

Okomu – Udo, Ovia South West L.G.A

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MANAGEMENT REPORTS (UNAUDITED)
FOR 12 MONTHS
ENDED DECEMBER 31, 2025

THE OKOMU OIL PALM COMPANY PLC

ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention.

2. TURNOVER

Turnover represents the invoice value of goods sold to third parties.

3. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

4. DEPRECIATION OF FIXED ASSETS

Depreciation is calculated at rates, consistent with previous years to write off the cost of the fixed assets over their estimated useful lives on the straight-line basis at the following rates.

Building	5%
Mill Machinery and Equipment	10%
Crawlers and Equipment	20%
Agricultural Equipment	20%
Workshop Equipment	20%
Tools	20%
Power Supply Equipment	20%
Miscellaneous Equipment	12.5%
Nursery Equipment	12.5%
Radio Communication & Survey Equipment	12.5%
Water Supply	12.5%
Light Vehicles and Lorries	25%
Tractors and Trailers	20%
Furniture, Fittings and Equipment	12.5% & 20%

5. **STOCK**

Stocks were valued at the lower of cost and net realisable value. Cost includes all expenditure incurred in bringing goods and products to their present locations and conditions.

6. **DEBTORS**

Debtors are stated after deduction of specific provisions for the debts considered to be doubtful of collection.

7. **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated into Naira at the rates of exchange ruling at the transaction dates. Assets and liabilities denominated in currencies other than the Naira have been translated into Naira at the applicable rate of exchange ruling at the balance sheet date. Gains and losses on such transactions are included in the profit and loss account for the year.

8. **TAXATION**

Provision for tax in the accounts is based on the following components:

- Company income tax based on the company's assessable profit for the year.
- Education tax based on the company's adjusted profit for the year.

9. **DEFERRED TAXATION**

Deferred taxation (which arises from differences in the timing of the recognition of items in the accounts and by the tax authorities) is calculated using the liability method. Deferred tax is provided on all timing differences at the rates of tax likely to be in force at the time of reversal. A deferred tax assets is recognised only to the extent that it is probable that future taxable will profits will be available against which the assets can be utilised.

10. **EMPLOYEES' RETIREMENT BENEFITS**

(a) **Gratuity Scheme:**

Lump-sum benefits payable upon retirement or resignation of employment are fully accrued over the service lives of the Nigerian employees. Independent actuarial valuations are performed periodically on a projected benefit obligation

basis. Actuarial gains or losses arising from valuations are charged in full to the profit and loss account.

(b) Pension Scheme:

The company complied with the provisions of the Pension Reform Act of 2004. The company operates a contributory staff retirement benefit scheme for its Nigerian employees and is managed by Pension Administrator.

11. CASH AND CASH EQUIVALENTS

For the purpose of reporting cash flows, cash and cash equivalents include cash in hand, cash balances with banks, bank overdrafts and short-term deposits with banks.

12. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Nigeria Naira which is the companies' functional currency. All the financial information presented in Nigeria Naira has been rounded to the nearest thousand.

13. DISCLOSURE OF DEALINGS IN ISSUER'S SHARES:

In relation to securities transactions by directors, an issuer shall disclose in its interim reports (and summary interim reports, if any) and the Corporate Governance Report contained in its annual reports (and summary financial reports, if any):

- (1) Whether the Company has adopted a code of conduct regarding securities transactions by its directors on terms no less exactly than the required standard set out in these Rules;
- (2) Having made specific enquiry of all directors, whether its directors have complied with, or whether there has been any non-compliance with, the required standard set out in the listings rules and in the Issuer's code of conduct regarding securities transactions by directors; and
- (3) In the event of any non-compliance with the required standard set out in the Listings Rules, the details of such non-compliance and an explanation of the remedial steps taken by the Company to address such non-compliance.

