive income tax structures targeting higher earners to unfold over time.

Inflation, currently at 34.8%, is projected to decline as these reforms take hold. The resulting improvements are anticipated to boost the disposable income of households and organizations, ultimately benefiting the real estate sector.

As a company, we will continue to seek partnerships with reputable organizations to optimize our property portfolio and enhance rental yields on performing assets.

Finally, the company is well-positioned to leverage the Federal Government of Nigeria and subnational policies aimed at providing housing for citizens.

## Conclusion

Esteemed shareholders, I am confident in our ability to deliver consistent and superior returns, as we have implemented effective strategies to address potential challenges that may arise in 2025 and beyond.

On behalf of the Board of Directors, management, and staff of Afriland, I am honored to extend our heartfelt gratitude to Mrs Uzoamaka Oshogwe for her exceptional service and dedication to Afriland. We wish her continued success and fulfillment in her future endeavors.

In conclusion, I would like to once again express my gratitude to you, esteemed shareholders, on behalf of the Board of Directors, for your continued support of the Board and Management of your Company.

Thank you.

**Azubike Emodi**
Managing Director/Chief Executive Officer

AFRILAND
PROPERTIES

# Afriland Complex

## Abule Egba, Lagos

(Beside UBA Bank, By Abule-Egba U-Turn)

# Own Your Retail Space Today

- Suitable for corporate use
- Inbuilt restrooms
- Adequate parking space
- Deluxe finishing

# CORPORATE GOVERNANCE REPORT

# CORPORATE GOVERNANCE REPORT

## 1 INTRODUCTION

Afriland Properties Plc ("Afriland" or the "Company") is committed to upholding the highest standards of Corporate Governance through the adoption of a robust Corporate Governance framework. The framework promotes effective governance through the strategic direction and oversight of the Board thereby enhancing shareholder value and promoting the rights' protection of shareholders and stakeholders.

In the year ended December 31, 2024, Afriland complied with the provisions of the Financial Reporting Council's Nigerian Code of Corporate Governance ("FRC NCCG"), the Corporate Governance Guidelines issued by the Securities & Exchange Commission ("SEC CG Guidelines"), and extant laws and regulations bordering on corporate governance.

It is the opinion of the Board that the Company has significantly complied with the requirements of the FRC NCCG, SEC CG Guidelines, and its governance standards during the 2024 financial year.

## 2 GOVERNANCE STRUCTURE

The Board of Directors of the Company has the responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Company. To promote effective governance of the Company, the following structures have been maintained for the execution of the Company's Corporate Governance strategy:

1. Board of Directors
2. Board Committees
3. Statutory Audit Committee
4. Executive Management Committee

The Company also has corporate governance policies and standards to encourage good and transparent corporate governance practices, as the Company believes that such governance practices have a direct correlation with the Company's performance and its commitment to stakeholders.

The Company's approved corporate governance policies remained operational throughout the 2024 financial year as follows:

- **Board Governance and Board Committee Governance Charter:**

This Charter provides the governance framework for the Board and Board Committees of the Company to promote effective governance. It stipulates the mandate and terms of reference, procedures, and structures of the Board and Board Committees of the Company. The responsibilities of the Board are carried out through its standing committees. These are the Finance, Risk & General-Purpose Committee (FRGPC), and the Nominations, Audit & Governance Committee (NAGC).

- **Statutory Audit Committee Terms of Reference**

The Statutory Audit Committee (SAC) Terms of Reference (ToR) specifically highlights the

# CORPORATE GOVERNANCE REPORT

responsibilities of the SAC to include evaluation of the adequacy of the internal control, ensuring the integrity of the Company's financial statements, review of audit exceptions, etc. Furthermore, the ToR includes the administration and procedure to be adopted by the SAC at its meetings.

- **Executive Management Committee Charter:**

  The Executive Management Committee Charter provides the framework for directing the affairs of the Executive Management of the Company in the running of the Company's day-to-day operations. The Charter sets out the membership, terms of reference and role of the Executive Management Committee members.

- **Code of Conduct Policy**

  The Code of Conduct policy sets out the expected standards of behaviour and ethical responsibilities of directors, employees, vendors and other third parties who have any form of dealings with the Company.

- **Whistle Blowing Policy**

  The Policy provides a complimentary procedure for raising concerns about any actual or potential infraction of the Company's business practices and ethics. It further encourages employees and other stakeholders to bring any suspected breach of the Company's business practices to the attention of the Company. These concerns can be treated anonymously.

  The Company has a dedicated whistleblowing email address (whistleblowing@afrilandproperties.com) and telephone number with the capacity for voice calls and text messages. The telephone number is +234 – 02016310652. A direct link is also available on the Company's website www.afrilandproperties.com for whistleblowing reports.

- **Board of Directors Appointment Procedure**

  The Board Governance Charter sets out and prescribes a formal procedure for the selection and appointment of Non-Executive Directors of the Company. The NAGC is saddled with the responsibility of identifying and assessing potential candidates in line with stipulated criteria in the policy. It includes gender, an appropriate mix of skills, qualifications and experience, time and commitment obligations, conflicts of interest and independence. This nomination by the NAGC is presented to the Board for approval.

  Shareholding in the Company is not considered a criterion for the nomination or appointment of a director. The appointment of Directors is subject to the approval of shareholders at the Annual General Meeting.

- **Company Remuneration Policy**

  The Directors are responsible for setting the direction for how remuneration is addressed on a Company-wide basis. The Board ensures that the Company remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

# CORPORATE GOVERNANCE REPORT

Acting through the NAGC, the Board periodically reviews the remuneration structure of the Board and the Company. This ensures that the remuneration and reward strategies enables the Company to attract, motivate and retain the right skills required to efficiently manage the operations and growth of the Company.

The remuneration of Non–Executive Director is approved by the Board, on the evaluation and recommendation of the NAGC. Remuneration and incentive policies for the CEO and EDs is approved by the NAGC with the concurrence of the Chairman of FRGPC and the Chairman of the Board.

The remuneration of Directors for which approval was sought from the shareholders at the 11th AGM held in 2024 is reflected and broken down on page 129 of the annual report.

## 2 BOARD OF DIRECTORS

### 2.1 Introduction

The principal role of the Company's Board of Directors is to provide guidance and policy direction to the Management of the Company with key roles focused on strategic direction, policy formulation, decision making and oversight function.

The corporate governance principles of the Company rest on the Board of Directors to ensure due compliance and alignment with acceptable corporate governance standards.

### 2.2 Board Structure

The Board of Directors comprises nine (9) members made up of seven (7) Non-Executive Directors of which one (1) is an Independent Non-Executive Director and two (2) Executive Directors of which one (1) is the Managing Director/ Chief Executive Officer. By the provisions of the Companies and Allied Matters Act, 2020 (CAMA 2020) and the Board Governance Charter of the Company, the Chairman of the Board of Directors presides over the Board meetings.

### 2.3 Chairman and Chief Executive Officer Positions

The roles of the Chairman and Chief Executive Officer are separated and clearly defined in compliance with corporate governance rules on the roles and responsibilities of the Board members. The Chairman is primarily responsible for the workings of the Board while the Chief Executive Officer is responsible for the implementation of the Board strategy and policy, and day-to-day management of the Company. The Chief Executive Officer is assisted by the Executive Management Committee in managing the day-to-day operations of the Company. The Chairman is not involved in the day-to-day operations of the Company and is not a member of any Committee of the Board.

### 2.4 Non-Executive Directors

The Non-Executive Board members possess a strong knowledge of the Company's business and usually contribute actively at Board and Board Committee meetings.

In choosing directors and in accordance with the Company's Board Charter, the Company

# CORPORATE GOVERNANCE REPORT

seeks individuals who have very high integrity, good reputation, are business savvy, have shareholder orientation, and have a genuine interest and commitment to the Company. The Company's Directors also have a wealth of industry expertise across the core areas of Real Estate Management, Finance, Investment, Project Development, and Project Management.

### 2.5 Induction and Training of Directors

The Company has a robust induction program for newly appointed directors to familiarize the director with his/her role and responsibilities together with the Company's expectations. The Director is also enlightened on the business, policies, and regulatory obligations of the Company.

Trainings are also organized by the Nominations, Audit, and Governance Committee for the Board members on all aspects of corporate governance practices and procedures. These trainings are paid for by the Company.

### 2.6 Proceedings and frequency of meetings

The Board meets at least once every quarter or as frequently as the Board's attention may be required. Sufficient notices with clear agendas and reports are usually given prior to convening such meetings. All Directors have access to the Company Secretary who is appointed and removed by the Board and is also responsible to the Board. The details of Directors' attendance of Board meetings are disclosed on page 41 and 42 of the Annual Report.

### 2.7 Delegation of Authority

The Board establishes formal delegations of authority. It defines the limits of Management's power and authority. The Board delegates to Management certain powers for the day-to-day operations of the Company. The delegation of authority conforms to statutory provisions that regulate the capacity of the Board to delegate power to Management. Any of the responsibility not delegated remains with the Board and its committees. The Company has a formal Delegation of Authority Policy in place.

### 2.8 Risk Management and Internal Control

The Board is responsible for and ensures proper financial reporting as well as the establishment of strong internal control procedures. The Company has consistently upgraded its internal control system to ensure the effective management of risks. The directors review the effectiveness of the internal control systems through regular reports, updates, and reviews at the Nominations, Audit, & Governance Committee meetings of the Board and the Statutory Audit Committee

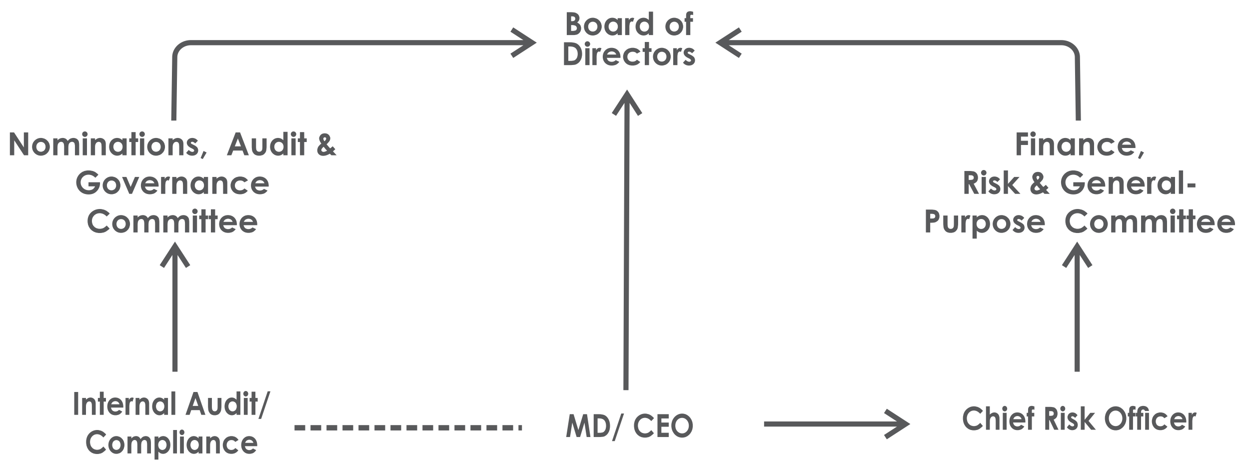
Furthermore, the Board continually emphasizes risk management as an essential tool of achieving the Company's objectives by approving a robust Enterprise Risk Management Policy, Internal Audit Charter, and Internal Audit Policy Manual. The Board adopts a risk governance approach that balances the demands of entrepreneurship, control, and transparency in the Company while also driving the achievement of the Company's objectives with an effective decision-making process.

# CORPORATE GOVERNANCE REPORT

To ensure compliance with the risk framework, the Board oversees the implementation and monitoring of the extant policies, approves and periodically reviews risks strategies and policies, as well as monitors the Company's risk profile against its risk appetite. This is achieved through regular review of reports, updates by both the internal and external Audit personnel at the Finance, Risk & General-Purpose Committee, and through the conduct of an annual assessment of the Company's risk. The Board continuously seeks means of improving the Company's risk appetite through recommendations on effective means of eliminating and mitigating identified risks on all levels and monitoring the implementation of such recommendations to ensure compliance.

The Internal Audit function is headed by the Head, Internal Audit & Compliance who presents his reports quarterly to the Nominations, Audit & Governance Committee. The Company adopts the Risk-Based Internal Audit methodology in carrying out audit functions. This involves five phases which are Strategic Analysis, Risk Assessment, Development of Internal Audit Plan, Audit Execution and Reporting, and Follow-up. This has proved effective in identifying, monitoring, and mitigating the strategic and operational risks of the Company.

## RISK GOVERNANCE STRUCTURE




### 2.9 External Auditors

The Company's auditors are Deloitte and Touche who review the financial statements to ensure that same do not contain any material misstatements,

The auditors have worked with the Company for a period of Two (2) year.

### 2.10 Changes on the Board

Within the year ended 31 December, 2024, several changes were made to the Board's composition.

i. The appointment of Mr. Olukayode Odebiyi as an Executive Director
ii. The resignation of Mrs. Uzoamaka Oshogwe as the Managing Director/Chief Executive Officer of the Company effective 31 December, 2024.
iii. The appointment of Mr. Azubike Emodi as the Managing Director/Chief Executive Officer of the Company effective 1 February, 2025.

# CORPORATE GOVERNANCE REPORT

| S/N | Director | Position | Date appointed to the Board | Cumulative term on the Board |
|---|---|---|---|---|
| 1 | Mr. Emmanuel N. Nnorom | Chairman/ Non-Executive Director | 30 October 2014 | 10 years & 5 months |
| 2 | Mrs. Uzoamaka Oshogwe | MD/CEO | 29 January 2013 | 11 years (Resigned 31st December 2024) |
| 3 | Azubike Emodi | MD/CEO | 1 February 2025 | 2 months (Appointed 1st February 2025) |
| 4 | Dr. Agatha Obiekwugo | Non-Executive Director | 23 October 2018 | 6 years & 5 months |
| 5 | Mr. Ayodeji Adigun | Non-Executive Director | 15 February 2021 | 3 years & 1 months |
| 6 | Mr. Obong Idiong | Non-Executive Director | 29 July 2021 | 3 years & 8 months |
| 7 | Mr. Olubunmi Akinremi | Independent Non-Executive Director | 28 October 2021 | 3 years & 5 months |
| 8 | Dr. Owen Omogiafo | Non-Executive Director | 21 November 2022 | 2 years & 4 months |
| 9 | Mr. Olukayode Odebiyi | Executive Director | 1 November 2024 | 4 months |

## 2.11 Retirement by Rotation

In compliance with the provisions of Section 285 of the CAMA 2020 which require one-third of the Directors (excluding Executive Directors) or if their number is not three or a multiple of three, the number nearest one-third, to retire from office at each Annual General Meeting, Dr. Agatha Obiekwugo and Mr. Ayodeji Adigun will retire at the 12$^{th}$ Annual General Meeting.

### Profile of Directors Being Re-elected

### Profile of Dr. Agatha Obiekwugo

Dr. Agatha Obiekwugo brings on board a proven track record of 25 years of corporate experience spanning across banking, commerce and industry, information technology and consulting. She currently sits on the board of 4 other companies.

As a serial entrepreneur, Agatha is a strategic thinker and has an uncanny ability to spot good business opportunities. This propelled her to establish ADASSA Energy Limited, a downstream oil and gas company; Treasure Pacs Limited, a procurement & logistics company; TNC Computers, an IT company; and Bulksail Limited, a fast-moving commodity goods trading company.

# CORPORATE GOVERNANCE REPORT

Dr. Agatha holds a B.A in English & Literary studies from Ambrose Ali University, Ekpoma, Edo State and an MBA in Marketing from the Lagos Business School of Enugu State University of Science and Technology.

She also has a certificate of completion on strategy execution from Harvard Business School. She holds an honorary doctorate degree in business administration from Enugu State University of Science and Technology.

Dr. Agatha is a founding member of women in Energy Network where she currently serves on the finance committee of the board.

A record of her attendance at Board and Committee Meetings is available on pages 41, 43 and 45 of this report.

Dr. Obiekwugo is resident in Nigeria.

## Profile of Mr. Ayodeji Adigun

Ayodeji Adigun is currently the Chief Operating Officer at United Capital Plc. He was the Chief Finance Officer at Heirs Holdings Limited and had served as the Executive Director/Chief Operating Officer at Nova Merchant Bank Limited. He has over three decades of banking and finance experience with strong background and competencies in financial control, performance management, project management, operations, audit, strategic planning and business transformation.

Prior to joining Nova Merchant Bank, Mr. Adigun was the Chief of Staff to the GMD/CEO at United Bank for Africa Plc (UBA). He also served at various times as the Head, Strategy and Business Transformation, Head, Performance Management, the Chief Financial Officer (North Region), and Chief Operating Officer, UBA Properties during his time at UBA.

Mr. Adigun has served in several executive roles in the banking industry including the Chief Finance Officer at Standard Trust Bank, Head Financial Control & Strategy at Diamond Bank, Head Financial Control & Head Corporate Planning & Development at NAL Merchant Bank (now part of Sterling Bank).Before joining the banking industry, he worked at Ernst & Young after a brief stint as an Assistant Lecturer at the University of Lagos. Mr. Adigun possesses a B.Sc. Hons in Accounting (First Class) from the University of Lagos.

He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an Associate Member of the Chartered Institute of Management Accountants UK (CIMA) and an Associate Member of the Chartered Institute of Taxation of Nigeria (CITA). He is also an alumnus of the Senior Management Programme at the Lagos Business School.

He was appointed to the board on February 15, 2021, and has served a cumulative period of 3 years and 1 month.

A record of his attendance at Board and Committee Meetings is available on pages 41, 43, 45 and 47 of this report.

Mr. Adigun is a resident of Nigeria.

# CORPORATE GOVERNANCE REPORT

## 2.12 Appointment of Directors

The Nominations, Audit and Governance Committee since the Company's 11th AGM, recommended to the Board for approval the appointment of three Directors. The Directors are Mr. Olukayode Odebiyi, Mr. Azubike Emodi, and Mrs. Uzoamaka Oshogwe. The recommendations were subject to the NAGC's assessment of the qualifications of the individual directors and based on the established criteria in the Company's Board Charter.

Further to the recommendation of the NAGC, the Board approved appointment of:

i. Mr. Olukayode Odebiyi as an Executive Director of the Company effective 1st November 2024.
ii. Mr. Azubike Emodi as the Managing Director/Chief Executive Director of the Company effective 1st February 2025.
iii. Mrs. Uzoamaka Oshogwe as a Non-Executive Director of the Company effective 1st February 2025.

Appointment of the Directors is subject to the approval of the Shareholders at the 12th AGM.

### Profile of Mr. Olukayode Odebiyi

Mr. Olukayode Odebiyi is a consummate professional with over 21 years of work experience cutting across Real Estate & Portfolio Management, Strategy Development, Finance & Treasury Management, and Business Development. He has functioned in various roles in his career, amassing knowledge in Analysis, Project management, and Design & Building Efficiency.

He has a BSc in Economics and a Master's degree in Business Administration. He is also an alumnus of Harvard Graduate School of Design, where he completed the Advanced Management Development Program. Prior to joining Afriland, Kayode functioned as the Head, Real Estate Portfolio at Total E&P SMCS Limited, responsible for the overall operation and management of the Total cooperative real estate portfolio. He also worked at Legacy Realties Limited, Alitheia Capital Limited, and Trojan Estates Group.

He was appointed to the Board on November 1, 2024.

Mr. Odebiyi is resident in Nigeria.

### Profile of Mr. Azubike Emodi

Mr. Azubike is a seasoned professional with over 20 years of experience spanning financial services, real estate development, and strategic planning. He has a strong track record of driving organizational growth, delivering transformative results, and executing high-impact projects.

He holds a BSc in Banking and Finance, an MBA in Management, and an MSc in Finance. He is also a Fellow of the Chartered Institute of Bankers, a Fellow of the Chartered Institute of Credit Administrators, and a Member of the Canadian Securities Institute.

# CORPORATE GOVERNANCE REPORT

Before joining Afriland Properties Plc, Azubike held leadership roles across various industries. He was Managing Director at VBank, where he drove financial technology innovation and market expansion. He also led Anchoria Asset Management and Herel Global, spearheading strategic real estate investments and development projects.

He was appointed to the Board on February 1, 2025.

Mr. Emodi is resident in Nigeria.

### Profile of Mrs. Uzoamaka Oshogwe

Mrs. Oshogwe is a seasoned and skilled professional and administrator with over 30 years of experience in her professional career. She holds a BSc in Chemistry from Ambrose Alli University, Edo State, an MSc in Information Systems Design from the University of Westminster, London, and a professional certificate in Real Estate Management from Harvard Business School. She also holds an Advanced Management Program (AMP) Certification from Lagos Business School and IESE Barcelona.

Mrs. Oshogwe is an RICS-accredited Civil and Commercial Mediator, a Fellow of the Institute of Management Consultants (FIMC), and a Fellow of the Institute of Credit Administrators (FICA). Uzo is a member of the Institute of Directors (IoD).

Her career progression has seen her distinguish herself in international organisations such as Ford Motors, UK, J. Sainsbury Plc, UK, Accenture, UK, and Afriland Properties Plc. Mrs. Oshogwe is currently the MD/CEO of Transcorp Hotels Plc.

She was appointed as a Non-Executive Director to the Board on February 1, 2025.

Mrs. Oshogwe is resident in Nigeria.

## 2.13 Board Evaluation and Corporate Governance Assessment

On an annual basis and during the year under review, the Company engaged the services of an independent consultant, Angela Aneke & Company Limited to carry out an extensive Board of Directors' appraisal exercise and evaluation of compliance by the Company with the corporate governance principles.

The annual appraisal sought to ascertain the level of compliance by the Board, and by extension, the Company, with the FRC NCCG and SEC Code, the Company's Board Governance and Board Committees Governance Charter, and other best corporate governance practices, the report of which forms part of this Annual Report.

The 2018 FRC NCCG introduced an annual assessment of the corporate governance practices adopted by the Company and the Board and Corporate Governance Assessment report forms part of this Annual Report.

Angela Aneke & Company Limited has worked with the Company and conducted board evaluation of the Board for a cumulative period of seven (7) years.