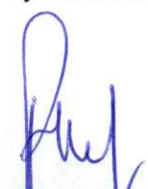
THE OKOMU OIL PALM COMPANY PLC
PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER, 2025

		3 MONTHS ENDED		12 MONTHS ENDED	
	Note	Dec-25 N'000	Dec-24 N'000	Dec-25 N'000	Dec-24 N'000
Turnover	2	24,201,847	26,111,990	198,152,877	130,060,979
Cost of Sales	3	-3,278,813	3,854,747	58,595,614	48,489,871
Gross Profit		27,480,660	22,257,243	139,557,263	81,571,108
Net Operating expenses	4	23,550,806	13,917,253	49,525,715	32,039,703
Profit from continuing operations before tax changes in fair value		3,929,854	8,339,990	90,031,548	49,531,405
Finance Income	5	10,756,905	5,669,448	11,073,947	13,907,349
		14,686,759	14,009,438	101,105,495	63,438,754
Finance Costs	6	11,460,182	1,439,251	13,779,862	10,074,177
Exceptional Income	7	0	0	0	0
Profit on continuing operation b4 tax		3,226,577	12,570,187	87,325,633	53,364,577
Taxation	8	25,091	1,063,766	23,791,416	13,406,832
Profit on continuing operation after tax		3,201,486	11,506,421	63,534,217	39,957,745
OTHER COMPREHENSIVE INCOME					
Total comprehensive income		3,201,486	11,506,421	63,534,217	39,957,745
Earnings Per Share (EPS): Basic (N)		3.36	12.06	66.60	41.89

THE OKOMU OIL PALM COMPANY PLC
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

	NOTE	Dec-25 N'000	Dec-24 N'000
FIXED ASSETS	9	81,553,607	67,767,925
Biological Asset		834,939	0
Right of use asset		<u>11,938,110</u>	<u>9,223,975</u>
		<u>94,326,656</u>	<u>76,991,900</u>
CURRENT ASSETS (Amount falling due within one year)			
Inventory	10	20,791,594	11,966,783
Biological assets	10.1	2,584,679	1,793,158
Trade Receivables and others	11	5,362,522	8,951,193
Prepayments		487	0
Bank and Cash	12	<u>12,946,481</u>	<u>17,334,904</u>
		<u>41,685,763</u>	<u>40,046,038</u>
CURRENT LIABILITIES (Amount falling due within one year)			
Trade Payables and others	13	<u>38,158,032</u>	<u>26,111,091</u>
NET CURRENT (LIABILITIES)/ ASSETS		3,527,731	13,934,947
Deferred Taxation	14	<u>13,023,744</u>	<u>13,023,744</u>
Amount falling due after one year			
Retirement Benefits/Gratuity		5,465,764	2,834,962
Long Term Loans	15	5,032,402	7,126,264
Lease liabilities		<u>18,278,025</u>	<u>12,463,582</u>
		<u>28,776,191</u>	<u>22,424,808</u>
Total Net Assets		<u>56,054,452</u>	<u>55,478,295</u>
FINANCED BY			
CAPITAL AND RESERVES			
Share Capital	16	476,956	476,956
Share Premium Account	17	1,867,095	1,867,095
Revenue Reserves	18	54,533,367	53,957,210
Non-distributable reserves	19	<u>-822,966</u>	<u>-822,966</u>
		<u>56,054,452</u>	<u>55,478,295</u>

Approved by the Board of Directors on the 28th of January 2026



Dr. G. Hefer
Managing Director
FRC/2013/PRO/DIR/003/00000002460



A. Arhainx
Chief Finance Officer
FRC/2021/006/00000022972

THE OKOMU OIL PALM COMPANY PLC
STATEMENT OF CHANGES IN EQUITY

	Share Capital =N='000	Share Premium =N='000	Non- Distributable reserves =N='000	Revenue Reserves =N='000	Total =N='000	
Balance as at 1st January,2024	476,956	1,867,095	-	282,928	36,893,304	38,954,427
Other comprehensive income	-	-	-	79,897	-	79,897
						-
Transaction with shareholders	-	-	-	79,897	-	79,897
Profit for the period					39,957,746	39,957,746
Unclaimed dividend now statute barred					-	-
Dividend paid					22,893,840	22,893,840
Comprehensive income for the year	-	-	-	-	17,063,906	17,063,906
Equity as at 31st December,2024	476,956	1,867,095	-	362,825	53,957,210	55,938,436
Equity as at 1st January,2025	476,956	1,867,095	-	362,825	53,957,210	55,938,436
Other comprehensive income	-	-	-	460,141	-	460,141
Transaction with shareholders	-	-	-	460,141	-	460,141
Profit for the period	-	-	-	-	63,534,217	63,534,217
Dividend paid					62,958,060	62,958,060
Comprehensive income for the year	-	-	-	-	576,157	576,157
Equity as at 31st December,2025	476,956	1,867,095	-	822,966	54,533,367	56,054,452

THE OKOMU OIL PALM COMPANY PLC
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2025