# CORPORATE GOVERNANCE REPORT

## 2.14 Membership of the Board

The Board of Directors of the Company comprised the following during the year:

| | | |
|---|---|---|
| Mr. Emmanuel Nnorom | - | Chairman |
| Mrs. Uzoamaka Oshogwe | - | Managing Director/CEO |
| Dr. Agatha Obiekwugo | - | Non-Executive Director |
| Mr. Ayodeji Adigun | - | Non-Executive Director |
| Mr. Obong Idiong | - | Non-Executive Director |
| Mr. Olubunmi Akinremi | - | Independent Non-Executive Director |
| Dr. Owen Omogiafo | - | Non-Independent Director |
| Mr. Olukayode Odebiyi | - | Executive Director |

## 2.15 Board Meetings Attendance

The Board held five (5) meetings during the year ended 31 December 2024 and the table below shows the meetings of the Board in 2024 and frequency of members' attendance:

| Directors | Date of Meetings Held | No. of Meetings Attended | Date of Meetings not Attended |
|---|---|---|---|
| Mr. Emmanuel Nnorom | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024<br>10th December 2024 | 5 | N/A |
| Mrs. Uzoamaka Oshogwe | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024<br>10th December 2024 | 5 | N/A |
| Mr. Azubike Emodi | N/A | N/A | N/A<br>(Mr. Emodi was appointed to the Board on 1st February 2025) |
| Dr. (Mrs.) Agatha Obiekwugo | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024<br>10th December 2024 | 5 | N/A |
| Mr. Ayodeji Adigun | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024<br>10th December 2024 | 5 | N/A |
| Mr. Obong Idiong | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024 | 4 | 10th December 2024<br>Mr. Obong was unavoidably absent. |

# CORPORATE GOVERNANCE REPORT

| Directors | Date of Meetings Held | No. of Meetings Attended | Date of Meetings not Attended |
|---|---|---|---|
| Mr. Olubunmi Akinremi | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024<br>10th December 2024 | 5 | N/A |
| Dr. (Mrs.) Owen Omogiafo, OON | 6th March 2024<br>30th April 2024<br>26th July 2024<br>28th October 2024<br>10th December 2024 | 5 | N/A |
| Mr. Olukayode Odebiyi | 10th December 2024 | 1 | Mr. Odebiyi's appointment to the Board became effective 1st November, 2024. |

N/A
means "Not Applicable"

### 2.16 Board Committees

The Board Committees of the Company comprise a majority of Non-Executive Directors tasked with the performance of various functions as delegated by the Board in the discharge of their responsibilities to the shareholders.

The Board Committees are as follows:

### 2.16.1 Nominations, Audit & Governance Committee

The Nominations, Audit & Governance Committee (NAGC) is tasked with the following terms of reference:

- Evaluate the adequacy of internal audits and internal controls to ensure the integrity of the Company's financial statements and adopt special audit steps in the event of significant control deficiencies, if any, including those reported by the Internal Audit.

- Assist the Board of Directors in fulfilling its oversight responsibilities with respect to audit and control.

- Review Audit exception reports relating to the Company's compliance with major policies including Expense and HR policies, company processes, and applicable laws and regulations.

- Establish procedures for the nomination of Directors.

- Advise and recommend to the Board the composition of the Board.
  Approve recruitments, promotions, redeployments, and disengagements for the Company's heads of departments that make up the Executive Management Committee.

# CORPORATE GOVERNANCE REPORT

- Review and evaluate the skills of members of the Board.
- Recommend to the Board compensation for all staff members of the Company and subsidiary Boards.
- Advise the Board on corporate governance standards and policies.
- Review and approve all human resources, risk, internal control, governance, and other policies for the Company.
- Review and recommend to the Board and Shareholders any changes to the memorandum and articles of association.
- Evaluate and appraise the performance of the Board and Board Committees and its members annually in conjunction with consultants.
- Monitor compliance with all legal and regulatory requirements.

Membership of the Committee during the year comprised five (5) non-executive directors as follows:

Mr. Olubunmi Akinremi - Chairman
Mr. Ayodeji Adigun - Member
Dr. (Mrs.) Agatha Obiekwugo - Member
Mr. Obong Idiong - Member
Dr. (Mrs.) Owen Omogiafo, OON - Member

| Directors | Date of Meetings Held | Number of meetings attended | Date of meetings not attended |
|---|---|---|---|
| Mr. Olubunmi Akinremi | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>3rd October 2024 | 4 | N/A |
| Mr. Ayodeji Adigun | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>3rd October 2024 | 4 | N/A |
| Dr. (Mrs.) Agatha Obiekwugo | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>3rd October 2024 | 4 | N/A |

# CORPORATE GOVERNANCE REPORT

| | | | |
|---|---|---|---|
| Mr. Idiong Obong | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>3rd October 2024 | 4 | N/A |
| Dr. (Mrs.) Owen Omogiafo, OON | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>3rd October 2024 | 4 | N/A |

N/A means "Not Applicable"

### 2.16.2 Finance, Risk & General-Purpose Committee

The Finance, Risk & General-Purpose Committee (FRGPC) is tasked with the following terms of reference:

- Review and approve the company's risk management policy including risk appetite and risk strategy.
- Review the adequacy and effectiveness of risk management and controls.
- Oversight of the Management's process for the identification of significant risks across the Company and the adequacy of prevention, detection, and reporting mechanisms.
- Review of the Company's compliance level with applicable laws and regulatory requirements that may impact the Company's risk profile.
- Periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile.
- Review and recommend for approval of the Board risk management procedures and controls for new products and services.
- Discharge the Board's responsibilities for information technology (IT) governance and IT security and ensure it aligns with the Company's objectives, enables the business strategy, delivers value, and improves performance.
- Ensure that risk assessments are performed continuously.
- Monitor and assess the integrity of the overall risk management framework of the Company.
- Discharge the Board's responsibilities concerning strategic direction and budgeting.
- Provide oversight on financial matters and the performance of the Company.
- Review and recommend investment opportunities or initiatives to the Board for decision.

# CORPORATE GOVERNANCE REPORT

- Recommend financial and investment decisions within its approved limits.
- Monitor and assess the overall integrity of the financial statements and disclosures of the financial condition and results of the Company.
- Formulate and shape the strategy of the Company.
- Review the Company's investment portfolio.
- Recommend Company policies relating to risk, finance, and investment.

During the year under review in 2024, membership of the Committee comprised five (5) non-executive directors and the executive director as follows:

| | |
|---|---|
| Mr. Ayodeji Adigun | - Chairman |
| Mrs. Uzoamaka Oshogwe | - Member |
| Dr. (Mrs.) Agatha Obiekwugo | - Member |
| Mr. Obong Idiong | - Member |
| Mr. Olubunmi Akinremi | - Member |
| Dr. (Mrs.) Owen Omogiafo, OON | - Member |

The table below shows the frequency of meetings of the FRGPC in 2024 and members' attendance:

| Directors | Date of Meetings Held | Number of meetings attended | Date of meetings not attended |
|---|---|---|---|
| Mr. Ayodeji Adigun | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>17th October 2024 | 4 | N/A |
| Mrs. Uzoamaka Oshogwe | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>17th October 2024 | 4 | N/A |
| Mr. Azubike Emodi | N/A | N/A | N/A<br>(Mr. Emodi was appointed to the Board on 1st February 2025) |
| Dr. (Mrs.) Agatha Obiekwugo | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>17th October 2024 | 4 | N/A |

# CORPORATE GOVERNANCE REPORT

| | | | |
|---|---|---|---|
| Mr. Idiong Obong | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>17th October 2024 | 4 | N/A |
| Mr. Olubunmi Akinremi | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>17th October 2024 | 4 | N/A |
| Dr. (Mrs.) Owen Omogiafo, OON | 22nd February 2024<br>11th April 2024<br>11th July 2024<br>17th October 2024 | 4 | N/A |

N/A means "Not Applicable"

### 2.16.3 Statutory Audit Committee

The Statutory Audit Committee (SAC) was set up in accordance with the provisions of the CAMA 2020. It comprises a mixture of Non-Executive Directors and ordinary shareholders elected at the Eleventh Annual General Meeting of the Company held on 16th April 2024.

Its terms of reference include the evaluation of the adequacy of the internal control processes, ensuring the integrity of the Company's financial statements, review of audit exceptions, ensure compliance with legal and regulatory requirements, including disclosure, controls, and procedures. It evaluates annually, the independence and performance of the External Auditors. The Committee also reviews with Management and the External Auditors, the annual audited financial statement before submission to the Board.

Membership of the Committee in 2024 comprised the following:

| | |
|---|---|
| Mr. Sunny Nkumah | - Chairman |
| Alhaji Wahab A. Ajani | - Member |
| Miss Moyosore Ayanwamide | - Member |
| Mr. Ayodeji Adigun | -Member |
| Mr. Olubunmi Akinremi | - Member |

The table below shows the frequency of meetings of the SAC in 2024 and members' attendance:

| Directors | Date of Meetings Held | Number of Meetings Attended | Date of Meetings not Attended |
|---|---|---|---|
| Mr. Sunny Nkumah | 12th July 2024<br>17th October 2024 | 2 | Mr. Nkumah was appointed as a member of the Committee on 16th April 2024. |

# CORPORATE GOVERNANCE REPORT

| | | | |
|---|---|---|---|
| Alhaji Wahab A. Ajani | 23rd February 2024<br>12th April 2024<br>12th July 2024<br>17th October 2024 | 4 | N/A |
| Miss Moyosore Ayanwamide | 23rd February 2024<br>12th April 2024<br>12th July 2024<br>17th October 2024 | 4 | N/A |
| Mr. Ayodeji Adigun | 23rd February 2024<br>12th April 2024<br>12th July 2024<br>17th October 2024 | 4 | N/A |
| Mr. Olubunmi Akinremi | 23rd February 2024<br>12th April 2024<br>12th July 2024<br>17th October 2024 | 4 | N/A |

N/A means "Not Applicable"

## 3. THE EXECUTIVE MANAGEMENT COMMITTEE

The Executive Management Committee (EMC) comprises senior management of the Company. The EMC is tasked with the following terms of reference:

- To Articulate the strategy of the Company and recommend same to the Board.
- To discuss strategic matters and their impact on the Company's property and investment portfolio.
- To outline the manner and techniques in which the Company's objectives shall be accomplished.
- Execute the Company's strategy.
- Identify, analyze and make recommendations on risks arising from the day-to-day operations of the Company and its investments.
- Prepare annual financial plans to be approved by the Board and ensure that all the Company's objectives are achieved.

## 4. SHAREHOLDERS RIGHTS

The Board of the Company has always placed considerable importance on effective communication with shareholders. It ensures that the rights of shareholders are protected at all times. Notice of meetings and all statutory notices and information are communicated to the shareholders regularly.

# CORPORATE GOVERNANCE REPORT

The Company's General Meetings provide shareholders with the platform to contribute to the administration of the Company. The Annual General Meetings (AGMs) are held in accessible locations and are open to shareholders or their proxies. The AGMs are conducted in a manner that facilitates shareholders' participation in accordance with relevant regulatory and statutory requirements. The Company encourages shareholders to attend these meetings whilst ensuring that notices of meetings and other information required by shareholders to make informed decisions are dispatched in a timely manner. The office of the Company Secretary additionally affords shareholders channels of communication to the Board and the Management of the Company.

# REPORT OF THE DIRECTORS

# REPORT OF THE DIRECTORS

The directors have the pleasure in presenting, to the members of Afriland Properties Plc ("the Company") their report together with the audited financial statements and auditor's report for the year ended 31 December 2024.

## LEGAL FORM

Afriland Properties Plc was incorporated as a private limited liability company on 14 March 2007 and is headquartered in Lagos, Nigeria with other satellite office locations in Abuja, Port-Harcourt and Benin. The Company began operations on 1 February 2011.

## PRINCIPAL ACTIVITY

The principal activity of the Company is real estate investment and development as well as offering of a broad range of real estate products/services to the general public.

## STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs continues to be satisfactory and there has been no material change since the reporting date, which would affect the financial statements as presented.

## CHANGE IN REPORTING FRAMEWORK

There was no change in the Company's accounting policies during the year.

| RESULTS FOR THE YEAR | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Total Revenue | 3,753,282 | 4,715,778 |
| Profit before taxation | 3,695,529 | 2,411,100 |
| Taxation | (1,081,231) | (684,251) |
| Profit for the year | 2,614,298 | 1,726,849 |

## DIVIDEND

The directors have recommended payment of dividend of 63k per share on the ordinary shares of 1,373,900,000 in respect of the year ended 31 December 2024 (2023: 25k per share of the outstanding ordinary shares of 1,373,900,000). This is inclusive of the interim dividend of 13k per share paid during the year.The dividend shall become payable upon approval by the shareholders at the Annual General Meeting and subject to deduction of 10% withholding tax.

## PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment (PPE) during the year is shown in Note 12 of the audited financial statements. In the opinion of the Directors the market value of the Company's PPE is not less than the value shown in the audited financial statements.

## ACQUISITION OF OWN SHARES

The Company has not purchased any of its own shares during the year under review (2023: Nil).

AFRILAND PROPERTIES

# REPORT OF THE DIRECTORS

## DIRECTORS

The names of the Directors at the date of this report and of those who held office during the year are as follows:

| Director | Position |
|---|---|
| Mr. EmmanuelNnorom | Chairman |
| Mrs. Uzoamaka Oshogwe | Managing Director/Chief Executive Officer (Resigned 31 December 2024) |
| Mr. Azubike Emodi | Managing Director/Chief Executive Officer (Appointed 1st February 2025) |
| Mr. Olukayode Odebiyi | Executive Director (Appointed 1st November 2024) |
| Dr. (Mrs.) Agatha Obiekwugo | Non-Executive Director |
| Mr. Ayodeji Adigun | Non-Executive Director |
| Mr. Obong Idiong | Non-Executive Director |
| Mr. Olubunmi Akinremi | Independent Non-Executive Director |
| Dr. (Mrs.) Owen Omogiafo, OON | Non-Executive Director |

## DIRECTORS' INTERESTS IN SHARES

The direct and indirect interests of the Directors in the issued share capital of the Company as recorded in the register of Directors' shareholdings and/or as notified by the Directors for the purpose of Sections 301 and 302 of the Companies and Allied Matters Act, 2020 are as follows;

| Directors | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Direct Holding | Indirect Holding | Direct Holding | Indirect Holding |
| Mr. Emmanuel Nnorom | 447,139 | 66,158 | 447,139 | 66,158 |
| Mrs. Uzoamaka Oshogwe | 836,128 | - | 836,128 | - |
| Mr. Azubike Emodi | - | - | - | - |
| Mr. Olukayode Odebiyi | - | - | - | - |
| Dr. (Mrs.) Agatha Obiekwugo | 1,367 | - | 1,367 | - |
| Mr. Ayodeji Adigun | 50,000 | - | - | - |
| Mr. Obong Idiong | 49,646 | - | 49,646 | - |
| Mr. Olubunmi Akinremi | 23,905 | - | 23,905 | - |
| Dr. (Mrs.) Owen Omogiafo, OON | 17,894 | - | 17,894 | - |
| | **1,426,079** | **66,158** | **1,376,079** | **66,158** |

## DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act, 2020, of any disclosable interest in contracts in which the Company is involved as at 31 December 2024 (2023: Nil).

# REPORT OF THE DIRECTORS

## ANALYSIS OF SHAREHOLDING

According to the Register of Members, the following shareholder held more than 5% of the ordinary shares of the Company issued as at reporting date.

| Shareholder | 2024 Numbers of shares | % | 2023 Numbers of shares | % |
|---|---|---|---|---|
| HH Capital Limited | 311,815,571 | 22.70 | 63,399,362 | 4.61 |

## RANGE ANALYSIS AS AT 31-12-2024

| Range | | | No. of Holders | Holders % | Holders Cum. | Units | Units % | Units Cum. |
|---|---|---|---|---|---|---|---|---|
| 1 | - | 10,000 | 276,360 | 98.44% | 276,360 | 140,858,199 | 10.25% | 140,858,199 |
| 10,001 | - | 50,000 | 3,494 | 1.24% | 279,854 | 72,849,278 | 5.30% | 213,707,477 |
| 50,001 | - | 100,000 | 438 | 0.16% | 280,292 | 30,788,400 | 2.24% | 244,495,877 |
| 100,001 | - | 500,000 | 322 | 0.11% | 280,614 | 62,419,676 | 4.54% | 306,915,553 |
| 500,001 | - | 5,000,000 | 83 | 0.03% | 280,697 | 102,336,875 | 7.45% | 409,252,428 |
| 5,000,001 | - | 50,000,000 | 28 | 0.01% | 280,725 | 417,188,190 | 30.37% | 826,440,618 |
| 50,000,001 | - | 2,000,000,000 | 5 | 0.00% | 280,730 | 547,459,382 | 39.85% | 1,373,900,000 |
| **Grand Total** | | | 280,730 | 100% | | 1,373,900,000 | 100% | |

## RANGE ANALYSIS AS AT 31-12-2023

| Range | | | No. of Holders | Holders % | Holders Cum. | Units | Units % | Units Cum. |
|---|---|---|---|---|---|---|---|---|
| 1 | - | 10,000 | 276,326 | 98.44% | 276,326 | 140,840,391 | 10.25% | 140,840,391 |
| 10,001 | - | 50,000 | 3,503 | 1.25% | 279,829 | 72,094,654 | 5.32% | 213,935,045 |
| 50,001 | - | 100,000 | 443 | 0.16% | 280,272 | 31,125,520 | 2.27% | 245,060,565 |
| 100,001 | - | 500,000 | 322 | 0.11% | 280,594 | 61,964,725 | 4.51% | 307,025,290 |
| 500,001 | - | 5,000,000 | 78 | 0.03% | 280,627 | 97,919,881 | 7.13% | 404,945,171 |
| 5,000,001 | - | 50,000,000 | 26 | 0.01% | 280,698 | 365,885,342 | 26.63% | 770,830,513 |
| 50,000,001 | - | 2,000,000,000 | 10 | 0.00% | 280,708 | 603,069,487 | 43.89% | 1,373,900,000 |
| **Grand Total** | | | 280,708 | 100% | | 1,373,900,000 | 100% | |

## EMPLOYMENT AND EMPLOYEES

### Employment of physically challenged persons

No physically challenged person was employed by the Company during the year ended 31 December 2024. However, it is the Company's policy to consider physically challenged persons for employment, bearing in mind the respective aptitudes and abilities of the applicants concerned.

### Health, Safety and Welfare of Employees at Work

The Company places high premium on the health, safety and welfare of its employees in their places of work. To this end, the Company has various forms of insurance policies including group life assurance to adequately secure and protect its employees. The company also has in place a healthcare insurance scheme for employees' and their immediate family members' medical needs.

# REPORT OF THE DIRECTORS

**Employees' Interest and Training**

The company places considerable value on the development of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and other forms of communication. The company organizes in-house and external training for its employees based on the requirements of their job. Overseas courses are also arranged where and when necessary.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company made payment of N82,173,900 as corporate social responsibility during the year ended 31 December 2024 (2023: N48,222,020).

**EVENTS AFTER REPORTING DATE**

As stated in Note 36, except for the Managing Director appointment,there are no other events or transactions that have occurred since the reporting date which would have a material effect on the financial statements as presented.

**FORMAT OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the reporting and presentation requirements of the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the provisions of Companies and Allied Matters Act, 2020. The directors consider that the format adopted is that most suitable for the Company.

**AUDITOR**

Deloitte & Touche have expressed their willingness to continue in office as the Company's auditor in accordance with Section 401 (2) of the Companies and Allied Matters Act 2020.

A resolution will be proposed at the Annual General Meeting authorising the Directors to fix their remuneration.

**BY ORDER OF THE BOARD**

**Omomene Obanor**
COMPANY SECRETARY
FRC/2022/PRO/NBA/002/057966
Lagos, Nigeria

4 March, 2025

AFRILAND PROPERTIES

# SUSTAINABILITY REPORT

# SUSTAINABILITY REPORT

Afriland Properties Plc understands the importance of integrating environmental and social standards with its business strategies and operations. With this in view, the Company adopts sustainability policies that ensure its continued growth for the ultimate benefit of all stakeholders.

To build a successful company underpinned by excellence, execution, and entrepreneurship and to create sustainable value for its stakeholders in its chosen markets, the Company recognizes the need for efficient use of its human, social, and capital resources overarched with a practical approach to corporate governance.

In line with our commitment to sustainable development, we are committed to ensuring the health, safety, and welfare of our employees; continuous learning and improvement, and adherence to all national laws and regulations in the industry and locations where we operate.

## ETHICS AND WHISTLEBLOWING

Afriland is committed to high ethical standards with the Board of Directors setting the tone at the top. The Company's Code of Conduct Policy accurately serves as a guide to all directors, employees, and third-party vendors. Furthermore, to ensure continued commitment to ethical practices, the Company has in place its Whistle Blowing Policy and channels through which complaints can be made. One of those channels is available on the Company's website.

## PROHIBITION AGAINST CORRUPT PRACTICES

The Company shuns and does not endorse bribery and corrupt practices which are express provisions embedded in our Code of Conduct policy.

## HUMAN RESOURCES

- **Employment and Labor Relations**

We maintain a robust orientation program for new employees. The orientation program provides a smooth and seamless transition for new employees. All aspects of our business operations, procedures, processes, and policies are taught to new employees.

For existing employees, we maintain a reward system by giving out long service awards to employees who have remained and are committed to the organization for more than 5 years and also recognize high performers.

We also have male and female representation in the workforce. Remunerations are offered on an equal basis to men and women who are at the same level in the organization irrespective of gender.

Recruitment is carried out without prejudice and with respect for the human rights of all parties involved.

Employees are granted access to engage in continuous training and career advancement programs without any form of discrimination.

# SUSTAINABILITY REPORT

- **Diversity**
  All decisions about recruitment and selection, career advancement, compensation, benefits, and training are based solely on the individual's qualifications, performance assessment, merit, and business needs in accordance with the provisions of the Human Resource policies contained in this manual.

  Discrimination of any individual employee or group of employees based on gender, nationality, or religion by another employee, if proven, will be regarded as a sanctionable offence.

- **Workplace Development Initiatives**
  The Company promotes a cordial work environment among colleagues through policies that guide employee behaviour to ensure there is no harassment and enhance teamwork.

  In line with our commitment to ensuring that our people are equipped with the right skills to enable us to compete favourably in the markets in which we operate, we take learning and development very seriously. Throughout the year, our people participated in several trainings and conferences relevant to their job roles.

  The Company also held knowledge-sharing sessions to address identified knowledge gaps and to keep employees informed of trends and new developments in their areas of focus.