	Dec-25	Dec-24
receipts from customers	197,647,787	132,060,979
Payments to suppliers	- 53,995,405	- 42,920,075
Payment to employees	- 3,080,584	- 2,186,198
Payment of operating expenses	- 43,102,969	- 24,418,091
Payment of taxes:CIT	- 13,829,394	- 11,547,629
Value added tax	- 609,439	- 750,937
Withholding tax	- 3,355,768	- 2,899,650
Other receipts	<u>1,508,222</u>	<u>884,907</u>
Net cash inflow from operating activities	<u>81,182,450</u>	<u>48,223,306</u>
<u>Cash flow from investing activities</u>		
Acquisition of PPE	- 14,792,149	- 10,269,214
Proceeds from disposal of PPE	-	-
Interest paid	- 1,100,855	-1,317,175
Pre cropping expenditure incurred(Biological assets)	<u>- 4,762,240</u>	<u>- 2,970,110</u>
Net cash outflow from investing activities	<u>- 20,655,244</u>	<u>- 14,556,499</u>
<u>Cash flow from financing activities</u>		
New Loans	-	-
Loans reimbursement	- 1,957,569	- 1,888,998
Dividend paid	<u>- 62,958,060</u>	<u>- 22,893,840</u>
Net cash inflow/(outflow) from financing activities	<u>- 64,915,629</u>	<u>- 24,782,838</u>
Net cash inflow in the year	- 4,388,423	8,883,969
Cash and cash equivalent as at the 1/1/2025	<u>17,334,904</u>	<u>8,450,935</u>
Cash and cash equivalent as at 31/12/2025	<u><u>12,946,481</u></u>	<u><u>17,334,904</u></u>
<u>Cash and casn equivalent</u>		
Cash and bank balance	12,946,481	17,334,904
Fixed deposit		
	<u><u>12,946,481</u></u>	<u><u>17,334,904</u></u>

THE OKOMU OIL PALM COMPANY PLC
STATEMENT OF VALUE ADDED FOR THE YEAR ENDED DECEMBER 31,2025

	Dec-25 N'000		Dec-24 N'000
Revenue from sale of products	198,275,202		130,210,665
Brought in materials and services:			
Local	- 61,179,891		- 51,284,106
Foreign			
	<u>137,095,311</u>		<u>78,926,559</u>
Other Income	1,508,222		15,336,034
Finance Income	<u>4,543</u>	0%	<u>5,287</u>
Value added	<u><u>138,608,076</u></u>	100	<u><u>94,267,880</u></u>
Applied as follows:			
To Employees:			
- as salaries, wages and other staff costs	28,203,770	21%	26,176,161
- Directors remuneration	628,611	0%	736,233
To Providers of finance:			
- Financial cost and similar charges	13,670,831	10%	4,598,986
To Government as:			
- Income tax expenses	23,791,416	17%	13,276,275
- Additional tax liability from prior period	697,337	1%	190,881
- Deferred tax expenses	-		130,556
Retained in the business:			
To maintain and replace			
- Depreciation and amortisation	5,743,915	4%	9,661,183
- To augment reserves	<u>63,534,217</u>	47%	<u>39,497,605</u>
	<u><u>136,270,097</u></u>	100%	<u><u>94,267,880</u></u>

THE OKOMU OIL PALM COMPANY PLC
NOTES TO THE FINANCIAL STATEMENTS

1 The Company

1.1 The Legal Form.

The Okomu Oil Palm Company PLC, was incorporated on December 3, 1979 as a private limited liability company. It was converted to a Public Limited Company (PLC) on September 19, 1997 under the Company and Allied Matters Act, 1990. It is a member of Socfinal group of Luxembourg which owns 62.6% the Company's shares with Nigerians owning the balance of 37.47%.

1.2 Principal Activities

The principal activities of the company are the development of oil palm plantation, palm, oil milling, palm kernel processing and the development of rubber plantation. The products are palm oil, palm kernel oil, palm kernel cake, banga (package) and rubber cup lumps.