  To also keep our people further motivated they were celebrated at various times within the year. From Valentine's Day celebrations, International Women's Day, and Worker's Day to Christmas and end of the Year celebrations

- **Health and Safety**
  The Company maintains business premises and work environments that guarantee the safety and health of its employees and other stakeholders. The Company's rules and practices in this regard are reviewed and tested regularly.

  Safety regulations are in place within the Company's premises and employees are regularly informed of the regulations. The Company ensures that visitors undergo security checks before gaining access to its offices. With the Government's directive on the limited gathering of persons due to the COVID-19 pandemic, restrictions on visitors have been put in place to safeguard staff members.

  A wellness check was also organized for the entire workforce to check the soundness of their health conditions during the year. For employees to express their grievances or make suggestions on ways to improve the Company's systems and processes, the Company held town hall meetings with the Managing Director and executive management team.

**COMMUNITY INVESTMENT AND CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Just as Afriland recognizes legitimate land tenure and the rights of local communities and individuals, we commit to encouraging and respecting the rights of indigenous folks, vulnerable groups, and local communities while ensuring that their concerns are properly addressed where we operate.

# SUSTAINABILITY REPORT

## PRESERVING THE ENVIRONMENT

The Company adopts policies that seek to protect and enhance the environment by adverse social and environmental impacts in its construction projects.

Our efforts towards sustainability are etched towards constructing and maintaining energy-efficient and high-performing buildings, geared towards reduction in maintenance cost, reduction in utility bills, and optimal use of space.

Furthermore, the Company seeks to improve occupants' experiences within our construction projects by improving their lifestyle with the provision of recreational activities like gym, relaxation spots, library, hang-out zone, etc. which creates a more fulfilling experience for the employees and occupants. This overall improves indoor environmental quality.

Afriland's sustainability strategies are being driven through our efficient buildings and improved operations and excellence in property management and our facilities management operations.

# BOARD EVALUATION REPORT

AA&Co

**Angela Aneke & Co.** Plot 5A, Block 5, Theophilus Oji street off Fola Osibo, Lekki Phase 1, Lagos, Nigeria, boardevaluations@angelaanekeco.com

March 19th, 2025

**Statement by the External Consultants on the Board Evaluation of Afriland Properties Plc ("the Company") for the year ended December 31, 2024.**

The Board of Directors of Afriland Properties Plc (the ''Company'') engaged Angela Aneke & Co. Limited to perform a Board evaluation for the year ended December 31, 2024, in line with the requirements of Principle 14 of the FRC's Nigerian Code of Corporate Governance (FRC Code). The agreed scope of services for the evaluation exercise was specified in our letter of engagement.

The criteria for our review and report are benchmarked against the 28 principles of the FRC Code, Securities and Exchange Commission Corporate Governance Guidelines (SCGG), the Company's corporate governance framework and charters, as well as global best practice.

Our methodology included a review of documents provided by the Company, research on global best practice, interviews, and questionnaires, including an online self and peer assessment by members of the Board. Our detailed report has been submitted to the Board of Directors for their adoption and further action.

The Chairman provides effective leadership to the Board to ensure that the Company's strategic objectives are met and plays a lead role in the assessment, improvement, and development of the Board. He also provides guidance to the CEO in the effective discharge of her duties.

Afriland Properties Plc has an effective Board underpinned by an established Board Governance Charter. The mandates and terms of reference of the Board Committees are clearly defined in the Board Governance Charter and they address the effective monitoring of financial performance, strategy, governance, remuneration, risk management, internal audit and controls, regulatory compliance, and information technology governance. Furthermore, Directors achieved 100% attendance at all the Board and Board Committee meetings held in 2024.

The Board and its Committees are composed of seasoned professionals with a wealth of experience committed to the long-term success of the Company. It is a forward-thinking and cohesive Board, with an appropriate balance of skills and diversity including experience and age. The Board executed its functions of Strategic Direction, Policy Formulation, Decision Making and Oversight within the year objectively and effectively. The Board was enhanced in 2024 with the appointment of an Executive Director, validating a robust succession plan.

On the basis of our work, we conclude that the Board of Afriland Properties Plc is effective and continues to demonstrate a commitment to maintaining strong corporate governance in line with global best practice. Its corporate governance framework is established, and the Company has substantially applied the 28 principles of the FRC Code.

Yours faithfully,
FOR: **Angela Aneke & Co. Limited**

Angela Aneke

**Angela Aneke**
Managing Director

AFRILAND PROPERTIES

# CORPORATE GOVERNANCE EVALUATION REPORT

AA&Co

**Angela Aneke & Co.** Plot 5A, Block 5, Theophilus Oji street off Fola Osibo, Lekki Phase 1, Lagos, Nigeria, boardevaluations@angelaanekeco.com

March 19th, 2025

**Statement by the External Consultants on the Corporate Governance Evaluation of Afriland Properties Plc ("the Company") for the year ended December 31, 2024.**

The Board of Directors of Afriland Properties Plc (the ''Company'') engaged Angela Aneke & Co. Limited to perform a Corporate Governance evaluation for the year ended December 31, 2024, in line with the requirements of Principle 15 of the FRC's Nigerian Code of Corporate Governance (FRC Code). The agreed scope of services for the evaluation exercise was specified in our letter of engagement.

The criteria for our review and report are benchmarked against the 28 principles of the FRC Code, Securities and Exchange Commission Corporate Governance Guidelines (SCGG), the Company's corporate governance framework and charters, as well as global best practice.

Our methodology included a review of documents provided by the Company, research on global best practice, interviews, and questionnaires, including an online self and peer assessment by members of the Board. Our detailed report has been submitted to the Board of Directors for their adoption and further action.

Afriland Properties has well established system of corporate governance underpinned by a Board Governance Charter as well as various policies and charters that guide the governance culture of the Company. The mandates and terms of reference of the Board Committees are clearly defined in the Board Governance Charter and they address the effective monitoring of financial performance, strategy, governance, remuneration, risk management, internal audit and controls, regulatory compliance, and information technology governance. Policies that address risk management, internal control, code of conduct, business ethics, shareholder engagement and disclosures are well established at Afriland Properties Plc.

A framework for managing risk and internal control system is effective at Afriland Properties Plc. The risks the company faces and risk mitigating strategies are effectively monitored and reported to the Board at its quarterly meetings. The internal control function also provides assurance to the Board and its Committees at its quarterly meetings. A whistleblowing framework for reporting illegal and unethical conduct is also in place. In 2024, the Company remained committed to sustainability and acted as a responsible citizen by embarking on several corporate social responsibility activities.

On the basis of our work, we conclude that corporate governance practices at Afriland Properties Plc are effective and are in line with global best practice. The corporate governance framework of the Company has substantially applied the 28 principles of the FRC Code.

Yours faithfully,
**FOR: Angela Aneke & Co. Limited**

**Angela Aneke**
Managing Director

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

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

(a)keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, 2020 and Financial Reporting council of Nigerian (Amendment) Act, 2023.

(b)establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

(c)prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

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

The directors are of the opinion that the audited financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit for the year ended 31 December 2024. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the audited financial statements, as well as adequate systems of internal financial control.

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

**Emmanuel Nnorom**
Chairman
FRC/2014/ICAN/00000007402

**Azubike Emodi**
Managing Director/ CEO
FRC/2016/CIBN/00000014083

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## STATUTORY AUDIT COMMITEE REPORT

In accordance with the provisions of section 404(7) of the Companies and Allied Matters Act, 2020, we the members of the Statutory Audit Committee hereby report as follows:

- The Statutory Audit Committee met in exercise of its statutory responsibilities in accordance with section 404(7) of CAMA;
- We have examined the auditor's report including the financial statements for the year ended 31 December 2024;
- We have deliberated with the external auditors, reviewed their findings and recommendations and confirm that the auditors' report for this year is consistent with our review; and
- We are satisfied that the accounting and reporting policies of the Company are in accordance with legal requirements and meet ethical standards.

**Members of the Statutory Audit Committee**

1. Mr. Sunny Nkumah - Chairman
2. Alhaji Wahab A. Ajani - Member
3. Miss Moyosore Ayanwamide - Member
4. Mr. Ayodeji Adigun -Member/Non-Executive Director
5. Mr. Olubunmi Akinremi - Member/ Independent Non-Executive Director

**Mr. Sunny Nkumah**
**CHAIRMAN, STATUTORY AUDIT COMMITTEE**
FRC/2025/PRO/DIR/003/051439


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AFRILAND PROPERTIES
RC 684746

Afriland Properties Plc
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## AFRILAND PROPERTIES PLC - INTERNAL CONTROL OVER FINANCIAL REPORTING CERTIFICATION

I, **Azubike Emodi**, certify that:

a) I have reviewed the audited financial statements of Afriland Properties 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 entity as of, and for, the periods presented in this report;

d) The entity's other certifying officer(s) and I:

1) are responsible for establishing and maintaining internal controls.

2) have designed such internal controls and procedures or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company is made known to us, particularly during the period in which this report is being prepared.

3) have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAPs.

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions

about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The entity's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):

1 All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

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

f) The entity'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:** Azubike Emodi

**Designation:** Managing Director/CEO FRC/2016/CIBN/00000014083

Signature: Date: 21st March, 2025

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## AFRILAND PROPERTIES PLC - INTERNAL CONTROL OVER FINANCIAL REPORTING CERTIFICATION

I, **Obiorah Ozugha**, certify that:

a) I have reviewed the audited financial statements of **Afriland Properties 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 entity as of, and for, the periods presented in this report;

d) The entity's other certifying officer(s) and I:

1) are responsible for establishing and maintaining internal controls.

2) have designed such internal controls and procedures or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company is made known to us, particularly during the period in which this report is being prepared.

3) have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAPs.

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions

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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 entity's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (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 entity's ability to record, process, summarize and report financial information; and

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

f) The entity'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**: Obiorah Ozugha
**Designation:** Chief Finance Officer

FRC/2013/1CAN/00000004513

Signature: Date: 21st March, 2025

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**MANAGEMENT ASSESSMENT REPORT OF INTERNAL CONTROL OVER FINANCIAL REPORTING**

**For the year ended 31 December 2024**

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 the Managing Director/CEO and Chief Finance Officer hereby attest as follows:

We are responsible for establishing and maintaining internal controls and attest that the company's internal controls were effective as of 31 December, 2024.

We have 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 Afriland Properties Plc is effective as of 31 December 2024.

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 2024. This report will be filed as part of the annual report of Afriland Properties Plc.

| | |
|---|---|
| **Obiorah Ozugha** | **Azubike Emodi** |
| **Chief Finance Officer** | **Managing Director/CEO** |
| **FRC/2013/ICAN/00000004513** | **FRC/2016/CIBN/00000014083** |

21 March, 2025

**www.afrilandproperties.com**

# INDEPENDENT AUDITOR'S REPORT

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Assurance Report of Independent Auditor

To the Shareholders of Afriland Properties 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 Afriland Properties Plc ("the Company") as of 31 December, 2024, 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. Afriland Properties 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 our report dated 29 March 2025 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 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;
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
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.

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*Inherent limitations*

Our procedures included the examination of historical evidence of the design and implementation of the Company's system of internal control over financial reporting for the year ended 31 December 2024. 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 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 did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

# INDEPENDENT AUDITOR'S REPORT

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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 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)

Hassan Lawal, FCA - **FRC/2013/PRO/ICAN/004/00000001382**
For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
29 March 2025

# INDEPENDENT AUDITOR'S REPORT

Deloitte.

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**INDEPENDENT AUDITOR'S REPORT**
**To the Members of Afriland Properties Plc**
**Report on the Audit of the Financial Statements**

**Opinion**
We have audited the financial statements **of Afriland Properties Plc** ('the Company') set out on pages 78 to 146, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of **Afriland Properties Plc** as at 31 December 2024, and its financial performance and statement of 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, and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act2023.

**Basis for Opinion**
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA), International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements 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 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 Matter**
Key audit matter is the matter that, in our professional judgement, is of most significance in our audit of the financial statements of the current year. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

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| Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| **Valuation of investment properties**<br><br>The Company has investment in landed property, which is classified as investment property and is carried at fair value. The determination of the fair value involves management's estimate and exercise of significant judgment, which requires key subjective inputs and assumptions. The level of judgment involved in the determination of the fair value, makes Investment Property an area of significance in our audit.<br><br>Management engaged Messrs. C. J. Opurum of Opurum & Partners, Chartered Estate Surveyor with FRC/2014/NIESV/00000009134 for the valuation of the investment properties as at 31 December 2024. The valuer adopted market data valuation approach in accordance with what is recommended by the International Valuation Standards Committee having considered some assumptions about the properties being valued and the market.<br><br>Investment property accounts form a significant portion of the Company's Non-current asset at a value of N19.5billion (45%) as detailed in note 13 of the financial statements.<br><br>The audit of investment properties is considered a key audit matter because of the significance of the estimates, judgement and size of the account balance. | **Our procedures included the following among others:**<br>• Evaluated the qualification of the external experts engaged by management to ensure that they were qualified to carry out the valuation.<br><br>• Assessed the valuation results by the external expert engaged by management by comparing it to relevant independent property price information.<br><br>• Robustly challenged the assumption and reperformed some of the valuation computation to assess for reasonableness.<br><br>• As part of our robust challenge of the valuation, we engaged Deloitte & Touche property specialist to review and evaluate the reasonableness of assumptions made for the valuation of the investment properties of the Company.<br><br>• Based on our review, we found that management estimates and assumptions in determining the fair value of the investment properties in the Company's financial statements were reasonable and appropriate in the circumstance. We consider disclosure of investment properties to be adequate, relevant and useful. |

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "**Afriland Properties Plc** Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, Corporate Governance Report, Sustainability report, Board evaluation report, Statement of Directors' Responsibilities, Statutory Audit Committee Report, Certification of the Financial statements, 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 financial statements and our auditor's report thereon.

# INDEPENDENT AUDITOR'S REPORT

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Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed 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 Financial Statements**

The directors are responsible for the preparation and fair presentation of the 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 Investment and Securities Act CAP S124 LFN 2007 and 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

# INDEPENDENT AUDITOR'S REPORT

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with 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 the matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. 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 the Companies and Allied Matters Act, 2020 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 Company has kept proper books of account, so far as appears from our examination of those books.

**iii)** The 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.

# INDEPENDENT AUDITOR'S REPORT

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 2024. 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 29 March 2025. That report is included on pages 30 to 32 of the financial statements.

Hassan Lawal, FCA - **FRC/2013/PRO/ICAN/004/00000001382**
For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
29 March 2025

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Notes | 2024 | 2023 |
|---|---|---|---|
| **Revenue from contract with** | | **₦'000** | **₦'000** |
| Fees and commission | 4 | 1,800,080 | 1,083,687 |
| Project management | 5 | 300,828 | 124,239 |
| Rental income | 6 | 805,437 | 746,368 |
| Inventory property (Build to sell) | 14.2 | 846,937 | 2,761,484 |
| **Total revenue** | | **3,753,282** | **4,715,778** |
| Cost of sales on inventory properties | 14.2 | (620,577) | (1,694,360) |
| **Net revenue from contracts with customers** | | **3,132,705** | **3,021,418** |
| Other operating income* | 7 | 1,432,612 | 245,192 |
| Foreign exchange gain* | 7.2 | 100,098 | 34,751 |
| Expected credit losses- Financial Assets | 7.3 | 6,803 | 2,262 |
| Administrative expenses | 8 | (1,872,017) | (1,197,525) |
| Valuation gains from investment properties | 13 | 685,516 | 258,782 |
| **Operating profit** | | **3,485,717** | **2,364,880** |
| Interest income | 9 | 209,812 | 46,220 |
| **Profit before taxation** | | 3,695,529 | 2,411,100 |
| Income tax expense | 10 | (1,081,231) | (684,251) |
| **Profit for the year** | | **2,614,298** | **1,726,849** |
| **Other comprehensive income net of tax** | | | |
| Other comprehensive income that will not be reclassified to profit or loss in subsequent periods: | | | |
| Fair value gain on equity instrument measured at fair value through other comprehensive income (net of taxes) | 17.1 | 8,351,782 | 11,651,243 |
| To be reclassified to profit or loss on subsequent periods | | - | - |
| **Total comprehensive income for the year** | | **10,966,080** | **13,378,092** |
| Earnings per share: | | | |
| Basic/ diluted earnings per share (Naira) | 11 | 1.9 | 1.26 |

The accompanying notes to the financial statements form an integral part of these audited financial statements.

*Refer to note 37 for changes to presentation of comparatives figures.*

AFRILAND PROPERTIES

## STATEMENT OF FINANCIAL POSITION

| | Notes | 2024 | 2023 | Restated 2022 |
|---|---|---|---|---|
| **Assets** | | **₦'000** | **₦'000** | **₦'000** |
| **Non-current assets** | | | | |
| Property, plant and equipment | 12 | 154,258 | 47,649 | 68,235 |
| Investment properties | 13 | 19,516,139 | 14,802,200 | 12,411,107 |
| Right-of-use assets | | - | - | 675 |
| Intangible assets | 16 | 562,222 | 561,742 | 562,595 |
| Equity instrument at fair value through OCI | 17 | 23,496,207 | 14,211,450 | 1,265,625 |
| Prepayments | 18 | 11,810 | 16,244 | 24,444 |
| | | **43,740,636** | **29,639,285** | **14,332,681** |
| **Current Assets** | | | | |
| Inventory properties | 14 | 129,573 | 787,364 | 3,253,914 |
| Trade and other receivables | 19 | 2,724,527 | 1,778,970 | 1,265,206 |
| Other assets | 20 | 84,950 | 977,693 | 148,391 |
| Prepayments | 18 | 65,675 | 44,042 | 33,717 |
| Cash and cash equivalents * | 22 | 1,812,629 | 845,830 | 419,237 |
| | | **4,817,354** | **4,433,899** | **5,120,465** |
| **Total assets** | | **48,557,990** | **34,073,184** | **19,453,146** |
| **Equity and Liabilities** | | | | |
| **Equity** | | | | |
| Share capital | 23.1 | 686,950 | 686,950 | 686,950 |
| Share premium | 23.2 | 2,944,271 | 2,944,271 | 2,944,271 |
| Fair value reserve of financial assets through OCI | 17.1 | 20,324,250 | 11,972,468 | 321,225 |
| Retained earnings | | 10,973,664 | 8,881,448 | 7,291,989 |
| **Total equity** | | **34,929,135** | **24,485,137** | **11,244,435** |
| **Non-current Liabilities** | | | | |
| Rent received in advance | 25 | 1,368,348 | 1,418,073 | 1,453,295 |
| Deferred tax liabilities | 26.2 | 4,996,306 | 3,373,408 | 1,690,533 |
| | | **6,364,654** | **4,791,481** | **3,143,828** |
| **Current Liabilities** | | | | |
| Trade and other payables * | 24 | 6,093,766 | 3,615,589 | 2,918,740 |
| Interest-bearing loans and borrowings | 27.1 | - | 437,002 | 1,225,082 |
| Rent received in advance | 25 | 759,369 | 434,619 | 642,724 |
| Income tax payable | 26.1 | 411,066 | 309,356 | 278,337 |
| | | **7,264,201** | **4,796,566** | **5,064,883** |
| **Total liabilities** | | **13,628,855** | **9,588,047** | **8,208,711** |
| **Total equity and Liabilities** | | **48,557,990** | **34,073,184** | **19,453,146** |

The audited financial statements were approved by the Board of Directors on 3rd March 2025 and signed on their behalf by:

| | | |
|---|---|---|
| ----------------------------------- | ----------------------------------- | ----------------------------------- |
| **Emmanuel Nnorom** | **Azubike Emodi** | **Obiorah Ozugha** |
| Chairman | Managing Director/ CEO | Chief Finance Officer |
| FRC/2014/ICAN/00000007402 | FRC/2016/CIBN/00000014083 | FRC/2013/ICAN/00000004513 |

The accompanying notes to the financial statements form an integral part of these audited financial statements.

*Refer to note 37 for changes to presentation of comparatives figures.

# STATEMENT OF CHANGES IN EQUITY

| | Notes | Share capital | Share premium | Retained earnings | Fair value reserve of financial assets through OCI | Total equity |
|---|---|---|---|---|---|---|
| | | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| At 1 January 2024 | | 686,950 | 2,944,271 | 8,881,448 | 11,972,468 | 24,485,137 |
| Profit for the year | | - | - | 2,614,298 | - | 2,614,298 |
| Other comprehensive income for the year, net of tax | 17 | - | - | - | 8,351,782 | 8,351,782 |
| Total comprehensive income | | 686,950 | 2,944,271 | 11,495,746 | 20,324,250 | 35,451,217 |
| Dividend | 23.3 | - | - | (522,082) | - | (522,082) |
| **At 31 December 2024** | | **686,950** | **2,944,271** | **10,973,664** | **20,324,250** | **34,929,135** |
| At 1 January 2023 | | 686,950 | 2,944,271 | 7,291,989 | 321,225 | 11,244,435 |
| Profit for the year | | - | - | 1,726,849 | - | 1,726,849 |
| Other comprehensive income for the year, net of tax | 17 | - | - | - | 11,651,243 | 11,651,243 |
| Total comprehensive income | | 686,950 | 2,944,271 | 9,018,838 | 11,972,468 | 24,622,527 |
| Dividend | 23.3 | - | - | (137,390) | - | (137,390) |
| **At 31 December 2023** | | **686,950** | **2,944,271** | **8,881,448** | **11,972,468** | **24,485,137** |

**The accompanying notes to the financial statements form an integral part of these audited financial statements.**

# STATEMENT OF CASH FLOWS

| | Notes | 2024 | 2023 |
|---|---|---|---|
| | | ₦'000 | ₦'000 |
| Profit before taxation | | 3,695,529 | 2,411,100 |
| **Adjustments to reconcile profit before tax to net cash flows:** | | | |
| Amortisation of intangible assets | 16 | 560 | 853 |
| Depreciation of property, plant and equipment | 12 | 27,830 | 25,074 |
| Depreciation of right-of-use asset | 15 | - | 675 |
| Gain on disposal of investment properties | 13.1 | (647,664) | (8,225) |
| Finance income | 9 | (209,812) | (46,220) |
| Foreign exchange gain | 7.2 | (100,098) | (78,300) |
| Withholding tax utilized | 26.1 | (218,158) | (198,285) |
| Capitalised borrowing cost | 27.1 | 5,058 | 195,439 |
| Fair value gain on investment properties | 13 | (685,516) | (258,782) |
| **Working capital adjustments:** | | | |
| (Increase) in trade and other receivables | 19 | (945,557) | (513,764) |
| (Increase) in prepayments | 18.1 | (17,199) | (2,125) |
| Decrease in inventory properties | 14.1 | 335,637 | 442,366 |
| Increase in other assets | 20 | 892,743 | (829,302) |
| Increase in trade and other payables | 24 | 2,478,177 | 774,666 |
| Decrease in rent received in advance | 25 | 275,025 | (243,327) |
| | | 4,886,556 | 1,671,843 |
| Income tax paid | 26.1 | (66,440) | (66,654) |
| **Net cash flows generated from operating activities** | | 4,820,116 | 1,605,189 |
| **Investing activities** | | | |
| Purchase of property, plant and equipment | 12 | (134,439) | (4,488) |
| Purchase of intangible assets | 16 | (1,040) | - |
| Purchase of investment properties | 13 | (3,935,480) | (117,177) |
| Proceeds from disposal of investment properties (net) | 13.1 | 876,875 | 17,275 |
| Purchase of shares | 17 | (5,000) | - |
| Interest received | 9 | 209,812 | 46,220 |
| **Net cash flows from/ (used in) investing activities** | | (2,989,272) | (58,170) |
| **Financing activities** | | | |
| Dividend paid | 23.3 | (522,082) | (137,390) |
| Addition to loans and borrowings | 27.1 | - | 200,000 |
| Interest on loans and borrowings repayment* | 27.1 | (5,058) | (195,439) |
| Repayments of loans and borrowings | 27.1 | (437,002) | (988,080) |
| **Net cash flows (used in)/from financing activities** | | (964,142) | (1,120,909) |
| Net increase in cash and cash equivalents | | 866,701 | 426,110 |
| Cash and cash equivalents at 1 January | 22 | 845,830 | 341,420 |
| Impact of foreign exchange * | | 100,098 | 78,300 |
| Cash and cash equivalents at 31 December | 22 | 1,812,629 | 845,830 |

The accompanying notes to the financial statements form an integral part of these audited financial statements.

***Refer to note 37 for changes to presentation of comparatives figures.**

AFRILAND PROPERTIES

# NOTES TO THE FINANCIAL STATEMENTS

# NOTES TO THE FINANCIAL STATEMENTS

## 1. Corporate information

Afriland Properties Plc was incorporated as a private limited liability Company on 14 March 2007 and became a public company in 2011.

Afriland Properties Plc (APP) is a Company domiciled in Nigeria. The address of the Company's registered office is 97/105 Broad Street, Lagos. The company is a property management, investment and development company offering end-to-end services along the real estate value chain, from management to joint venture investments. The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with the resolution of the Directors on 3rd March 2025.

## 2. Basis of preparation

### 2.1. Statement of compliance

The financial statements have been prepared in accordance with IFRS Accouting Standards as issued by the International Accounting Standards Board (IASB), Financial Reporting Council of Nigeria (Amendment) Act, 2023 and in accordance with Companies and Allied Matters Act, 2020.

### 2.2. Income and cash flow statement

Afriland Properties Plc has elected to present a single statement of comprehensive income and presents its expenses by function.

The Company reports cash flows from operating activities using the indirect method. Interest received is presented within investing cash flows.

### 2.3. Basis of measurement

These financial statements are prepared on the historical cost basis except for the following:

- Investment properties which are measured at fair value.
- The investment in quoted equity instruments are classified as Fair Value through Other Comprehensive Income.

### 2.4. Functional and presentation currency

The financial statements are presented in Nigerian Naira (₦), which is the Company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousands (N'000).

### 2.5. Going concern

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

### 2.6. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the

# NOTES TO THE FINANCIAL STATEMENTS

judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

**Judgements**

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

## 2.6.1. Goodwill

Goodwill is initially measured at cost, being the excess of the fair value of the consideration transferred and the amount recognised for non- controlling interests, and the fair value of any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Goodwill allocated to cash generating units ('CGUs') for the purpose of impairment testing. The goodwill impairment assessment involves judgment and forecast future cash flows associated with the utilization of goodwill, the discount rates, the growth rate of revenue and costs to be applied in determining the value-in-use and future business performance.

## 2.6.2. Revenue from contracts with customers

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

**Identifying performance obligations in a bundled sale of design and project management services**

The Company provides architectural designs that are either sold separately or bundled together with the provision of project management services to a customer. The project management services are a promise to ensure conformity to the approved design which is completed typically within a year or less than 12 months.

The Company determined that both the design and project management services are capable of being distinct. The fact that the Company regularly sells both design and project management services on a stand-alone basis indicates that the customer can benefit from either the product or service on their own. The Company also determined that the promises to transfer the design and to provide project management services are distinct within the context of the contract. The design and project management are not inputs to a combined item in the contract. The Company is not providing a significant integration service because the presence of the design and project management service together in this contract do not result in any additional or combined functionality and neither the design nor the project management service modify or customise the other. In addition, the design and project management service are not highly interdependent or highly interrelated, because the Company would be able to transfer the design even if the customer declined project management service and would be able to provide project management service in relation to products sold by other distributors.

Consequently, the Company allocated a portion of the transaction price to the design and the project management services based on contract price.

**Estimates and assumption**

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

### 2.6.3. Investment property

The Company makes use of external valuation experts. All properties are valued by external valuers on an annual basis. The following valuation assumptions are used:
In arriving at the Fair Value of the properties, we have adopted the Investment and Depreciated Current Replacement Cost Methods of Valuation.

According to IFRS 13, "Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The concept of Fair Value is in line with that of Market Value as defined by the International Valuation Standards (IVS) which defined Market Value as the most probable price that an item should be bought in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from the seller to the buyer under conditions whereby:

The Investment Method of Valuation entails the estimation of the rental value of the property

# NOTES TO THE FINANCIAL STATEMENTS

and there from deducting outgoings necessary to maintain the property in a state to continue to command such rent and capitalizing the residue over the unexpired term of leasehold interest or in perpetuity as the case may be.

The Depreciated Current Replacement Cost Method of Valuation is the current cost of reinstating the existing structures on site with the entire site works in today's market price, depreciated adequately to reflect the physical condition, economic and functional obsolescence onto which is added the market value of the bare site in its existing use.

Further details of fair value of investment properties are disclosed in Note 13.

### 2.6.4. Other judgements and estimates: Operating lease contracts

**The Company as lessor**

The company has entered into commercial property leases on its investment property portfolio. The company has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

**The Company as lessee**

The company has a lease contract for the rented office building. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Although the lease contract contains an extension option, the Directors are reasonably certain that they will not exercise its option to extend but terminate at the end of the non-cancellable lease term in the contract. Refer to Note 3.18 for details.

**Property, plant and equipment**

The management's estimate is used in determining the depreciation rates and useful lives of these assets at the end of the period. Further details of property, plant and equipment are disclosed in Note 12.

**Impairment of non-financial assets**

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

**Impairment losses on financial assets**

The measurement of impairment losses under IFRS 9 requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

# NOTES TO THE FINANCIAL STATEMENTS

The Company's Expected Credit Loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD)
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

## 3. Summary of material accounting policies

### 3.1. Current versus non-current classification

The company adopts a classification approach in the Statement of Financial Position which distinguished between current and non-current items. An asset is considered current when it meets any of the criteria below:

The Inventory properties (Apartments and lock up shops) are held for the sole objective of selling the assets within the normal operating cycle. Proceeds are realized within twelve months after the reporting period.

It constitutes cash or cash equivalents, unless there are restrictions preventing its exchange or use for settling liabilities for at least twelve months following the reporting period.

All other assets are categorized as non-current.

**3.2.** Similarly, a liability is categorized as current when:

It is discharged within the regular operational cycle. it is retained for trading objectives.

Obligated to be resolved within twelve months following the end of the reporting period.

There exists no absolute entitlement to postpone the resolution of the liability for a minimum of twelve months beyond the reporting period. Any remaining liabilities are categorized as non-current.

Moreover, deferred tax assets and liabilities are categorised as non-current assets and liabilities.

### 3.3. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The company has determined that its chief operating decision-maker is the Chief Executive Officer (CEO) of the Company. Segment information is presented in respect of the following Company's business segments:

1 Facilities Management
2 Project Development
3 Business Development
4 Others *
* Others comprises transactions outside the three revenue streams, such as agency services.

# NOTES TO THE FINANCIAL STATEMENTS

## 3.4. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. 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. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the reporting 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 company makes use of internal and external valuation experts. All properties are valued by external valuers on an annual basis. It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- The provisions of the construction contract.
- The stage of completion.
- Whether the project/property is standard (typical for the market) or non-standard.
- The level of reliability of cash inflows after completion.
- The development risk specific to the property.
- Past experience with similar constructions.
- Status of construction permits.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under 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 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.

# NOTES TO THE FINANCIAL STATEMENTS

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 the profit or loss. Investment properties are derecognised when they have been disposed. Where the Company disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the profit or loss within net gain from fair value adjustment on investment property.

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. Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, 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.

## 3.5. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of the replaced cost is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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, as follows:

| | | |
|---|---|---|
| i. | Freehold land | - Nil |
| ii. | Freehold building | - 50 years |
| iii. | Plant and machinery | - 4years |
| iv. | Motor vehicles | - 3years |
| v. | Furniture, fittings and equipment | - 5years |
| vi. | Computer equipment | - 4years |

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting date. Where an indication of impairment exists, an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

# NOTES TO THE FINANCIAL STATEMENTS

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss for the year.

## 3.6. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised. The estimated useful lives for the current year are as follows;

Computer software- 3 years

## 3.7. Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

## 3.8. Inventory properties

Properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Cost includes;

I. Freehold and leasehold rights for land
ii. Amounts paid to contractors for construction
iii. Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are accrued for when incurred.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventory property recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included under employee benefits and part of cost of sales) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

Where an inventory property undergoes a change in use, with a view to hold the property for long-term rental yields or for capital appreciation rather than for sale in the ordinary course of business, the property is transferred to investment properties. A property's deemed cost for subsequent accounting as investment property is its fair value at the date of change in use.

### 3.9. Share capital and reserves

Shares are classified as equity when there is no obligation to transfer cash or other assets.

#### Share issue costs

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

#### Dividend on ordinary shares

Dividends on the Company's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholders.

#### Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies and Allied Matters Act, 2020, a distribution is authorised when it is approved by the shareholders at the Annual General Meetings (AGM). A corresponding amount is recognised directly in equity.

### 3.10. Employee benefits

#### i. Post-employment benefits - Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to Pension Fund Administrators on a statutory basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. The company operates a funded defined contribution retirement benefit scheme for its employees under the provisions of the Pension Reform Act 2014. The employer

# NOTES TO THE FINANCIAL STATEMENTS

and the employee contributions are 10% and 8% respectively of the qualifying employee's salary.

### ii. Short-term benefits

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

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.

### iii. Retirement and Termination

The Company has no defined benefit scheme but pays its employees all accrued allowances, bonuses and entittlements upon exit of the Company.

## 3.11. Contract balances

### Trade receivables

A receivable represents the 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). Refer to accounting policies of financial assets in Note 3.16) Financial instruments – initial recognition and subsequent measurement.

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the 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 Company performs under the contract.

## 3.12 Revenue recognition

### Revenue is recognised under the following categories:

Revenue from contracts with customers:

- Project management and development income
- Sale of inventory properties
- Fees from facilities management services
- Rental income (IFRS 16)

### Other income:

- Sale of investment property
- Interest income

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 Afriland expects to be entitled in exchange for those goods or services. The Company considers if it is the Principal or Agent in its revenue arrangements.

The company has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since it reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts. Afriland 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.

**Project development income**

Afriland also provides Project Management services that are either sold separately or bundled together with the sale of Design to a customer. The project management services can be obtained from other providers and do not significantly customize or modify the provision of Design. Project development income consist of two separable deliverables of bundled sales whose prices are determined at 7.5% and 2.5% of contract price for design and project management respectively.

Contracts for Project Design and Project Management service are comprised of two performance obligations because the promise to provide Design and provide Project Management services are capable of being distinct and separately identifiable. Accordingly, the Company allocates the transaction price based on contract price.

The Company recognizes revenue from Project management services at a point in time, because the services only involve ensuring acquiescence with the design provided by the Company and such contracts are completed within a year or less than 12 months. Hence, the Company recognizes revenue generally when the project is completed. The normal credit term for Project development services is 90 to 180 days upon completion. The project management services can be obtained from other providers and do not significantly customize or modify the provision of design.

**Sale of Inventory Property**

The sale of inventory property can either be a completed property or property under development.

**Sale of completed property**

A property is regarded as sold when the control of the real estate has been transferred to the buyer, for unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied. Contracts for sale of completed property are valid contracts and enforceable at inception with a promise to deliver completed property. Revenue from sale of completed property is recognised at the point in time when control of the asset is transferred to the customer, generally on transfer of legal title of the property.

**Sales of property under development**

If, however, the legal terms of the contract are such that the performance obligation represents a transfer of work in progress to the purchaser, revenue will be recognized at a point in time when legal title of the property has been transferred to the customer. Hence when:

- The buyer controls the work in progress, typically when the land on which the development takes place is owned by the final customer, and
- All significant risks and rewards of ownership of the work in progress in its present state are transferred to the buyer in its incomplete state.

# NOTES TO THE FINANCIAL STATEMENTS

Accordingly, the Company recognises the transaction price in the profit or loss. There are no form of variable consideration availed to the purchaser.

**Determining the timing of satisfaction of sales of Inventory Properties**
The Company concluded that revenue for sales of inventory properties is to be recognised at a point in time; when the customer obtains control of the property. Afriland assess when control is transferred using the indicators below:

- The Company has a present right to payment for the property sold;
- The Customer has legal title to the property;
- The Company has performed its obligations in the contract;
- The Company has transferred control of the asset and payment has been received;
- The Customer has accepted the asset.

**Contract assets**
If the Company performs by transferring uncompleted properties to a customer before the customer pays consideration or before payment is due contingent on the condition that the property is completed by the Company, a contract asset is recognised for the earned consideration.

**Fees and commission**
The Company recognises revenue from facilities management over time as service is being performed. The normal credit term is between 30-60 days.

The entity recognises revenue from project directorate services over time. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

More so, revenue from agency services is recognised at a point in time, where control is transferred, generally when the customer accepts and pays for the property.

**Determining the timing of satisfaction of Facilities Management Services**
The company concluded that revenue from Facilities Management is to be recognised over time; as service is being performed which automatically transfers control.

**Service charges, management charges and other expenses recoverable from tenants**
Income arising from expenses recharged to tenants is recognised in the period in which the compensation becomes receivable. Service and management charges and other such receipts are included in Net rental income gross of the related costs, as the Directors consider that the Company acts as principal in this respect.

**Determining the timing of satisfaction of Project Management Services**
Project management service involves acceptance of design provided by the company. Afriland concluded that revenue for project management services exist at a point in time.

**Determining the timing of satisfaction of Project Directorate Services**
Afriland concluded that revenue for percentage project directorate services exist over-time. Project directorate service contracts are enforceable at inception.

**Principal versus agent considerations**
The entity sources accommodation, acquires and disposes properties, and negotiates, collects, and pays rent on behalf of its customers. The Company does not control the specified

# NOTES TO THE FINANCIAL STATEMENTS

good or service provided by another party before that good or service is transferred to the customer.

When the Company is acting as an agent, the commission rather than gross income is recorded as revenue. Hence, when it satisfies a performance obligation, the entity recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party. It records revenue on the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party. It also considers if it is a Principal or Agent in its arrangements with customers.

Therefore, the Company has determined that it is an Agent in these contracts and thus, recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party. It records revenue on the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

### Determining the timing of satisfaction of Agency Services

The Company concluded that revenue for agency services is to be recognised at a point in time; when the customer obtains control of the product or service. It assesses when control is transferred using the indicators below:

- The Company has a present right to payment for the service;
- The Customer has legal title to the goods;
- The Company has performed its obligations in the contract;
- The Company has transferred control of the asset and payment has been received;
- The Customer has accepted the asset.

### Other income

### Sale of Investment property

Income from the sale of investment properties is recognised by the entity when the control have been transferred to the customer, which is considered to occur when title passes to the customer, all managerial responsibilities and control are completely devolved to the customer and where the costs and income on sale can be measured reliably. Control is transferred when the legal title or possession is passed to the customer. The granting of the legal title is an administrative matter that can have significant delays.

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

- The Company has a present right to payment for the property sold;
- The Customer has legal title to the goods;
- The Company has performed its obligations in the contract;
- The Company has transferred control of the asset and payment has been received; and
- The Customer has accepted the asset

# NOTES TO THE FINANCIAL STATEMENTS

**Rental income**

The Company is the lessor in operating leases. Rental income arising from operating leases on investment property is accounted for on a straight- line basis over the lease terms and is included in revenue in profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease.

**Interest**

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently. The calculation of the effective interest rate includes all fees and points paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

| Performance Obligation | When Performance Obligation is Typically Satisfied | When Payment is Typically Due | How Stand alone Selling Price is Typically Estimated |
|---|---|---|---|
| **Facilities Management Services** | | | |
| **Facility Management** | The Company recognizes revenue as it renders the management services to its customers (over time). | Within 60 days | Observable in contract document |
| **Project Development & Management** | | | |
| **Project Design** | On completion of the design | Within 90 days | Observable in contract document |
| **Project Supervision** | When project is completed | Within 90 days | Observable in contract document |
| | | | |
| **Project Directorate** | The revenue from the directorate services is recognised overtime as the project is monitored on behalf of its customers. | Within 90 days | Observable in contract document |

# NOTES TO THE FINANCIAL STATEMENTS

| | | | |
|---|---|---|---|
| **Agency Services** | When customer accepts and pays for the property (point in time) | Upon acceptance of the property | Observable in contract document |
| **Sales of Properties** | | | |
| **Build to Sell** | When the title, control of the properties is transferred to the customer and this is generally on delivery of the property (point in time). | Payment is due on delivery date | Observable in contract document |

## 3.13. Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the exposure method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

# NOTES TO THE FINANCIAL STATEMENTS

## 3.14. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 3.15. Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

## 3.16. Financial instrument

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 instruments are initially measured at fair value plus or less transaction costs.

### i. Financial assets

#### Initial recognition and measurement

The Company financial assets are classified, at initial recognition and subsequently measured at amortised cost and fair value through other comprehensive income (OCI).

# NOTES TO THE FINANCIAL STATEMENTS

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, as they initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in Note 3.12 Revenue from contracts with customers.

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

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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 when the entity commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, the company financial assets are classified into these categories:

- Financial assets at amortised cost
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

**Financial assets at amortised cost**

The Company measures all its financial assets at amortised cost when 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 and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on th 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 financial assets at amortised cost includes trade and other receivables, staff loans, sundry debtors, cash and short-term deposits.

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

The company upon initial recognition, elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Company elected to classify irrevocably its listed equity investments under this category primary because they equity instruments and are not for trading.

### Derecognition

The company financial asset is primarily derecognised (i.e., removed from the entity'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 fu without material delay to a third party under a 'pass-through' arrangement; and either (a) it has transferred substantially all the risks and rewards of the asset, or (b) it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the entity has transferred its rights to receive cash flows from an asset, 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 Entity continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entity has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

### Impairment of financial assets

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

ECLs on staff loans and placements with banks 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 (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

# NOTES TO THE FINANCIAL STATEMENTS

For trade receivables and rent receivables, the Company applies a simplified approach in calculating ECLs. Therefore, it does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. For short-term deposit, the general approach was adopted in calculating the ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment using the loss rate model.

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

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## ii. 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, and payables 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 financial liabilities include trade and other payables, and interest-bearing loans and borrowings.

### Loans and borrowings

This is the category most relevant to Afriland. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

### 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.

## iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the entity's 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 3.17. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to Other Comprehensive Income. For such properties, the impairment is recognised in Other Comprehensive Income up to the amount of any previous revaluation. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

## 3.18. Leases

The 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.

# NOTES TO THE FINANCIAL STATEMENTS

**i. Company as a lessor**

Leases in which the 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 term 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.

**ii. Company as a lessee**

The Company applies initial recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises right-of-use assets representing the right to use the underlying assets.

**iii. Right-of-use assets**

The Company has lease contracts for rented office building. The lease of rented office building has a lease term of 5 years. Afriland 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 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, as follows:

- Office buildings - 5 years

If ownership of the leased asset transfers to the 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.

**3.19. 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.

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

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

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

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

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

An entity using another estimation technique may use any observable exchange rate—including rates from exchange transactions in markets or exchange mechanisms that do not create enforceable rights and obligations—and adjust that rate, as necessary, to meet the objective as set out above. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, the entity is required to disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments add a new appendix as an integral part of IAS 21. The appendix includes application guidance on the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented. In addition, the IASB made consequential amendments to IFRS 1 to align with and refer to the revised IAS 21 for assessing exchangeability. The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments.

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

**ii. IFRS 18 Presentation and Disclosures in Financial Statements**

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

# NOTES TO THE FINANCIAL STATEMENTS

IFRS 18 introduces new requirements to:

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

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

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

**iii. IFRS 19 Subsidiaries without Public Accountability: Disclosures**

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

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

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it. An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

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

A subsidiary has public accountability if:

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

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

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

IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not

# NOTES TO THE FINANCIAL STATEMENTS

required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability.

### 3.20 New standards and interpretations effective in the current year

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

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

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

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

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

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

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

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

### iii. Amendments to IAS 1 Presentation of Financial Statements— Non-current Liabilities with Covenants

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

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# NOTES TO THE FINANCIAL STATEMENTS

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

### iv. Amendments to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

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

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

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

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

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| **4. Fees and commission** | | |
| Facility management | 226,252 | 208,359 |
| Agency fee | 240,372 | 163,565 |
| Project development | 1,203,312 | 657,591 |
| Project directorate | 130,144 | 54,172 |
| | **1,800,080** | **1,083,687** |
| **Timing of revenue recognition** | | |
| Goods and services transferred at a point in time | 1,443,684 | 821,156 |
| Goods and services transferred over time | 356,396 | 262,531 |
| | **1,800,080** | **1,083,687** |

# NOTES TO THE FINANCIAL STATEMENTS

Facility management fee represents fee earned on planned preventive maintenance and property life cycle maintenance for the Company's clients.

Agency fee represents income earned on the management of tenant in our client's properties.

Project Directorate fee represents fee on project advisory and management services to the Company's clients. Project Development fee represents fee on property design and development services for the Company's clients.