	3 MONTHS ENDED		12 MONTHS ENDED	
	Dec-25	Dec-24	Dec-25	Dec-24
	N'000	N'000	N'000	N'000
2 TURNOVER				
Turnover represents the invoice value of goods and services rendered to third parties during the year				
Local sales	17,761,771	19,542,303	172,627,671	107,538,910
Export sales	6,440,076	6,569,687	25,525,206	22,522,069
	24,201,847	26,111,990	198,152,877	130,060,979
3 COST OF SALES				
Oil Palm	-5,506,030	2,753,334	48,172,346	40,835,168
Rubber	2,227,217	1,101,413	10,423,268	7,654,703
	-3,278,813	3,854,747	58,595,614	48,489,871
4 OPERATING EXPENSES				
Total net operating expenses	23,550,806	13,917,253	49,525,715	32,039,703
5 FINANCE INCOME				
Interest on fixed Deposit A/C and others	1,091	1,168	4,543	5,287
Exchange gain	10,755,814	5,668,280	11,069,404	13,902,062
	10,756,905	5,669,448	11,073,947	13,907,349
6 FINANCE COST				
Bank charges	10,031	56,397	109,031	-
Exchange loss	10,929,035	707,490	12,569,976	8,757,002
Interest on Long Term Loans	521,116	675,364	1,100,855	1,317,175
	11,460,182	1,439,251	13,779,862	10,074,177
7 Exceptional Income				
Income from Export Expansion Grant (EEG)	-	-	-	-
8 TAXATION				
Profit and Loss Account				
Provision for Edu. tax	1,569	719,476	1,486,964	1,490,918
Income Tax	23,522	213,733	22,304,452	11,785,357
Deferred Tax		130,557		130,557
	25,091	1,063,766	23,791,416	13,406,832

THE OKOMU OIL PALM COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS

9 FIXED ASSETS

	Palm Plantation N'000	Rubber Plantation N'000	Machinery & Equip N'000	Building N'000	Land N'000	Palm Mill N'000	Rubber Mill N'000	Vehicles N'000	Furniture & Equip N'000	Work In Progress N'000	Total N'000
Gross Book Value											
As at January 1, 2025	19,164,244	7,703,321	5,793,324	17,215,451	2,051,165	34,560,389	2,304,811	3,717,952	2,842,995	1,107,809	96,461,461
Additions	3,159,153	1,603,087	2,015,831	6,383,411		5,131,171	508,176	117,141	666,587	-30,168	19,554,389
Disposal		-127,256						-4,725			0
Transfer											-131,981
											0
As at December 31, 2025	22,323,397	9,179,152	7,809,155	23,598,862	2,051,165	39,691,560	2,812,987	3,830,368	3,509,582	1,077,641	115,883,869
Depreciation											
As at January 1, 2025	5,392,288	1,956,332	3,708,921	3,650,650	0	8,694,395	1,219,701	3,079,782	991,467	-	28,693,536
Charge for the period											
Adjustments	817,476	220,532	673,579	1,111,208		2,090,109	205,861	273,695	351,455		5,743,915
Disposal		-102,464						-4,725			
As at December 31, 2025	6,209,764	2,074,400	4,382,500	4,761,858	-	10,784,504	1,425,562	3,348,752	1,342,922	-	-107,189
Net Book Value											
As at December 31, 2025	16,113,633	7,104,752	3,426,655	18,837,004	2,051,165	28,907,056	1,387,425	481,616	2,166,660	1,077,641	81,553,607
Net Book Value											
As at December 31, 2024	13,771,956	5,746,989	2,084,403	13,564,801	2,051,165	25,865,994	1,085,110	638,170	1,851,528	1,107,809	67,767,925

THE OKOMU OIL PALM COMPANY PLC
NOTES TO THE FINANCIAL STATEMENTS CONT'D

	Dec-25 N'000	Dec-24 N'000
10 STOCK		
General Stores and agricultural consumables	14,330,018	9,126,286
Finished Goods-Palm & Rubber Products	6,406,325	2,752,521
Goods-in-transit	55,251	87,976
	20,791,594	11,966,783
10.1 BIOLOGICAL ASSETS		
Non Current:		
At 1 January	0	501,883
Transfer to Inventory		-511,939
change in fair value on biological asstes(P&L)	834,939	10,056
At 31 December	834,939	0
Current:		
Fresh Fruit Bunches (FFB)	0	0
Raw Rubber (Latex)	2,584,679	1,793,158
	2,584,679	1,793,158
11 TRADE RECEIVABLES AND OTHERS		
Trade Receivables	16,354	44,061
Advances paid to suppliers	1,769,189	5,830,085
Intercompany receivables	3,372,009	2,926,547
Other receivables	1,217	445
Staff loans and advances	203,753	150,055
	5,362,522	8,951,193
12 BANK AND CASH BALANCES		
Bank balances	12,918,237	17,320,284
Cash balances	28,244	14,620
	12,946,481	17,334,904
Amount falling due within one year		
13 Current Liabilities		
Trade Payables	4,929,404	3,002,730
Other current payables	208,274	1,783,070
Advances from customers	895,713	1,597,454
Taxation	24,197,943	13,671,412
Intercompany payables	1,811,570	3,654,427
Accruals	3,667,137	79,936
Statutory liability	240,558	250,923
Interest bearing loan	2,102,141	1,540,744
Government Grant	105,292	530,395
	38,158,032	26,111,091
14 DEFERRED TAXATION		
At Janunary 1	13,023,744	13,090,391
Tax expenses/Net Charged for the period		-66,647
As At the end of the period	13,023,744	13,023,744