### 4.1. At 31 December 2024

| **Segments** | **Facilities Management** | **Project Development** | **Project Directorate** | **Others** | **Total** |
|---|---|---|---|---|---|
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| **Major goods/service lines** | | | | | |
| Facilities management services | 226,252 | - | - | - | 226,252 |
| Agency service | - | - | - | 240,372 | 240,372 |
| Project development | - | 1,203,312 | - | - | 1,203,312 |
| Project directorate | - | - | 130,144 | - | 130,144 |
| **Total** | **226,252** | **1,203,312** | **130,144** | **240,372** | **1,800,080** |

**At 31 December 2023**

| **Segments** | **Facilities Management** | **Project Development** | **Project Directorate** | **Others** | **Total** |
|---|---|---|---|---|---|
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| **Major goods/service lines** | | | | | |
| Facilities management services | 208,359 | - | - | - | 208,359 |
| Agency service | - | - | - | 163,565 | 163,565 |
| Project development | - | 657,591 | - | - | 657,591 |
| Project directorate | - | - | 54,172 | - | 54,172 |
| **Total** | **208,359** | **657,591** | **54,172** | **163,565** | **1,083,687** |

### 4.2. Rent received in advance

Rent received in advance consists of deposits received from customers for provision of routine maintenance and deferred revenue, mainly from rental income.

Movements in contract liabilities for the year ended 31 December are as follows:

# NOTES TO THE FINANCIAL STATEMENTS

| | Rents and contract sums received in advance |
|---|---|
| **Rent received in advance** | **₦'000** |
| **1 January 2024** | 1,852,692 |
| Deferred during the year | 1,176,029 |
| Released to statement of profit or loss (Note 25) | (805,437) |
| Service charge payments | (95,567) |
| **31 December 2024** | **2,127,717** |

| | |
|---|---|
| **Rent received in advance** | **₦'000** |
| **1 January 2023** | 2,096,019 |
| Deferred during the year | 611,051 |
| Released to statement of profit or loss (Note 25) | (746,368) |
| Service charge payments | (108,010) |
| **31 December 2023** | **1,852,692** |

| **5. Project management** | **2024** | **2023** |
|---|---|---|
| | ₦'000 | ₦'000 |
| | **300,828** | **124,239** |

Project management income represents revenue derived from the execution of facelift for customers' offices and the supervision of on-going renovation of customers' project. Contracts relating to project development income are recognised at a point in time when control is transfered.

| **6. Rental income** | **2024** | **2023** |
|---|---|---|
| | ₦'000 | ₦'000 |
| | **805,437** | **746,368** |

There is no contingent rental income during the year ended 31 December 2024.

**6.1. Leases - Company as lessor**

The Company has entered into leases on its property portfolio. The commercial property leases have lease terms between 1 and 5 years and include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Future minimum rentals income under non-cancellable operating leases as at 31 December are as follows:

| | **2024** | **2023** |
|---|---|---|
| | ₦'000 | ₦'000 |
| Within 1 year | 759,368 | 421,402 |
| Within 2 years | 245,322 | 225,200 |
| Within 3 years | 223,682 | 182,403 |
| Within 4 years | 191,651 | 171,304 |
| 5 years and beyond | 707,694 | 852,383 |
| | **2,127,717** | **1,852,692** |

# NOTES TO THE FINANCIAL STATEMENTS

## 7. Other Operating Income

| | | |
|---|---|---|
| Dividend income | 55,381 | 23,693 |
| Sales of tiles and others | 729,567 | 188,274 |
| Gain on disposal of investment properties (Note 13.1) | 647,664 | 8,225 |
| Remeasurement of provisions (Note 7.1) | - | 25,000 |
| | **1,432,612** | **245,192** |

Other operating income was derived from non-core business activities like miscellaneous fees, sales of tiles and others.

**7.1.** Remeasurement of provisions relates to excess provision on staff benefits, sundry debtors and contracts obtained from affiliates, which are no longer required.

## 7.2. Foreign exchange gain

| | | Restated |
|---|---|---|
| | **2024** | **2023** |
| | ₦'000 | ₦'000 |
| Foreign exchange gain arises from foreign currency denominated bank balance at year end. | **100,098** | **34,751** |

## 7.3. Expected Credit Losses - Financial assets

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Expected credit losses on short-term deposits (Note 22) | (2,397) | (328) |
| Expected credit losses on rent receivables (Note 32) | (12) | (113) |
| Expected credit losses on trade receivables (Note 32) | (2,100) | (10,871) |
| Write back of expected credit loss on trade receivables (Note 32) | 10,871 | 12,207 |
| Write back of expected credit loss on rent receivables (Note 32) | 113 | 602 |
| Write back of expected credit loss on staff receivables (Note 32) | - | 76 |
| Write back of expected credit loss on short term deposits(Note 22) | 328 | 689 |
| | **6,803** | **2,262** |

# NOTES TO THE FINANCIAL STATEMENTS

## 8. Administrative expenses

| | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| Staff costs (Note 8.1) | 996,465 | 700,380 |
| Depreciation of property, plant and equipment (Note 12) | 27,830 | 25,074 |
| Depreciation of Right-of-Use assets (Note 15) | - | 675 |
| Amortization of intangibles (Note 16) | 560 | 853 |
| Other administrative expenses (Note 8.2) | 847,162 | 470,543 |
| | **1,872,017** | **1,197,525** |

## 8.1. Staff costs

| | | |
|---|---|---|
| Salaries and wages | 707,001 | 526,160 |
| Staff allowances and other benefits | 289,464 | 174,220 |
| | **996,465** | **700,380** |

## 8.2. Other administrative expenses

| | | |
|---|---|---|
| Advertising and publicity | 23,097 | 8,874 |
| Annual General Meeting (AGM) | 82,000 | 67,149 |
| Audit fees * | 19,000 | 15,000 |
| Bank charges | 2,727 | 2,238 |
| Consultancy and professional fees ** | 118,272 | 66,949 |
| Directors emoluments | 84,975 | 64,375 |
| Corporate Social Responsibility | 82,174 | - |
| Entertainment | 90,650 | 40,805 |
| Information system | 115,701 | 71,733 |
| Insurance premium | 9,635 | 9,206 |

# NOTES TO THE FINANCIAL STATEMENTS

| | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| Industrial Training Fund (ITF) levy | 4,517 | 5,197 |
| Land use charge | 9,439 | 22,781 |
| Newspapers and periodicals | 150 | - |
| Nigerian Social Insurance Trust Fund (NSITF) levy | 7,119 | 5,161 |
| Nigerian Housing Fund (NHF) levy | 3,079 | 2,065 |
| Printing and stationeries | 1,550 | 1,559 |
| Rent and rates | 58 | 224 |
| Repairs and maintenance | 113,231 | 53,623 |
| Office security | 21,847 | 12,401 |
| Statutory filling | 45 | 45 |
| Subscriptions to professional bodies | 5,097 | 1,198 |
| Telephone and communication | 2,288 | 2,394 |
| Travel and transport | 18,888 | 10,208 |
| Training and development | 31,623 | 7,356 |
| | **847,162** | **470,543** |

* Audit fees represents fees paid for audit services. The external auditor did not render any non-audit services for the company during the year.

** Consultancy and professional fees comprise fees incurred with respect to tax , legal , board evaluation, strategic advisory services and property valuation amounting to N113.3 million. The remaining N5 million relates to assurance service fee on Internal Control over Financial Reporting rendered by the external auditors. The external auditors did not provide any non-assurance services to the company during the year.

## 9. Interest Income

| | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| Interest income on bank placement | 209,718 | 45,928 |
| Interest income on staff loan | 94 | 292 |
| | **209,812** | **46,220** |

The interest income is recognised using the effective interest rate method.

## 10. Income tax expense

| | | |
|---|---|---|
| **Current income tax** | | |
| Company income tax expense | 293,615 | 227,561 |
| Education tax | 84,170 | 67,454 |
| Police Trust Fund (PTF) Levy | 185 | 120 |
| Capital gains tax | 8,338 | 823 |
| Current year income tax (Note 26.1) | 386,308 | 295,958 |
| Deferred tax expense (Note 26.2) | 694,923 | 388,293 |
| **Total income tax expense reported in profit or loss** | **1,081,231** | **684,251** |

# NOTES TO THE FINANCIAL STATEMENTS

## 10.1. Reconciliation of tax

| | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| **Profit before taxation** | 3,695,529 | 2,411,100 |
| Tax at Nigeria statutory income tax of 30% | 1,108,659 | 723,330 |
| Impact of disallowed expenses for tax purpose | 13,741 | 25,227 |
| Impact of non-taxable income | (280,705) | (89,990) |
| Impact of Capital Allowance | 133,813 | (45,428) |
| Impact of education tax | 84,150 | 67,454 |
| Impact of capital gains tax | 8,338 | 823 |
| Impact of balancing charge | 13,050 | 2,715 |
| Police Trust Fund (PTF) Levy | 185 | 120 |
| | **1,081,231** | **684,251** |

## 11. Basic/diluted earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings computations.

| | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| Profit for the year attributable to ordinary equity holders | 2,614,298 | 1,726,849 |
| | Number '000 | Number '000 |
| Weighted average number of ordinary shares for basic earnings per share | 1,373,900 | 1,373,900 |
| Weighted average number of ordinary shares for diluted earnings per share | 1,373,900 | 1,373,900 |
| Basic earnings per share - Naira | 1.90 | 1.26 |
| Diluted earnings per share - Naira | 1.90 | 1.26 |

There are no dilutive instruments in issue as at reporting date thus diluted and basic earnings per share are same.

# NOTES TO THE FINANCIAL STATEMENTS

## 12. Property, plant and equipment

| | Plant and machinery | Furniture, fittings and equipment | Motor vehicles | Computer equipment | Total |
|---|---|---|---|---|---|
| **Cost:** | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| At 1 January 2023 | 7,871 | 169,104 | 114,696 | 27,406 | 319,077 |
| Additions | - | 277 | - | 4,211 | 4,488 |
| **At 31 December 2023** | **7,871** | **169,381** | **114,696** | **31,617** | **323,565** |
| At 1 January 2024 | 7,871 | 169,381 | 114,696 | 31,617 | 323,565 |
| Additions | 7,582 | 19,313 | 80,000 | 27,544 | 134,439 |
| **At 31 December 2024** | **15,453** | **188,694** | **194,696** | **59,161** | **458,004** |
| **Accumulated depreciation:** | | | | | |
| At 1 January 2023 | **7,860** | **140,990** | **81,410** | **20,582** | **250,842** |
| Charge for the year | 11 | 9,621 | 10,360 | 5,082 | 25,074 |
| **At 31 December 2023** | **7,871** | **150,611** | **91,770** | **25,664** | **275,916** |
| At 1 January 2024 | **7,871** | **150,611** | **91,770** | **25,664** | **275,916** |
| Charge for the year | 1,264 | 3,697 | 13,400 | 9,469 | 27,830 |
| **At 31 December 2024** | **9,135** | **154,308** | **105,170** | **35,133** | **303,746** |
| **Carrying amount:** | | | | | |
| **At 31 December 2024** | **6,318** | **34,386** | **89,526** | **24,028** | **154,258** |
| **At 31 December 2023** | **-** | **18,770** | **22,926** | **5,953** | **47,649** |

**Property, plant and equipment**

- There is no restriction on title, and no property, plant and equipment were pledged as security for liabilities;
- The amount of expenditures recognised is the carrying amount of an item of property, plant and equipment in the course of its construction;
- No contractual commitments for the acquisition of property, plant and equipment; and
- No compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in profit or loss.
- No temporarily idle property, plant and equipment;
- No property, plant and equipment retired from active use; none was classified as held for sale in accordance with IFRS 5; and no fair value of property.

# NOTES TO THE FINANCIAL STATEMENTS

## 13. Investment properties

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 14,802,200 | 12,411,107 |
| Additions | 3,935,480 | 117,177 |
| Disposals (Note 13.1) | (229,211) | (9,050) |
| Transfer from inventory property (Note 14) | 322,154 | 2,024,184 |
| Fair value gain | 685,516 | 258,782 |
| **At 31 December** | **19,516,139** | **14,802,200** |

## 13.1. Gain on disposal of investment properties

| | 2024 | 2023 |
|---|---|---|
| Proceeds on disposal | 895,000 | 18,250 |
| Selling expenses | (18,125) | (975) |
| Net proceeds from disposal | 876,875 | 17,275 |
| Disposal | (229,211) | (9,050) |
| Gain on disposal | **647,664** | **8,225** |

The Company's investment properties consist of several properties across Nigeria. Management determined that the investment properties consist of three classes of assets – office, residential and bare lands – based on the nature, characteristics and risks of each property.

As at 31 December 2024, the fair values of the properties are based on valuations performed by external professional, Opurum & Partners. The Managing Partner is C. J. Opurum FRC/2014/NIESV/00000009134, a member of Chartered Estate Surveyors and an accredited independent valuer, a specialist in valuing these types of investment properties. The market data valuation approach, in accordance with what is recommended by the International Valuation Standards Committee has been applied after making the following assumptions:

a) That the information which the valuation is based on is correct;
b) That the title to the property is good and marketable;
c) That the property is not adversely affected by or subject to compulsory acquisition, road widening, new proposal or planning scheme;
d) That the property is free from all onerous charges and restrictions.

The investment properties were valued on the basis of open market; that is the price which an interest in a property or an item of plant and machinery might reasonably be expected to realise in a sale by a private treaty assuming:

a) a willing buyer;
b) a reasonable period within which to negotiate the sale taking into account the nature of the assets and the state of the market;

## NOTES TO THE FINANCIAL STATEMENTS

c) values will remain static throughout the period;
d) the assets will be freely exposed to the market;
e) no account is to be taken as an additional bid by a special purchaser;
f). no account is to be taken of expense of realisation, which may arise in the event of a disposal.

| | 2024 ₦'000 | 2023 ₦'000 |
|---|---|---|
| Rental income derived from investment properties (Note 6) | 805,437 | 746,368 |
| Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in admin expense) | (616) | (690) |
| Direct operating expenses that generate rental income (included in admin expense) | - | - |
| **Profit arising from investment properties carried at fair value** | **804,821** | **745,678** |

| Types of Investment properties | Valuation technique | Non-observable inputs |
|---|---|---|
| Office properties | The valuation is based on physical inspection of the condition , qualities, features and characteristics of the properties. The value of the office properties was derived using a market data approach. | Estimated price per square meters adjusted for the nature, location and conditions of the investment properties.<br>The price range used per square metre are N10,000 – N55,000 |
| Residential properties | The depreciated replacement cost of the buildings/structure has been assessed by the contractors test method based on current building/construction cost indices taking into account the condition, age, qualities, features and characteristics of the buildings/structures. The fair value has been adjusted for all forms of obsolescence. (i.e physical deterioration and obsolescence). | Estimated price per square meters adjusted for the nature, location and conditions of the investment properties.<br>The price range used per square metre are N5,000 – N25,000 |
| Bare land | The value of the landed property was arrived at using market data approach after a thorough analysis of recent sales transaction of similar sites in comparable locations. | The significant observable inputs used are;<br>- Area of square meters<br>-Rate of development in the area<br>-Quality of the land<br>-The land are free from all onerous encumbrances and or charges<br>The lands are not subject to any compulsory acquisition or road widening scheme. |

# NOTES TO THE FINANCIAL STATEMENTS

## 14. Inventory properties

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 787,364 | 3,253,914 |
| Additions | - | 1,251,994 |
| Disposal | (335,637) | (1,694,360) |
| Transfer to investment property (Note 13) | (322,154) | (2,024,184) |
| At 31 December | **129,573** | **787,364** |

### 14.1. Changes in Inventory properties for the purpose of cashflows

| | | |
|---|---|---|
| Additions during the year | - | 1,251,994 |
| Disposal | (335,637) | (1,694,360) |
| At 31 December | (335,637) | (442,366) |

### 14.2. Gain on disposal of inventory properties

| | | |
|---|---|---|
| Proceeds on disposal | 888,152 | 3,035,812 |
| Selling expenses | (41,215) | (274,328) |
| Net proceeds from sale of Inventory Properties (Build to Sell) | 846,937 | 2,761,484 |
| Cost of sales on inventory properties | (620,577) | (1,694,360) |
| | **226,360** | **1,067,124** |

### 14.3. Capitalised borrowing costs

The Company capitalised borrowing costs for assets under construction. The borrowing cost directly attributable to the construction of the projects that take substantial period of time to get ready for the intended use are capitalized as part of the cost of the assets. At 31 December 2024, the amount capitalized on proprietary project during construction - 4 Club Road Ikoyi is N5,058,449 (2023: N195,439,000).

The Company develops properties, which it sells in the ordinary course of business. Revenue from sales of inventory property where the contracts are not in substance construction contracts and do not lead to a continuous transfer of work in progress, is recognised when both:

(i) construction is complete; and

(ii) either legal title to the property has been transferred or there has been an unconditional exchange of contracts. Construction and other expenditure attributable to such property are included in inventory property until disposal.

## 15. Right-of-use assets

**Company as a lessee**

The Company has lease contract for rented office building. The lease of rented office building has a lease term of 5 years. The Company has made full payment for the lease for the 5 year period and therefore have no lease liability regarding the office building.

# NOTES TO THE FINANCIAL STATEMENTS

Set out below are the carrying amount of right-of-use assets recognised and the movements during the year:

| | Office Building | |
|---|---|---|
| | 2024 | 2023 |
| | ₦'000 | ₦'000 |
| At 1 January | - | 675 |
| Depreciation expense for the year | - | (675) |
| At 31 December | - | - |

**The following amount was recognised in profit or loss:**

| | 2024 | 2023 |
|---|---|---|
| | **₦'000** | **₦'000** |
| Depreciation expense of right-of-use assets | - | 675 |
| Total amount recognised in profit or loss | - | 675 |

## 16. Intangible assets

| | Goodwill | Computer software | Total |
|---|---|---|---|
| | **₦'000** | **₦'000** | **₦'000** |
| **Costs** | | | |
| At 1 January 2023 | 842,471 | 21,493 | 863,964 |
| Additions | - | - | - |
| At 31 December 2023 | 842,471 | 21,493 | 863,964 |
| At 1 January 2024 | 842,471 | 21,493 | 863,964 |
| Additions | - | 1,040 | 1,040 |
| At 31 December 2024 | 842,471 | 22,533 | 865,004 |
| **Amortisation** | | | |
| At 1 January 2023 | 281,289 | 20,080 | 301,369 |
| Amortization for the year | - | 853 | 853 |
| At 31 December 2023 | 281,289 | 20,933 | 302,222 |
| At 1 January 2024 | 281,289 | 20,933 | 302,222 |
| Amortization for the year | - | 560 | 560 |
| At 31 December 2024 | 281,289 | 21,493 | 302,782 |
| **Carrying amount:** | | | |
| At 31 December 2024 | **561,182** | **1,040** | **562,222** |
| At 31 December 2023 | **561,182** | **560** | **561,742** |

# NOTES TO THE FINANCIAL STATEMENTS

**Carrying amount of goodwill allocated to each of the Cash Generating Units (CGU).**
Goodwill acquired through business combinations is allocated to the following CGUs, which are operating and reportable segments, for impairment testing;

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Facilities management | 67,342 | 67,342 |
| Project development | 89,789 | 89,789 |
| Business development | 375,992 | 375,992 |
| Others | 28,059 | 28,059 |
| | **561,182** | **561,182** |

Transactions outside the three revenue stream, such as agency services are treated as others.

**Facilities management CGU**
The recoverable amount of the facilities management CGU was N4.1billion as at 31 December 2024 (2023: N4.1billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 20% for the years 2025 – 2029 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result, management has concluded that there was no impairment as at 31 December 2024 (2023: Impairment loss is Nil). A rise in the pre-tax discount rate to 30% in the Facilities Management would result in an impairment.

**Project development CGU**
The recoverable amount of the project development CGU was N5.7billion as at 31 December 2024 (2023: N5.7 billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 20% for the years 2025 – 2029 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result of this analysis, management has concluded that there was no impairment as at 31 December 2024 (2023: Impairment loss is Nil). A rise in the pre-tax discount rate to 30% in the Project Development would result in an impairment.

**Business development CGU**
The recoverable amount of the business development CGU was N15.4 billion as at 31 December 2024 (2023: N15.4billion). It has been determined based on a value in use

# NOTES TO THE FINANCIAL STATEMENTS

calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 20% for the years 2025 – 2029 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result of this analysis, management has concluded that there was no impairment as at 31 December 2024 (2023: Impairment loss is Nil). A rise in the pre-tax discount rate to 30% in the Business Development would result in an impairment.

**Others CGU**
The recoverable amount of the other CGU was N1.8 billion as at 31 December 2024 (2023: N1.8 billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 20% for the years 2025 – 2029 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result of this analysis, management has concluded that there was no impairment as at 31 December 2024 (2023: Impairment loss is Nil). A rise in the pre-tax discount rate to 30% in the Other CGU would result in an impairment.

**Key assumptions used in value in use calculations and sensitivity to changes in assumptions**
The calculation of value in use for facilities management, project development, business development and other units is most sensitive to the following assumptions:
- Gross margins
- Discount rates
- Growth rates used to extrapolate cash flows beyond the forecast period

Gross margins - Gross margins are based on average values achieved in the two years preceding the beginning of the budget period. These are increased over the budget period for anticipated efficiency improvements. An increase of 25% per annum was applied for all the CGUs. Decreased demand can lead to a decline in the gross margin. A decrease in the gross margin would result in impairment in the business development, project development, other and facility management segments.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC).

The WACC takes into account equity. The cost of equity is derived from the expected return on

# NOTES TO THE FINANCIAL STATEMENTS

investment by the Company's investors. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. A rise in the pre-tax discount rate would result in impairment in the business development, project development, other and facility management segments.

Growth rate estimates - Rates are based on published industry research.
Management recognises that the speed of technological change and the possibility of new entrants can have a significant impact on growth rate assumptions. The effect of new entrants is not expected to have an adverse impact on the forecasts but could yield a reasonably possible alternative to the estimated long-term growth rate of 10% for all the units. A reduction in the long-term growth rate would result in impairment in the business development, project development, other and facility management segments.

## 17. Equity instrument measured at fair value through other comprehensive income

This represents the Company's investment in equity shares of Transcorp Hotel Plc and United Bank for Africa Plc. The fair value of these quoted equity shares are determined by reference to published price quotations in the Nigerian Exchange Limited (NGX).

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 14,211,450 | 1,265,625 |
| Addition | 5,000 | - |
| Fair value gain for the year | 9,279,757 | 12,945,825 |
| At 31 December | **23,496,207** | **14,211,450** |

## 17.1. Fair value reserve of financial assets through OCI

| | ₦'000 | ₦'000 |
|---|---|---|
| At 1 January | 11,972,468 | 321,225 |
| Fair value gain for the year (See above) | 9,279,757 | 12,945,825 |
| Deferred tax on financial assets through OCI (Note 26.2) | (927,975) | (1,294,582) |
| Fair value gain on equity instrument measured at OCI (net of tax) | 8,351,782 | 11,651,243 |
| at 31 December | **20,324 250** | **11,972,468** |

## 18. Prepayments

| | | |
|---|---|---|
| Non-current (Note 18.1) | 11,810 | 16,244 |
| Current (Note 21) | 65,675 | 44,042 |
| **Total** | 77,485 | 60,286 |

# NOTES TO THE FINANCIAL STATEMENTS

## 18.1. Prepayments- non current

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Prepaid employee's car allowance | 11,810 | 16,244 |

Prepaid employees' car allowance represents employee car allowances to be amortised over two years.

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 60,286 | 58,161 |
| Addition during the year | 389,646 | 192,272 |
| | 449,932 | 250,433 |
| Charged to profit or loss | (372,446) | (190,147) |
| At 31 December | 77,486 | 60,286 |
| Current (Note 21) | 65,675 | 44,042 |
| Non- current | 11,810 | 16,244 |
| | 77,485 | 60,286 |

## 19. Trade and other Receivables

| | | |
|---|---|---|
| Trade receivables* | 2,118,572 | 1,350,490 |
| Allowance for receivables (Note 32) | (2,100) | (10,871) |
| Net trade receivables | 2,116,472 | 1,339,619 |
| **Other receivables** | | |
| Rent receivables (Note 32) | 1,791 | 20,054 |
| Withholding tax recoverable | 198,174 | 118,298 |
| Sundry debtors** | 408,090 | 300,999 |
| | **2,724,527** | **1,778,970** |

*Trade receivables are non-interest bearing and are typically due within 90 days. The impairments on the receivables as at year-end based on the estimated credit loss basis with the counter-parties is N2.1million (2023: N10.871 million).

**Sundry debtors represent amount paid in advance for the mobilisation of development of property and survey plan.

# NOTES TO THE FINANCIAL STATEMENTS

## 20. Other assets

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Advance to contractors (Note 20.1) | 84,877 | 976,557 |
| Loan to staff (Note 20.2) | 73 | 1,142 |
| Staff loan impairment | - | (6) |
| | **84,950** | **977,693** |

**20.1.** This represents payments made to contractors in respect of various ongoing projects in which the company is an agent.

**20.2.** Loan to staff are non-derivative financial assets carried at amortised cost which generate a fixed interest income of 5% for the Company.

## 21. Prepayments (current)

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Health insurance | 25,626 | 7,905 |
| Office building insurance | 7,526 | 6,934 |
| Other Prepayments (Note 21.1) | 32,523 | 24,892 |
| Employee car allowance | - | 4,311 |
| | **65,675** | **44,042** |

**21.1. Other prepayments**

This represents prepaid insurance - motor vehicle of N1.5million, and software license fees and computer consumables of N29 million.

## 22. Cash and cash equivalents

| | | |
|---|---|---|
| Cash at bank | 173,226 | 644,860 |
| Short-term deposits | 1,641,800 | 201,298 |
| | 1,815,026 | 846,158 |
| Impairment of short-term deposit | (2,397) | (328) |
| | **1,812,629** | **845,830** |

**Movement in impairment of short-term deposit**

# NOTES TO THE FINANCIAL STATEMENTS

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| **At 1 January** | (328) | 698 |
| Reversal of impairment loss | 328 | (698) |
| Recognised in the statement of profit or loss | (2,397) | (328) |
| | (2,397) | (328) |

Cash at bank 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 Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and short-term deposits as included above.

| | 2024 | 2023 |
|---|---|---|
| **23. Share Capital and share premium** | ₦'000 | ₦'000 |
| **23.1. Share Capital Issued and fully paid** | | |
| 1,373,900,000 (2023: 1,373,900,000) ordinary shares of 50k each | 686,950 | 686,950 |

| | 2024 | 2023 |
|---|---|---|
| **23.2. Share premium** | ₦'000 | ₦'000 |
| Share premium | 2,944,271 | 2,944,271 |

The share premium amount form part of the non-distributable reserves of the Company which can be used only for the purposes specified under Companies and Allied Matters Act, 2020.

| | 2024 | 2023 |
|---|---|---|
| **23.3. Dividend distribution made and proposed** | ₦'000 | ₦'000 |
| Cash dividends on ordinary shares declared and paid: | | |
| Final dividend for 2024: 63 kobo per share (2023: 25 kobo per share) | 522,082 | 137,390 |

# NOTES TO THE FINANCIAL STATEMENTS

## 24. Trade and other payables

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Trade payables | 1,963 | 28,706 |
| Accruals (Note 24.1) | 371,990 | 471,395 |
| Rentals received on-behalf of third parties | 1,560,415 | 922,023 |
| Service charge (Note 24.2) | 137,507 | 51,355 |
| Value Added Tax | - | 239,819 |
| Withholding Tax | 59,349 | 91,711 |
| Other payables (Note 24.3) | 2,229,918 | 191,976 |
| Project account (Note 24.4) | 1,732,624 | 1,618,604 |
| | **6,093,766** | **3,615,589** |

### 24.1. Accruals

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Audit fee | 7,201 | 12,046 |
| Professional and consultancy fee | 319,788 | 322,842 |
| Annual General Meeting (AGM) | 42,470 | 100,710 |
| Other accruals | 2,531 | 35,797 |
| | **371,990** | **471,395** |

Professional and consultancy fee are payments due on projects.

Other accruals represent other committed costs which includes statutory deductions such as pension contributions and PAYE.

### 24.2. Service charge

Service charge represents deposits received from customers for the purpose of facility management services provided by the Company on their behalf.

### 24.3 Other payables

Other payables represent staff benefit, regularization of statutory building plan, withholding tax in respect of civil works and installation of marble top and IT equipments by vendors and developers.

### 24.4. Project account

Project account relates to supply and delivery of mantrap doors, note sorting machines, generator sets, tiles, renovation and other construction projects costs.

# NOTES TO THE FINANCIAL STATEMENTS

## 25. Rent received in advance

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 1,852,692 | 2,096,019 |
| Deferred during the year | 1,176,029 | 611,051 |
| Released to the statement of profit or loss (Note 6) | (805,437) | (746,368) |
| Payment from service charge account | (95,567) | (108,010) |
| At 31 December | 2,127,717 | 1,852,692 |
| Current | **759,369** | **434,619** |
| Non-current | **1,368,348** | **1,418,073** |

## 26. Taxation

### 26.1. Income tax payable

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 309,356 | 278,337 |
| Charge for the year (Note 10) | 386,308 | 295,958 |
| Payments during the year | (66,440) | (66,654) |
| Withholding tax utilized | (218,158) | (198,285) |
| At 31 December | **411,066** | **309,356** |

### 26.2. Deferred tax liabilities

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 3,373,408 | 1,690,533 |
| Current year tax provision (Note 10) | 694,923 | 388,293 |
| Deferred tax on financial assets through OCI (Note 17.1) | 927,975 | 1,294,582 |
| At 31 December | **4,996,306** | **3,373,408** |

# NOTES TO THE FINANCIAL STATEMENTS

| **Deferred tax relating to the following:** | | |
|---|---|---|
| Accelerated depreciation for tax | 46,590 | 1,774,463 |
| Valuation of financial assets through OCI | 2,978,419 | 1,294,582 |
| Revaluation of investment properties to fair value | 2,067,865 | 560,247 |
| Exchange difference | 33,032 | 3,678 |
| Impairment of financial assets | (1,488) | (3,363) |
| Unabsorbed capital allowance | (128,112) | (256,199) |
| **Deferred tax recognised in the statement of financial position** | **4,996,306** | **3,373,408** |

## 27. Interest- bearing loans and borrowings

| | | |
|---|---|---|
| Promissory notes | - | 339,895 |
| Accrued interests on promissory notes | - | 97,107 |
| | - | 437,002 |

This represent promissory notes obtained from Companies in the current year and the oustanding balance relating to prior year borrowings at interest

rates between 10.75% to 11.5% for the purpose of funding assets under construction. The detail movement in the borrowing is as follow:

## 27.1. Interest-bearing loans and borrowings

| | **2024** | **2023** |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 437,002 | 1,225,082 |
| Addition during the year | - | 200,000 |
| Accrued interest (Note 14.3) | 5,058 | 195,439 |
| Repayment | (442,060) | (1,183,519) |
| At 31 December | **-** | **437,002** |

# NOTES TO THE FINANCIAL STATEMENTS

## 28. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one party controls both. The definition includes key management personnel of the Company.

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of Afriland Properties Plc, directly or indirectly, including any director (whether executive or non-executive). The individuals who comprised the key management personnel are the Board of Directors as well as certain key management and officers.

There was no outstanding balance in respect of transactions that have been entered into with related parties as at 31 December 2024 (2023: Nil).

| **Compensation of the key management personnel** | **2024** | **2023** |
|---|---|---|
| | ₦'000 | ₦'000 |
| **Directors fee and other emoluments** | | |
| Chairman | 14,000 | 8,000 |
| Other Directors | 70,975 | 56,375 |
| **Total** | 84,975 | 64,375 |
| **Non executive Directors Fee/ emoluments** | | |
| Fees | 57,375 | 38,625 |
| Other emoluments | 27,600 | 25,750 |
| | 84,975 | 64,375 |

| | **2024** | **2023** |
|---|---|---|
| | Number | Number |
| Total number of Directors | 8 | 7 |

# NOTES TO THE FINANCIAL STATEMENTS

**29. Information relating to employees**

**i.** The average number of persons employed full time by the Company during the year, excluding Directors were as follows:

| | 2024 | 2023 |
|---|---|---|
| | Number | Number |
| Executives | 2 | 2 |
| Project management | 22 | 17 |
| Facilities management and projects | 4 | 5 |
| Technical consultancy | 3 | 2 |
| Business development | 4 | 4 |
| Other business support | 11 | 9 |
| | 46 | 39 |

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Salaries and wages including staff bonuses | 980,131 | 684,356 |
| Contributions to pension scheme | 16,334 | 16,024 |
| | 996,465 | 700,380 |

In line with Section 238 of CAMA 2020, included in the total salaries and wages above, is the remuneration of Managers in the Company for the year of N413 million (2023 : N265 million)

**ii.** Employees of the Company, other than Directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following range:

| ₦ | ₦ | 2024 | 2023 |
|---|---|---|---|
| | | Number | Number |
| 900,001 – | 4,000,000 | - | - |
| 4,000,001 – | 6,000,000 | - | 2 |
| 6,000,001 – | 8,000,000 | 3 | 4 |
| 8,000,001 – | 10,000,000 | 5 | 7 |
| 10,000,001 – | 12,000,000 | 7 | 10 |
| Above 12,000,001 | | 31 | 16 |
| | | 46 | 39 |

# NOTES TO THE FINANCIAL STATEMENTS

**30. Litigation and claims**

As of 31 December 2024, the Company in its ordinary course of business is involved in five cases as a defendant and one as a plaintiff. No liability is estimated in the five cases in which the company stands as a defendant, while the total amount claimed in the case instituted by the Company is N59.9million.

**31. Capital commitments**

The Company had no capital commitment as at 31 December 2024 (2023: Nil).

**32. Financial instrument's risk management objectives and policies**

The Company is exposed to market risk (including interest rate risk, price risk and real estate risk), credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. As such, the Company's senior management is supported by the Finance Risk and General Purpose Committee (FRGPC) that advises on financial risks and the appropriate financial risk governance framework for the Company. The FRGPC provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies for risk.

The board of directors reviews and agrees policies for managing each of these risks which are summarized below.

**Market risk**

Market risk is the risk that the fair values and/ or cash flows of financial instruments will fluctuate because of changes in market prices thus resulting in loss of earnings and/or capital to the Company. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, fixed deposits and equity instruments at fair value through other comprehensive income.

**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 day-to-day management of interest rate risk is done by the Finance and Investment department; this is reviewed by the Board's Finance Risk and General Purpose Committee (FRGPC) on a quarterly basis. The Company is not materially exposed to interest rate risk at the end of the reporting period as the borrowings has a fixed interest rate.

**Equity price risk**

The Company's listed equity security is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments. The Company's Board of Directors reviews and approves all equity investment decisions. At the reporting date, the exposure to listed equity securities at fair value was N23.496 billion (2023: N14.211 billion). A decrease or increase of 5% on the Nigerian Exchange Limted market index could have an impact of approximately N1.175 billion (2023: N711million) on other comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Afriland is exposed to credit risk from its operating activities (primarily trade receivables and lease receivables) and from its financing activities, including deposits with Entity's and financial institutions, and other financial instruments.

Credit risk is monitored by the entity's Finance and Investment Department. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties.

Afriland has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement. Risk ratings are subject to regular revision.

**Trading relationships**

The Company's trading relationship and counterparties comprise Banks, Oil & Gas, Manufacturing and Individuals. For these relationships, the Company's Finance and Investment department analyses publicly available information such as financial information and other external data, and assigns the internal rating.

**Trade receivables**

Customer credit risk is managed by the Finance and Investment department subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The loss rates are based on days past due for the Companies of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). 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 below. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

AFRILAND PROPERTIES

## NOTES TO THE FINANCIAL STATEMENTS

**Nigeria Mapping Table**

| Global-scale long term local currency rating | National scale long term rating | National scale short term rating | Agusto rating | Implied S&P rating class (without modifiers) | Implied S&P rating categories (with modifiers) |
|---|---|---|---|---|---|
| BB+ and above | ngAAA | ngA-1 | AAA | B | B+ |
| BB | ngAA+ | ngA-1 | AA | B | B |
| BB- | ngAA, ngAA- | ngA-1 | AA | B | B |
| B+ | ngA+, ngA, ngA- | ngA-1, ngA-2 | A | B | B |
| B | ngBBB+, ngBBB,ngBBB- | ngA-2, ngA-3 | BBB | B | B- |
| B- | ngBB+, ngBB | ngB | BB | B | B- |
| CCC+ | ngBB-, ngB+ | ngB | B | CCC | CCC+ |
| CCC | ngB, ngB-, ngCCC+ | ngC | B | CCC | CCC |
| CCC- | ngCCC, ngCCC- | ngC | CCC | CCC | CCC- |
| CC | ngCC | ngC | CC | CC | CC |
| C | ngC | ngC | C | C | C |
| R | R | R | D | D | D |
| SD | SD | SD | D | D | D |
| D | D | D | D | D | D |

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

| | Current | 1-30 days | 31–60 days | 61–90 day | 91–120 days | 121-150 days | 151-365 days | Total |
|---|---|---|---|---|---|---|---|---|
| **31-Dec-24** | | | | | | | | |
| **Expected credit loss rate** | 0.095% | 0.101% | 0.102% | 0.101% | 0.101% | 0.100% | 0.101% | |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Estimated total gross carrying am | 614,168 | 207,523 | 77,447 | 721,286 | 331,413 | 15,988 | 150,747 | 2,118,572 |
| Expected credit loss | 581 | 210 | 79 | 728 | 334 | 16 | 152 | 2,100 |
| **31-Dec-23** | | | | | | | | |
| **Expected credit loss rate** | 0.37% | 0.61% | 1.09% | 1.39% | 1.78% | 0.49% | 1.83% | |
| Estimated total gross carrying am | 252,654 | 555,434 | 64,686 | 73,768 | 57,483 | 140,569 | 171,313 | 1,315,907 |
| Expected credit loss | 940 | 3,363 | 702 | 1,028 | 1,022 | 689 | 3,127 | 10,871 |

# NOTES TO THE FINANCIAL STATEMENTS

| In thousands of Naira | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 10,871 | 12,207 |
| Charge expected credit loss | 2,100 | 10,871 |
| Write back of expected credit loss | (10,871) | (12,207) |
| **At 31 December** | 2,100 | 10,871 |

Set out below is the information about the credit risk exposure on the Company's rent receivables using a provision matrix:

| | Current | 1-30 days | 31–60 days | 61–90 days | 91–120 days | 121-150 days | 151-365 days | Total |
|---|---|---|---|---|---|---|---|---|
| **31-Dec-24** | | | | | | | | |
| **Expected credit loss rate** | 0.72% | 0.72% | 0.72% | 0.00% | 0.00% | 0.00% | 0.63% | |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Estimated total gross carrying amount at default | 79 | 79 | 79 | 0 | 0 | 0 | 1,667 | 1,904 |
| Expected credit loss | 1 | 1 | 1 | 0 | 0 | 0 | 11 | 12 |
| **31-Dec-23** | | | | | | | | |
| **Expected credit loss rate** | 0.55% | 0.55% | 0.55% | 0.55% | 0.55% | 0.55% | 0.56% | |
| Estimated total gross carrying amount at default | 2,708 | 2,708 | 2,708 | 2,708 | 2,708 | 2,708 | 3,917 | 20,165 |
| Expected credit loss | 15 | 15 | 15 | 15 | 15 | 15 | 23 | 113 |

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Rent receivables | 1,904 | 20,167 |
| Impairment allowance | (12) | (113) |
| **At 31 December** | **1,892** | **20,054** |

Set out below is the movement in the allowance for expected credit losses of rent receivables:

| In thousands of Naira | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| At 1 January | 113 | 602 |
| Write back of expected credit loss | (113) | (602) |
| Charge of expected credit loss | 12 | 113 |
| Total | 12 | 113 |

# NOTES TO THE FINANCIAL STATEMENTS

**Expected credit loss measurement - other receivables**

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

For trade receivables and rent receivables, the Company applies a simplified approach in calculating ECLs. Therefore, it does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. For short-term deposit, the general approach was adopted in calculating the ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment using the loss rate model.

ECLs on staff loans and placements wth banks 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 (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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 Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

# NOTES TO THE FINANCIAL STATEMENTS

**Analysis of inputs to the ECL model under multiple economic scenarios**
An overview of the approach to estimating ECLs is set out in Note 3.16 Summary of significant accounting policies and in Note 2.6 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within the Finance department verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Company's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 December 2024 and 31 December 2023.

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

| **Key drivers** | **ECL** | | | | | | |
|---|---|---|---|---|---|---|---|
| **31 December 2024** | Scenario | 2022 | 2023 | 2024 | 2025 | 2026 | Subsequent years |
| **GDP growth** | | | | | | | |
| | Upturn | 0.35 | 0.38 | 0.36 | 0.35 | 0.35 | 0.41 |
| | Base | 0.16 | 0.14 | 0.16 | 0.15 | 0.15 | 0.15 |
| | Downturn | 0.05 | 0.02 | 0.04 | 0.05 | 0.05 | (0.01) |
| **Oil Price %** | | | | | | | |
| | Upturn | 25.00 | 65.00 | 68.00 | 56.00 | 56.00 | 71.00 |
| | Base | 59.09 | 54.00 | 56.00 | 61.00 | 61.00 | 57.00 |
| | Downturn | 15.91 | 35.00 | 32.00 | 34.00 | 34.00 | 29.00 |
| **Exchange rate $/N** | | | | | | | |
| | Upturn | 88.00 | 165.00 | 160.00 | 167.00 | 167.00 | 155.00 |
| | Base | 132.00 | 230.95 | 242.49 | 245.49 | 245.49 | 254.62 |
| | Downturn | 172.00 | 237.02 | 248.87 | 229.87 | 229.87 | 261.32 |
| **Inflation rate %** | | | | | | | |
| | Upturn | 20.00 | 20.00 | 18.00 | 21.00 | 21.00 | 16.00 |
| | Base | 55.00 | 34.00 | 35.00 | 36.00 | 36.00 | 36.00 |
| | Downturn | 25.00 | 40.00 | 42.00 | 44.00 | 44.00 | 44.00 |

# NOTES TO THE FINANCIAL STATEMENTS

| 31 December 2023 | Scenario | 2022 | 2023 | 2024 | 2025 | 2026 | Subsequent years |
|---|---|---|---|---|---|---|---|
| **GDP growth** | | | | | | | |
| | Upturn | 0.35 | 0.38 | 0.36 | 0.35 | 0.35 | 0.41 |
| | Base | 0.16 | 0.14 | 0.16 | 0.15 | 0.15 | 0.15 |
| | Downturn | 0.05 | 0.02 | 0.04 | 0.05 | 0.05 | (0.01) |
| **Oil Price %** | | | | | | | |
| | Upturn | 25.00 | 65.00 | 68.00 | 56.00 | 56.00 | 71.00 |
| | Base | 59.09 | 54.00 | 56.00 | 61.00 | 61.00 | 57.00 |
| | Downturn | 15.91 | 35.00 | 32.00 | 34.00 | 34.00 | 29.00 |
| **Exchange rate $/N** | | | | | | | |
| | Upturn | 88.00 | 165.00 | 160.00 | 167.00 | 167.00 | 155.00 |
| | Base | 132.00 | 230.95 | 242.49 | 245.49 | 245.49 | 254.62 |
| | Downturn | 172.00 | 237.02 | 248.87 | 229.87 | 229.87 | 261.32 |
| **Inflation rate %** | | | | | | | |
| | Upturn | 20.00 | 20.00 | 18.00 | 21.00 | 21.00 | 16.00 |
| | Base | 55.00 | 34.00 | 35.00 | 36.00 | 36.00 | 36.00 |
| | Downturn | 25.00 | 40.00 | 42.00 | 44.00 | 44.00 | 44.00 |

| 31 December 2024 | Cash and bank balances |
|---|---|
| | N'000 |
| Upturn (9%) | 214 |
| Base (83%) | 1,990 |
| Downturn (8%) | 193 |
| **Total** | 2,397 |

| 31 December 2023 | Cash and bank balances |
|---|---|
| | N'000 |
| Upturn (9%) | 30 |
| Base (83%) | 272 |
| Downturn (8%) | 26 |
| **Total** | 328 |

The Company monitors its risk of a shortage of funds using a liquidity planning tool.
The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Company overdrafts and Company loans. The Company's policy is that not more than 25% of borrowings should mature in the next 12- month period. The Company has a nil debt balance and therefore no debt will mature in less than one year from 31 December 2024.The Company assesses the concentration of risk with respect to refinancing its debt and conclude whether it is low or high. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

# NOTES TO THE FINANCIAL STATEMENTS

This table shows the gross carrying amount of the ECL charge on the staff loan

| | Staff loan |
|---|---|
| **Expected credit loss** | **₦'000** |
| 1 January 2024 | 82 |
| Expected credit write back | (76) |
| 31 December 2024 | 6 |
| Expected credit write back | (6) |
| 31 December 2024 | - |

**Excessive risk concentration**
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**The table below shows the ECL charges / (write back) on financial instruments for the year:**

| **2024** | **Stage 1** | **Simplified model** | |
|---|---|---|---|
| | **Collective** | **Collective** | **Total** |
| | **₦'000** | **₦'000** | **₦'000** |
| Debt instruments measured at amortised cost -Staff loans (Note 20) | - | - | - |
| Debt instruments measured at amortised cost - Short term deposits (Note 22) | (2,397) | 328 | (2,069) |
| Debt instruments measured - | 10871 | - | - |
| Trade receivables (Note 32) | | (2,100) | 8,771 |
| Rent receivables (Note 32) | 113 | (12) | 101 |
| | 8,587 | (2,112) | 6,803 |

# NOTES TO THE FINANCIAL STATEMENTS

| 2023 | Stage 1 | Simplified model | |
|---|---|---|---|
| | Collective | Collective | Total |
| | ₦'000 | ₦'000 | ₦'000 |
| Debt instruments measured at amortised cost -Staff loans (Note 20) | (76) | - | (76) |
| Debt instruments measured at amortised cost - Short term deposits (Note 22) | (361) | - | (361) |
| Debt instruments measured - | | | |
| Trade receivables (Note 32) | - | (1,336) | (1,336) |
| Rent receivables (Note 32) | - | (489) | (489) |
| | (437) | (1,825) | (2,262) |

**Liquidity Risk**
Liquidity Risk is the risk that the Company will be unable to efficiently meet both expected and unexpected current and future cash flow as they fall due. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and possibly loans in the future.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

| Financial liabilities At 31 | | Contractual cash flows | | | |
|---|---|---|---|---|---|
| December 2024 | Carrying amount | Total | Within 1 month | Between 2 months and 1 year | Between 1 and 5 years |
| Trade payables | 1,963 | 1,963 | - | 1,963 | - |
| Rentals received for third parties | | | | | |
| Service charge payable | 1,560,415 | 1,560,415 | 1,560,415 | - | - |
| Accruals and other payables | 137,507 | 137,507 | - | 137,507 | - |
| Interest-bearing loans and borrowings | 4,334,532 | 4,334,532 | 1,083,633 | 3,250,899 | - |
| | - | - | - | - | - |

# NOTES TO THE FINANCIAL STATEMENTS

| Financial liabilities | Contractual cash flows | | | | |
|---|---|---|---|---|---|
| **At 31 December 2023** | **Carrying amount** | **Total** | **Within 1 month** | **Between 2 months and 1 year** | **Between 1 and 5 years** |
| Trade payables | 28,706 | 28,706 | - | 28,706 | - |
| Rentals received for third parties | 922,023 | 922,023 | 922,023 | - | - |
| Service charge payable | 51,355 | 51,355 | - | 51,355 | - |
| Accruals and other payables | 2,613,505 | 2,613,505 | 653,376 | 1,960,129 | - |
| Interest-bearing loans and borrowings | 437,002 | 437,002 | - | 437,002 | - |

## 33. Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried at fair value in the financial statements.

| **At 31 December 2024** | **Carrying amount** | **Fair value** |
|---|---|---|
| **Financial assets** | **₦'000** | **₦'000** |
| Equity instrument measured at fair value through OCI | 23,496,207 | 23,496,207 |
| **Financial liabilities** | | |
| Interest-bearing loans and borrowings | - | - |

| **At 31 December 2023** | **Carrying amount** | **Fair value** |
|---|---|---|
| **Financial assets** | **₦'000** | **₦'000** |
| Equity instrument measured at fair value through OCI | 14,211,450 | 14,211,450 |
| **Financial liabilities** | | |
| Interest-bearing loans and borrowings | 437,002 | 437,002 |

The management assessed that the carrying amount of cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair value due to the short-term maturities of these instruments. The fair values of the Company's interest- bearing borrowings and loans are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

A quantitative sensitivity analysis is, as shown below:

| | Effect on fair value | | |
|---|---|---|---|
| | **Sensitivity used** | **Completed investment property** | **Investment property under development** |
| **2024** | | **N'000** | **N'000** |
| Increase in Estimated Recovery Value | 40% | 39,312 | - |
| Rental growth per annum | 8% | 59,709 | - |
| Increase in long term vacancy rate | 5% | - | - |
| Increase in discount rate/yield | 0.3bps | 179 | |
| Increase in construction cost | N150 per sqm | 4,753 | |
| Increase in construction period | 6 month | - | |
| Market required development profit | 25% | 14,927 | |

| | Effect on fair value | | |
|---|---|---|---|
| | **Sensitivity used** | **Completed investment property** | **Investment property under development** |
| **2023** | | **N'000** | **N'000** |
| Increase in ERV | 20% | 33,696 | - |
| Rental growth per annum | 5% | 37,318 | - |
| Increase in long term vacancy rate | 5% | - | - |
| Increase in discount rate/yield | 0.3bps | 112 | - |
| Increase in construction cost | N100 per sqm | 4,753 | - |
| Increase in construction period | 6 month | - | - |
| Market required development profit | 21% | 7,837 | |

## 34. Capital management

There is a risk that the Company may not have adequate capital in relation to its risk profile and/or to absorb losses when they arise. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

# NOTES TO THE FINANCIAL STATEMENTS

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. As at the year ended 31 December 2024, the Company had no financial covenants attached to interest bearing loans and borrowings as full repayment was made on all outstanding loans. The policies for managing capital are to increase shareholders' value by maximizing profits and cash.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's net debt is determined by adding interest bearing loans and borrowings (if applicable), trade and other payables, less cash and short-term deposits.

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Interest-bearing loans and borrowings (Note 27) | - | 437,002 |
| Trade and other payables (Note 24) | 6,093,766 | 3,615,589 |
| Less: cash and short-term deposits (Note 22) | (1,812,629) | (845,830) |
| Net debt | 4,281,137 | 3,206,761 |
| Total equity | 34,929,135 | 24,485,137 |
| **Capital and net debt** | 39,210,272 | 27,691,898 |
| Net Debt to equity (%) | 12.26% | 13.10% |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023

## 35. Segment information

The Chief Operating Decision-Maker (CODM) has been identified as the Chief Executive Officer of Afriland Properties Plc. The Board reviews the Company's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segments based on these reports. The Board considers the business from an industry perspective and has identified four (4) operating segments.

### i. Business development

The business development segment focuses on the management of the Company's existing and new property portfolio with the aim of generating regular rental income and optimizing the values of these properties in order to maximize their rental potentials. The segment is equally involved in the acquisition and sales of high quality commercial and residential properties.

### ii. Project development

The project development segment performs design and development management services for the Company's clients. These services includes: development of project briefs, preparation of outline business case (OBC), management of procurement process, appointment of consultants and construction firms, contract negotiation and administration, project monitoring and project delivery.

# NOTES TO THE FINANCIAL STATEMENTS

**iii. Facility management**

Facility management is involved in planned preventive maintenance and property life cycle maintenance. This involves general building maintenance, utilities management, building upgrades and renovations, space planning and furniture fit out.

**iv. Other**

Other operating segment consists of revenue from

- Advisory services on property portfolio management
- Agency services
- Sales of tiles and other materials

The board monitors the performance based on operating profits for each operating segment. All the information provided to the Board, for each operating segment, is measured in a manner that is consistent with that of the financial statements. Other administrative cost is allocated across the operating segments on the basis of the revenue generated by each segment.

| | Facilities management | | Project development | | Business Development | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Income:** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Revenue | 450,394 | 565,893 | 600,525 | 754,524 | 2,514,699 | 3,159,571 | 187,664 | 235,789 | 3,753,282 | 4,715,778 |
| Cost of sales on inventory property | (74,469) | (203,323) | (99,292) | (271,098) | (415,787) | (1,135,221) | (31,029) | (84,718) | (620,577) | (1,694,360) |
| Other operating income | 171,913 | 32,122 | 229,218 | 42,829 | 959,850 | 179,347 | 71,631 | 13,384 | 1,432,612 | 267,682 |
| Foreign exchange gain | 12,012 | 1,471 | 16,016 | 1,962 | 67,066 | 8,215 | 5,005 | 613 | 100,098 | 12,261 |
| Expected credit loss | 816 | 271 | 1,088 | 362 | 4,558 | 1,516 | 340 | 113 | 6,803 | 2,262 |
| Valuation gains from investment properties | 82,262 | 31,054 | 109,683 | 41,405 | 459,296 | 173,384 | 34,276 | 12,939 | 685,516 | 258,782 |
| Interest Income | 25,177 | 5,546 | 33,570 | 7,395 | 140,574 | 30,968 | 10,491 | 2,311 | 209,812 | 46,220 |
| **Total income** | **668,105** | **433,034** | **890,808** | **577,379** | **3,730,256** | **2,417,780** | **278,378** | **180,431** | **5,567,546** | **3,608,625** |
| **Expenses:** | | | | | | | | | | |
| Administrative expenses | (224,642) | (143,703) | (299,523) | (191,604) | (1,254,251) | (802,340) | (93,601) | (59,876) | (1,872,017) | (1,197,523) |
| **Total expenses** | **(224,642)** | **(143,703)** | **(299,523)** | **(191,604)** | **(1,254,251)** | **(802,340)** | **(93,601)** | **(59,876)** | **(1,872,017)** | **(1,197,523)** |
| **Profit before taxation** | 443,463 | 289,331 | 591,286 | 385,775 | 2,476,005 | 1,615,440 | 184,777 | 120,555 | 3,695,529 | 2,411,102 |
| Income tax expenses | (129,748) | (82,110) | (172,997) | (109,480) | (724,424) | (458,448) | (54,062) | (34,213) | (1,081,231) | (684,251) |
| **Profit after taxation** | 313,715 | 207,221 | 418,289 | 276,295 | 1,751,581 | 1,156,992 | 130,715 | 86,342 | 2,614,298 | 1,726,851 |

AFRILAND PROPERTIES

## NOTES TO THE FINANCIAL STATEMENTS

| | Facilities management | | Project development | | Business Development | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| Income: | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| **Assets and liabilities:** | | | | | | | | | | |
| Non-current | 5,248,876 | 3,556,714 | 6,998,502 | 4,742,286 | 29,306,226 | 19,858,320 | 2,187,032 | 1,481,964 | 43,740,636 | 29,639,285 |
| Current | 578,082 | 532,068 | 770,777 | 709,424 | 3,227,627 | 2,970,715 | 240,868 | 221,695 | 4,817,354 | 4,433,899 |
| **Total assets** | **5,826,958** | **4,088,782** | **7,769,279** | **5,451,710** | **32,533,853** | **22,829,035** | **2,427,900** | **1,703,659** | **48,557,990** | **34,073,184** |
| **Total liabilities** | 1,635,463 | 1,150,566 | 2,180,617 | 1,534,088 | 9,131,333 | 6,423,991 | 681,443 | 479,402 | **13,628,855** | **9,588,057** |
| **Net assets** | **4,191,495** | **2,938,216** | **5,588,661** | **3,917,622** | **23,402,520** | **16,405,044** | **1,746,457** | **1,224,257** | **34,929,134** | **24,485,127** |

| | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| **Profit or loss** | | |
| Profit before taxation for reportable segments | 3,695,529 | 2,411,100 |
| Elimination of inter-segment profit or loss | - | - |
| **Total Company profit or loss** | 3,695,529 | 2,411,100 |
| **Assets** | | |
| Total assets of reportable segment | 48,557,990 | 34,073,184 |
| Elimination of inter-segment assets | - | - |
| **Total Company assets** | 48,557,990 | 34,073,184 |
| **Liabilities** | | |
| Total liabilities of reportable segment | 13,628,855 | 9,588,047 |
| Elimination of inter-segment liabilities | - | - |
| **Total Company liabilities** | 13,628,855 | 9,588,047 |

The Afriland's business activities are concentrated in one geographic region. The primary format for segment reporting is based on operating segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

| **Revenue from external customers in Nigeria** | 2024 | 2023 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Revenue | 3,753,282 | 4,715,778 |

The Company does not have any major customer that amount to 10% or more of the revenue.

| | | |
|---|---|---|
| **Non-current operating assets in Nigeria** | 43,740,636 | 29,639,285 |

# NOTES TO THE FINANCIAL STATEMENTS

Non-current assets for this purpose consist of property, plant and equipment, investment properties, intangible assets, equity instrument at fair value through other comprehensive income and prepayments.

**36. Events after the reporting date**

Mr. Azubike Emodi was appointed the Managing Director/Chief Executive Officer of the Company effective 1st February 2025, following the resignation of Uzoamaka Oshogwe effective from 31st December 2024. Except for the Managing Director's appointment, no significant events after the reporting date which could have a material effect on the state of affairs of the Company as at 31 December 2024 that have not been adequately provided for or disclosed in the financial statements.

**37. Changes to presentation and restatement of comparatives figures**

**2022 Balance sheet error:**

The entity incorrectly did not recognise cash received in November 2022 of USD 168 842.07 (N77.8mil) from an unknown source and did not recognise an equal liability for the funds. This has been corrected by restating statement of financial position at the beginning of the earliest period presented through an increase of cash equivalents of N77.8mil and an increase in Trade and other payables of an equal amount.

**2023 Cash flow statement:**

The entity did not present the impact of unrealised foreign exchange gains on cash and cash equivalents in the statement of cashflows as required by IAS 7, this has been corrected restating 2023 and adjusting profit before tax with a non-cash adjustment of N78.3mil, resulting in a consequential decrease in Net cash flows generated from operating activities as well as a decrease in the net increase in cash and cash equivalents for the year, and inclusion of the reconciling line item for unrealised foreign exchange gains and losses.

Additionally the entity did not disclose interest paid in the statement of cash flows, the statement of cash flows has been restated to correct this by disclosing the cash paid on loans and borrowings as repayments of loans and borrowings and interest paid on loans and borrowings instead of disclosing this in a single line item, in the PY a total of N1.183 billion was disclosed, in the current year this has been restated as repayments of loans and borrowings of N988million and interest paid on loans and borrowings of N195million.

**2023 Income statement:**

In the prior year the entity incorrectly presented N 22.49million foreign exchange gains and losses within other income, this has been corrected by restating the prior year and reclassifying this amount from other income to foreign exchange gains and losses. Other income decreased from N267.7 million to N245.19 million and foreign exchange gains increased from N 12.261 million to N 34.75 million.

**38. Commitments and contingencies**

There are no known contingencies as at 31 December 2024 (2023: Nil). The Directors are of the opinion that all known liabilities and commitments have been taken into consideration in the preparation of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

**39. Financial Reporting Councils Certification Requirement for professional 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 ffinancial statements during the year.

| NAME OF PROFESSIONAL | FRC_NUMBER | SERVICES | FEES N'000 |
|---|---|---|---|
| IJEWERE & CO. | FRC/2014/ICAN/00000006477 | Tax Consultant | 4,450,000 |
| OPURUM PARTNERS | FRC/2014/NIESV/00000009134 | Property Valuation Specialist | 1,700,000 |
| ANGELA ANEKE & CO. | FRC/2013/IODN/00000002473 | Board Evaluation Consultant | 4,725,000 |

**40. Provision of assurance service on Internal Control over Financial Reporting**

Auditor's fees represent fees for the interim and full year audit of the company for the year ended 31 December 2024. Deloitte & Touche rendered an assurance service to the company in relation to the Internal Control over Financial Reporting amounting to N5 million.


AFRILAND
PROPERTIES
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bad time
to buy
property
is later.
Contact us:
0916 607 3000, 0916 607 4000
afrilandpropertiesplc
afrilandProperties
AfrilandPlc
www.afrilandproperties.com

AFRILAND PROPERTIES

## VALUE ADDED STATEMENT

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | ₦'000 | % | ₦'000 | % |
| Revenue | 3,753,282 | | 4,715,778 | |
| Bought in goods and services - local | (1,360,838) | | (2,150,380) | |
| | 2,392,444 | | 2,565,398 | |
| Other Operating Income | 1,432,612 | | 245,192 | |
| Finance Income | 209,812 | | 46,220 | |
| Valuation gains from investment properties | 685,516 | | 258,782 | |
| **Value Added** | **4,720,384** | | **3,115,592** | |
| APPLIED AS FOLLOWS: | | | | |
| Employee: | | | | |
| As salaries and labour related expenses | 996,465 | 21% | 700,380 | 22% |
| Government: | | | | |
| As Company taxes | 386,308 | 8% | 295,958 | 10% |
| Retained for Growth & Expansion: For assets replacement (depreciation, amortization and | | | | |
| Right-of-Use Asset) | 28,390 | 1% | 26,602 | 1% |
| Deferred taxation | 694,923 | 15% | 388,293 | 12% |
| For expansion - retained profit/ (loss) | 2,614,298 | 55% | 1,726,849 | 55% |
| **Value Added** | **4,720,384** | **100%** | **3,138,082** | **100%** |

AFRILAND PROPERTIES

# FIVE-YEAR FINANCIAL SUMMARY

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| **Statement of Financial Position** | | | | | |
| **Assets and liabilities** | | | | | |
| Property, plant and equipment | 154,258 | 47,649 | 68,235 | 74,929 | 128,340 |
| Investment properties | 19,516,139 | 14,802,200 | 12,411,107 | 12,196,578 | 22,426,720 |
| Right-of-use asset | - | - | 675 | 1,575 | 2,475 |
| Goodwill and other intangible assets | 562,222 | 561,742 | 562,595 | 563,120 | 563,009 |
| Equity instrument at fair value through OCI | 23,496,207 | 14,211,450 | 1,265,625 | 1,089,450 | 729,000 |
| Prepayment (non-current) | 11,810 | 16,244 | 24,444 | 20,344 | 3,063 |
| **Net current assets/ (liabilities)** | (2,446,847) | (362,667) | 55,582 | (2,593,667) | (6,155,376) |
| Contract liabilities | (1,368,348) | (1,418,073) | (1,453,295) | (6,076) | (13,734) |
| Deferred tax liabilities | (4,996,306) | (3,373,408) | (1,690,533) | (1,326,764) | - |
| Interest-bearing loans and borrowings (non-current) | - | - | - | - | (7,911,030) |
| | **34,929,135** | **24,485,137** | **11,244,435** | **10,019,489** | **9,772,467** |
| **Shareholders' fund** | | | | | |
| Issued Share capital | 686,950 | 686,950 | 686,950 | 686,950 | 686,950 |
| Share premium | 2,944,271 | 2,944,271 | 2,944,271 | 2,944,271 | 2,944,271 |
| Fair value reserve of financial assets through OCI | 20,324,250 | 11,972,468 | 321,225 | 145,050 | (215,400) |
| Retained earnings | 10,973,664 | 8,881,448 | 7,291,989 | 6,243,218 | 6,356,646 |
| | **34,929,135** | **24,485,137** | **11,244,435** | **10,019,489** | **9,772,467** |
| **Statement of Profit or Loss:** | | | | | |
| Revenue | 3,753,282 | 4,715,778 | 1,891,421 | 1,638,658 | 1,422,433 |
| Profit before taxation | 3,695,529 | 2,411,100 | 1,797,751 | 1,603,925 | 1,009,285 |
| Income tax (expense)/ credit | (1,081,231) | (684,251) | (611,590) | (1,648,658) | 1,056,370 |
| Profit/ (loss) after taxation | **2,614,298** | **1,726,849** | **1,186,161** | **(44,733)** | **2,065,655** |
| Basic earnings/ (loss) per share (₦) | 1.90 | 1.26 | 0.86 | (0.03) | 1.50 |
| Diluted earnings/(loss) per share (₦) | 1.90 | 1.26 | 0.86 | (0.03) | 1.50 |

AFRILAND PROPERTIES

# NOTICE OF 12TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN that the 12th Annual General Meeting ("AGM") of Afriland Properties Plc (the "Company") will hold virtually via** https://www.afrilandproperties.com/agm on **Friday, 11th April 2025 at 10:00 am** to transact the following businesses:

**ORDINARY BUSINESS:**

1. To lay before the members, the Audited Financial Statements of the Company for the year ended 31st December 2024, together with the Reports of the Directors, External Auditors, and Audit Committee thereon.
2. To declare a dividend.
3. To appoint Mrs. Uzoamaka Oshogwe as Non-Executive Director of the Company.
4. To appoint Mr. Azubike Emodi as Managing Director/ Chief Executive Officer of the Company.
5. To appoint Mr. Olukayode Odebiyi as Executive Director of the Company.
6. **To re-elect the following Directors retiring by rotation:**
   6.1. Dr. Agatha Obiekwugo
   6.2. Mr. Ayodeji Adigun
7. To authorize the Directors to fix the remuneration of the External Auditors for the 2025 financial year.
8. To disclose the remuneration of Managers of the Company.
9. To elect members of the Statutory Audit Committee.

**SPECIAL BUSINESS:**

**10. To consider and if thought fit, to pass the following as ordinary resolution:**

"That the remuneration of the Non–Executive Directors be and is hereby fixed at the sum of N266,000,000.00 (Two Hundred and Sixty-Six Million Naira) for the year ending December 31, 2025, and such payment is to be effective from January 1, 2025".

**11. To consider and if thought fit, to pass the following as ordinary resolution:**

11.1. "That the Company is hereby authorized to invest in, acquire, or divest from any business and/or carry out as the Directors may deem appropriate and following any relevant laws, any actions, including but not limited to restructuring, reorganization, reconstruction, and such other business arrangement exercise or actions."

11.2. "That subject to regulatory approval (where necessary), the Directors, be and are hereby authorized to take all steps and do all acts that they deem necessary in furtherance of the above, including but not limited to executing and filing all such forms, papers or documents, as may be required with the appropriate authorities; appointing professional advisers and parties that they deem necessary, upon such terms and conditions that the Directors may deem appropriate."

**Dated this 19th March 2025.**
**BY ORDER OF THE BOARD**

**OMOMENE OBANOR**
Company Secretary
FRC/2022/PRO/NBA/002/057966

# NOTICE OF 12TH ANNUAL GENERAL MEETING

## NOTES

### 1. ATTENDANCE
Attendance of the AGM shall be through electronic means pursuant to Section 240 (2) of the Companies and Allied Matters Act 2020 as amended by the Business Facilitation (Miscellaneous Provision) Act 2022. The link to join the meeting will be made available on the Company's website at https://www.afrilandproperties.com/agm.

### 2. PROXY
Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. For the appointment of the proxy to be valid, a proxy form must be completed and deposited either at the office of the Company's Registrar, Africa Prudential Plc, 220B Ikorodu Road, Palmgrove, Lagos, or via email at CorporateMeetings@Africaprudential.com not later than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report and may also be downloaded from the Company's website at www.afrilandproperties.com.

### 3. STAMPING OF PROXY
The Company has arranged at its cost, for the stamping of the duly completed and signed proxy forms submitted to the Company's Registrars within the stipulated time. To achieve a seamless proxy management exercise, the Company has created a designated email address to receive Proxy forms from esteemed Shareholders. The designated email address for receipt of the Proxy form is CorporateMeetings@Africap rudential.com.

### 4. LIVE STREAMING OF AGM
The AGM will be streamed live. This will enable shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the AGM live streaming will be made available on the Company's website at www.afrilandproperties.com.

### 5. DIVIDEND
If the dividend recommended by the Directors is approved by the shareholders at the AGM, the dividend will be paid on Friday, 11th April 2025, to the shareholders whose names appear in the Company's Register of Members at the close of business on Friday, 28th March 2025.

### 6.. CLOSURE OF REGISTER
The Register of Members of the Company will be closed from Monday, 31st March to Thursday, 3rd April 2025 (both dates inclusive) for the purpose of dividend payment and updating the register.

### 7. NOMINATION TO THE STATUTORY AUDIT COMMITTEE
In accordance with Section 404(6) of the Companies and Allied Matters Act 2020, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the AGM. Section 404 (5) CAMA 2020 has mandated that all members must be literate and at least one member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. We, therefore, request that nominations be accompanied by a copy of the nominee's curriculum vitae.

# NOTICE OF 12TH ANNUAL GENERAL MEETING

## 8. E-DIVIDEND REGISTRATION

Notice is hereby given to all shareholders to open bank accounts, stockbroking accounts, and CSCS accounts for the purpose of receiving dividend payments electronically. A detachable application form for e-dividend is attached to the Annual Report to enable all shareholders to provide particulars of their accounts to the Registrar as soon as possible. Alternatively, Shareholders are to complete the e-dividend registration at https://africaprudential.com/unclaimed-dividend/.

## 9. UNCLAIMED DIVIDEND WARRANTS AND SHARE CERTIFICATES

Shareholders are hereby informed that a number of share certificates and dividend warrants that were returned to the Registrar as unclaimed are still in the custody of the Registrar. Any shareholder affected by this notice is advised to contact the Company's Registrar, Africa Prudential Plc, 220B Ikorodu Road, Palmgrove, Lagos, or via email at cxc@africaprudential.com to lay claim. For a list of unclaimed dividends, please see our website at www.afrilandproperties.com/investor-relations/resources.

## 10. PROFILE OF DIRECTORS FOR RE-ELECTION

The profiles of Dr. Agatha Obiekwugo and Mr. Ayodeji Adigun who will be retiring by rotation, and will be presented for re-election are among the profiles of Directors that are provided in the 2024 Annual Report and on the Company's website at www.afrilandproperties.com.

## 11. E- ANNUAL REPORT PUBLISHED ON THE WEBSITE

To improve the delivery of our Annual Report, we have inserted a detachable form in the 2024 Annual Report and hereby request shareholders to complete the form by providing their contact and any other requested details and thereafter return same to the Registrar for further processing. Additionally, an electronic version of the 2024 Annual Report is available on the Company's website at www.afrilandproperties.com.

## 12. RIGHTS OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such written questions must be submitted to the Company via email to info@afrilandproperties.com on or before Wednesday, 9th April 2025.

AFRILAND PROPERTIES

# PROXY FORM

I/We_____________________________________________

being a member/ members of AFRILAND PROPERTIES PLC, hereby appoint:

_________________________________________________or failing him/her, the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Twelfth Annual General Meeting of the Company to be held **virtually via** https://www.afrilandproperties.com/agm **on Friday, 11th April 2025 at 10:00 a.m**. and at any adjournment thereof.

Dated this ________ day of __________________ 2025.

Shareholder's Signature ____________________________

**NOTE:**

1. A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. This proxy form has been prepared to enable you to exercise your right to vote, in case you cannot personally attend the meeting. This form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarial certified copy hereof must reach the Africa Prudential Plc, 220B Ikorodu Road, Palmgrove, Lagos, or emailed to cxc@africaprudential.com not later than 48 hours before the time fixed for the meeting.
2. If executed by a Corporation, the Proxy Form must be under its common seal or under the hand of a duly authorized officer or attorney.
3. In the case of joint holders, the signature of any one of them will suffice, but the names of all joint holders should be shown.
4. Provision have been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked *) the name of any person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
5. This proxy form will be used only in the event of a poll being directed or demanded.
6. It is a legal requirement that all instrument of proxy must bear appropriate stamp duty (currently =N=500.00) from the Stamp Duties Office and not adhesive postage stamps.
7. Please indicate by marking "X" in the appropriate space, how you wish your vote to be cast on the resolutions set out here, unless otherwise instructed, the proxy will vote or abstain from voting at his or her discretion.
8. The proxy must possess the admission form sent with the Report and Account to obtain entrance to the Meeting.

This proxy form is solicitated on behalf of the Board of Directors and it is to be used at the Annual General Meeting to be held on **Friday, 11th April 2025**.

| RESOLUTIONS | FOR | AGAINST | ABSTAIN |
|---|---|---|---|
| 1. To receive and consider the Audited Financial Statements of the Company for the year ended 31st December 2024, together with the Reports of the Directors, External Auditors, and Audit Committee thereon laid before the members. | | | |
| 2. To declare dividend of 50 kobo per share. | | | |
| 3. To appoint Mrs. Uzoamaka Oshogwe as Non-Executive Director of the Company. | | | |
| 4. To appoint Mr. Azubike Emodi as Managing Director/ Chief Executive Officer of the Company. | | | |
| 5. To appoint Mr. Olukayode Odebiyi as Executive Director of the Company. | | | |
| 6. To re-elect the following Directors retiring by rotation:<br>6.1. Dr. Agatha Obiekwugo<br>6.2. Mr. Ayodeji Adigun | | | |
| 7. To authorize the Directors to fix the remuneration of the External Auditors for the 2025 financial year. | | | |
| 8. To disclose the remuneration of Managers of the Company. | | | |
| 9. To elect members of the Statutory Audit Committee. | | | |
| 10. To consider and if thought fit, pass the following as ordinary resolution:<br>"That the remuneration of the Non–Executive Directors be and is hereby fixed at the sum of N266,000,000.00 (Two Hundred and Sixty-Six Million Naira) for the year ending December 31, 2025, and such payment is to be effective from January 1, 2025". | | | |
| 11. To consider and if thought fit to pass the following as ordinary resolution:<br>11.1. "That the Company be and is hereby authorized to invest in, acquire, or divest from any business and/or carry out as the Directors may deem appropriate and in accordance with any relevant laws, any actions, including but not limited to restructuring, reorganization, reconstruction, and such other business arrangement exercise or actions." | | | |
| 11.2. To consider and if thought fit to pass the following as ordinary resolution:<br>"That subject to regulatory approval (where necessary), the Directors, be and are hereby authorized to take all steps and do all acts that they deem necessary in furtherance of the above, including but not limited to executing and filing all such forms, papers or documents, as may be required with the appropriate authorities; appointing professional advisers and parties that they deem necessary, upon such terms and conditions that the Directors may deem appropriate." | | | |

***Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.***

**ADMISSION CARD**

**AFRILAND PROPERTIES PLC**
**ANNUAL GENERAL MEETING**

**AFRILAND PROPERTIES PLC**
Twelfth Annual General Meeting

**ADMISSION CARD**
Please admit the Shareholder named on this Card or his duly appointed proxy to the Annual General Meeting of the Company to hold **virtually via** https://www.afrilandproperties.com/agm **on Friday, 11th April 2025 at 10:00 a.m.**

This admission card must be produced by the Shareholder in order to virtually gain entrance to the Annual General Meeting.

**Proxy Details:**

Name of Shareholder ______________________________

Address of Shareholder______________________________

Number of Shares Held ______________________________

E-mail of Shareholder ______________________________

Shareholder Signature______________________________

AFRILAND PROPERTIES

Africa Prudential
RC 649007

Affix
Recent Passport
Photograph

USE GUM ONLY
NO STAPLE PINS

(to be stamped by your banker)
ONLY CLEARING BANKS ARE ACCEPTABLE

# E-DIVIDEND MANDATE ACTIVATION FORM

**INSTRUCTION**
Please complete all section of this form to make it eligible for processing and return to the address below.

**The Registrar**
Africa Prudential Plc
220B, Ikorodu Road, Palmgrove, Lagos.

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me\us from my/our holdings in all the companies ticked at the right hand column be credited directly to my /our bank detailed below:

Bank Verification Number (BVN): ☐☐☐☐☐☐☐☐☐☐☐

Bank Name:

Bank Account Number: ☐☐☐☐☐☐☐☐☐☐

Account Opening Date: DD ☐☐ MM ☐☐ YYYY ☐☐☐☐

## SHAREHOLDER ACCOUNT INFORMATION

Gender: Male ☐ Female ☐ Date Of Birth D D M M Y Y Y Y

Surname/Company's Name First Name Other Name

Address

City State Country

Clearing House Number (CHN) (if any) C

Name of Stockbroking Firm

Mobile Telephone 1

Mobile Telephone 2

E-mail Address

## DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

I/We also agree and consent that Africa Prudential Plc ("Afriprud") may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding information set out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Signature: Signature: Company Seal *(if applicable)*

*Joint/Company's Signatories*

**Note:** This service costs **N150.00** per form exclusive of VAT.

***Please tick against the company(ies) where you have shareholdings***

**CLIENTELE**

1. ABBEY MORTGAGE BANK PLC ☐
2. ADAMAWA STATE GOVERNMENT BOND ☐
3. AFRILAND PROPERTIES PLC ☐
4. AFRICA PRUDENTIAL PLC ☐
5. A & G INSURANCE PLC ☐
6. ALUMACO PLC ☐
7. A.R.M LIFE PLC ☐
8. BECO PETROLEUM PRODUCTS PLC ☐
9. BUA GROUP ☐
10. BENUE STATE GOVERNMENT BOND ☐
11. CAP PLC ☐
12. CAPPA AND D'ALBERTO PLC ☐
13. CEMENT COY. OF NORTHERN NIG. PLC ☐
14. CSCS PLC ☐
15. CHAMPION BREWERIES PLC ☐
16. CWG PLC ☐
17. CORDROS MONEY MARKET FUND ☐
18. EBONYI STATE GOVERNMENT BOND ☐
19. GOLDEN CAPITAL PLC ☐
20. INFINITY TRUST MORTGAGE BANK PLC ☐
21. INVESTMENT & ALLIED ASSURANCE PLC ☐
22. JAIZ BANK PLC ☐
23. KADUNA STATE GOVERNMENT BOND ☐
24. LAGOS BUILDING INVESTMENT CO. PLC ☐
25. GLOBAL SPECTRUM ENERGY SERVICES PLC ☐
26. MED-VIEW AIRLINE PLC ☐
27. MIXTA REAL ESTATE PLC *(formerly ARM Properties Plc)* ☐
28. NEXANS KABLEMETAL NIG. PLC ☐
29. LIVINGTRUST MORTGAGE BANK PLC ☐
30. PERSONAL TRUST & SAVINGS LTD ☐
31. P.S MANDRIDES PLC ☐
32. PORTLAND PAINTS & PRODUCTS NIG. PLC ☐
33. PREMIER BREWERIES PLC ☐
34. RESORT SAVINGS & LOANS PLC ☐
35. ROADS NIGERIA PLC ☐
36. SCOA NIGERIA PLC ☐
37. TRANSCORP HOTELS PLC ☐
38. TRANSCORP PLC ☐
39. TOWER BOND ☐
40. THE LA CASERA CORPORATE BOND ☐
41. UACN PLC ☐
42. UNITED BANK FOR AFRICA PLC ☐
43. UNITED CAPITAL PLC ☐
44. UNITED CAPITAL BALANCED FUND ☐
45. UNITED CAPITAL BOND FUND ☐
46. UNITED CAPITAL EQUITY FUND ☐
47. UNITED CAPITAL MONEY MARKET FUND ☐
48. UNITED CAPITAL NIGERIAN EUROBOND FUND ☐
49. UNITED CAPITAL WEALTH FOR WOMEN FUND ☐
50. UNIC DIVERSIFIED HOLDINGS PLC ☐
51. UNIC INSURANCE PLC ☐
52. UAC PROPERTY DEVELOPMENT COMPANY PLC ☐
53. UTC NIGERIA PLC ☐
54. VFD GROUP PLC ☐
55. WEST AFRICAN GLASS IND PLC ☐

OTHERS:

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos.
ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja.
PORT-HARCOURT: Oklen Suite Building (2nd Floor), No. 1A, Evo Road, GRA Phase 2.
TEL: 0700 AFRIPRUD (0700 2374 7783) | E-MAIL: cxc@africaprudential.com | www.africaprudential.com | @afriprud

SCAN
To Download Shareholders' Forms

Africa Prudential

# FULL DEMATERIALIZATION FORM FOR MIGRATION

**INSTRUCTION:** Please fill out the form in CAPITAL LETTERS. Section 'B' is applicable only if certificate(s) is/are misplaced, lost or destroyed.

Affix recent passport photograph

USE GUM ONLY
NO STAPLE PINS

Please credit my account at Central Securities Clearing System (CSCS) with shares from my holdings in ____________ **"the company"**. I recognize this will invalidate any certificate(s) in my possession, or which might come into my possession in respect of my total holding(s) in this/this company.

## SECTION A:

**SHAREHOLDER'S FULL NAMES:** ______ Surname ______ First Name ______ Middle Name

**ADDRESS:**

**GSM NUMBER:** **E-MAIL:**

**GENDER:** Male ☐ Female ☐ **DATE OF BIRTH:** D D M M Y Y Y Y **CSCS INVESTOR'S A/C NO.:**

**CLEARING HOUSE NUMBER(CHN):** C **REGISTRAR'S ID NO (RIN):**

**BANK DETAILS FOR DIRECT SETTLEMENT**

**ACCOUNT NAME:** **BANK:**

**BANK A/C NUMBER:** *Must be NUBAN* **BVN:** *Must be confirmed by bank* **AGE OF A/C:** DD MM YYYY *Must be confirmed by bank*

| Authorized Signature (1) *(and stamp of Stockbroker)* | Authorized Signature (2) *(and stamp of Stockbroker)* | Shareholder's Signature & Date | Shareholder's Signature & Date (2) *(if applicable)* | Thumb Print |
|---|---|---|---|---|

**CERTIFICATE DETAILS**

| S/N | CERTIFICATE NO. (IF ANY) | UNITS | S/N | CERTIFICATE NO. (IF ANY) | UNITS |
|---|---|---|---|---|---|
| 1. | | | 4. | | |
| 2. | | | 5. | | |
| 3. | | | 6. | | |

Company Seal

## SECTION B: INDEMNITY FOR MISPLACED, LOST OR DESTROYED CERTIFICATE(S)

I hereby request Africa Prudential Plc to credit my account at Central Securities Clearing System (CSCS) with unit of shares not covered in my share certificate(s) details quoted in Section 'A' above. The holdings are registered in my name, and the original shares/stocks certificate(s) has/have been misplaced, lost or destroyed or was never received. I hereby, with the Guarantor whose name hereunder appears, indemnify the said Company and Africa Prudential Plc against all claims and demands, money, losses, damages, costs and expenses which may be brought against, or be paid, incurred or sustained by the said Company and /or Africa Prudential Plc by reason or in consequence of the said certificate(s) having been misplaced, destroyed, lost or in consequence of a transfer being registered without surrender of the certificate(s) or otherwise whatsoever. I further undertake and agree that if the said Certificate(s) shall hereafter be found, to forthwith deliver up to Africa Prudential Plc or their successors or assigns without cost, fee or reward.

**CERTIFICATE DETAILS**

| S/N | CERTIFICATE NO. (IF ANY) | UNITS | S/N | CERTIFICATE NO. (IF ANY) | UNITS |
|---|---|---|---|---|---|
| 1. | | | 4. | | |
| 2. | | | 5. | | |
| 3. | | | 6. | | |

Dated this ____ day of ______, 20____

Name:

Signature:

Joint (2) (if applicable):

Joint (3) (if applicable):

Company Seal

**In the Presence of:**

**Name:** **GSM NO:**

**Address:** **Signature:**

**THIS SECTION IS TO BE EXECUTED BY THE SHAREHOLDER'S STOCKBROKER, BANKER OR INSURANCE COMPANY**

On behalf of ____________ Plc/Ltd, we hereby agree jointly and severally keep the company and/or the Registrar or other persons acting on their behalf fully indemnified aganist all action, proceedings, liabilities, claims, losses, damage, costs and expenses in relation to or arising out of your accepting to re-issue to the rightful owner the shares/stocks, and to pay you on demand, all payments, losses, costs and expenses suffered or incurred by you in consequence thereof or arising therefrom. We/I also agree and consent that Africa Prudential Plc ("Afriprud") may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding information set out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

**Authorised Signatory (1):** **Authorised Signatory (2):**

Company Seal

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos.
ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja.
PORT-HARCOURT: Oklen Suite Building (2nd Floor), No. 1A, Evo Road, GRA Phase 2.
TEL: 0700 AFRIPRUD (0700 2374 7783) | E-MAIL: cxc@africaprudential.com | www.africaprudential.com | @afriprud

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Africa Prudential
RC 649007

# SHARE PORTAL APPLICATION FORM

Dear Registrar,

Please take this as authority to activate my account(s) on your SharePortal where I will be able to view and manage my investment portfolio online with ease.

*** = Compulsory fields**

1. *SURNAME/COMPANY NAME:

2. *FIRST NAME:

3. OTHER NAME:

4. *E-MAIL:

5. ALTERNATE E-MAIL:

6. *MOBILE NO.: **1.** **2.**

7. SEX: MALE FEMALE

8. *DATE OF BIRTH D D M M Y Y Y Y

9. *POSTAL ADDRESS:

10. CSCS CLEARING HOUSE NO.: C

11. NAME OF STOCKBROKER:

## DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

I/We also agree and consent that Africa Prudential Plc ("Afriprud") may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding information set out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Signature:

Signature:

*Joint/Company's Signatories*

Company Seal *(if applicable)*

***Please tick against the company(ies) where you have shareholdings***

**CLIENTELE**

1. ABBEY MORTGAGE BANK PLC
2. ADAMAWA STATE GOVERNMENT BOND
3. AFRILAND PROPERTIES PLC
4. AFRICA PRUDENTIAL PLC
5. A & G INSURANCE PLC
6. ALUMACO PLC
7. A.R.M LIFE PLC
8. BECO PETROLEUM PRODUCTS PLC
9. BUA GROUP
10. BENUE STATE GOVERNMENT BOND
11. CAP PLC
12. CAPPA AND D'ALBERTO PLC
13. CEMENT COY. OF NORTHERN NIG. PLC
14. CSCS PLC
15. CHAMPION BREWERIES PLC
16. CWG PLC
17. CORDROS MONEY MARKET FUND
18. EBONYI STATE GOVERNMENT BOND
19. GOLDEN CAPITAL PLC
20. INFINITY TRUST MORTGAGE BANK PLC
21. INVESTMENT & ALLIED ASSURANCE PLC
22. JAIZ BANK PLC
23. KADUNA STATE GOVERNMENT BOND
24. LAGOS BUILDING INVESTMENT CO. PLC
25. GLOBAL SPECTRUM ENERGY SERVICES PLC
26. MED-VIEW AIRLINE PLC
27. MIXTA REAL ESTATE PLC *(formerly ARM Properties Plc)*
28. NEXANS KABLEMETAL NIG. PLC
29. LIVINGTRUST MORTGAGE BANK PLC
30. PERSONAL TRUST & SAVINGS LTD
31. P.S MANDRIDES PLC
32. PORTLAND PAINTS & PRODUCTS NIG. PLC
33. PREMIER BREWERIES PLC
34. RESORT SAVINGS & LOANS PLC
35. ROADS NIGERIA PLC
36. SCOA NIGERIA PLC
37. TRANSCORP HOTELS PLC
38. TRANSCORP PLC
39. TOWER BOND
40. THE LA CASERA CORPORATE BOND
41. UACN PLC
42. UNITED BANK FOR AFRICA PLC
43. UNITED CAPITAL PLC
44. UNITED CAPITAL BALANCED FUND
45. UNITED CAPITAL BOND FUND
46. UNITED CAPITAL EQUITY FUND
47. UNITED CAPITAL MONEY MARKET FUND
48. UNITED CAPITAL NIGERIAN EUROBOND FUND
49. UNITED CAPITAL WEALTH FOR WOMEN FUND
50. UNIC DIVERSIFIED HOLDINGS PLC
51. UNIC INSURANCE PLC
52. UAC PROPERTY DEVELOPMENT COMPANY PLC
53. UTC NIGERIA PLC
54. VFD GROUP PLC
55. WEST AFRICAN GLASS IND PLC

OTHERS:

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AFRILAND PROPERTIES

# Africa Prudential

RC 649007

## E-SERVICE/DATA UPDATE FORM

KINDLY FILL AND RETURN FORM TO ANY OF OUR OFFICE ADDRESSES STATED BELOW | * = COMPULSORY FIELDS

1. *SURNAME/COMPANY NAME

2. *FIRST NAME 3. OTHER NAME

4. *GENDER M F 5. E-MAIL

6. ALTERNATE E-MAIL

7. *DATE OF BIRTH D D M M Y Y Y Y

8. *MOBILE (1) (2)

9. *ADDRESS

10. OLD ADDRESS *(if any)*

11. *NATIONALITY 12. *OCCUPATION

13. *NEXT OF KIN NAME MOBILE

14. *MOTHER'S MAIDEN NAME

15. BANK NAME 16. A/C NO.

17. A/C NAME 18. A/C OPENING DATE D D M M Y Y Y Y

19. BANK VERIFICATION NO. (BVN)

20. NAME OF STOCKBROKING FIRM

21. CSCS CLEARING HOUSE NO. (CHN) C

### DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

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Signature:

Signature:

Joint/Company's Signatories

Company Seal *(if applicable)*

***Please tick against the company(ies) where you have shareholdings***

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Contact us:

0916 607 3000 | 0916 607 4000

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