THE OKOMU OIL PALM COMPANY PLC
NOTES TO THE FINANCIAL STATEMENTS CONT'D

	Dec-25 N'000	Dec-24 N'000
15 Term Loans		
Amount falling due after one year		
Interest - bearing loans and borrowings	5,032,402	6,391,411
Government Grant		734,853
	<u>5,032,402</u>	<u>7,126,264</u>
15.1 Long Term Loans		
Zenith Bank Plc Loan		
<p>The Zenith Bank Plc loan represents =N= 2 billion commercial agricultural credit loan received under a scheme of the Federal government intervention which was obtained by the company through Zenith Bank Plc. The total amount was drawn down in November 2021 and bears interest rate of 8% per annum. The facility has a repayment period of 5 years in 60 consecutive monthly repayments of principal and interest ending in July 2027. This facility was obtained to finance the Extension 2 Oil mill with additional boiler. It is secured by a legal mortgage over the plant and machinery acquired.</p>		
Zenith Bank Plc Loan		
<p>The Zenith Bank Plc loan represents a =N=10 billion loan received from Zenith bank Plc under the Central Bank of Nigeria Differentiated Cash Reserves Requirement (DCRR) to finance the development of Okomu Oil Palm Plantation. The sum of =N=6.884 billion was drawn down as at September at an interest rate of 8% per annum (subject to review in line with DCRR). The facility has a three year moratorium on its principal from date of first disbursement with a repayment of twelve (12) equal and consecutive quarterly repayments immediately after the moratorium period. It is secured with a legal mortgage over the 11,416 hectares of oil palm plantation situated at Uhiere, Ovia North East Local Government area in Edo State.</p>		
16 SHARE CAPITAL		
	N'000	N'000
16.1 ISSUED AND FULLY PAID		
Existing 953,910,000 Ord. Shares of 50k each	<u>476,956</u>	<u>476,956</u>
17 SHARE PREMIUM		
Share Premium	1,867,095	1,867,095
18 REVENUE RESERVES		
At 1st January	53,957,210	36,893,304
	53,957,210	36,893,304
Retained Profit for the period	63,534,217	39,957,746
	117,491,427	76,851,050
Dividend paid	-62,958,060	-22,893,840
Actuarial gain/ (loss)		0
Unclaimed dividend		0
IFRS Adjustment		
As at December 31 2025	<u>54,533,367</u>	<u>53,957,210</u>
19 Non-distributable reserves		
As at 1st January	-822,966	-362,825
Actuarial (Loss) / gain	0	-460,141
As at 31st December	<u>-822,966</u>	<u>-822,966</u>
20 COMPARATIVE FIGURES		

Certain comparative figures have been reclassified in line with the current year's presentation where this has been deemed necessary to ensure compliance with International Financial reporting standards.

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We certify as follows:

- a) That the signing officers have reviewed the report
- b) Based on the knowledge of the officers, the report does not contain:
 - i) any untrue statement of a material fact, or
 - ii) omit to state a material fact which would make the statement, misleading in the light of the circumstances under which such statement was made;
- c) Based on the knowledge of such officers, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operations of the company as of and for the periods presented in the reports.
- d) The signing officers:
 - i) are responsible for establishing and maintaining internal controls.
 - ii) have designed such internal controls to ensure that material information relating to the company and its consolidated subsidiaries is made known to such officers by others within those entities, particularly during the period in which the periodic reports are being prepared.
 - iii) have evaluated the effectiveness of the company's internal controls as of date within 90 days prior to the report;
 - iv) have presented in the report their conclusions about the effectiveness of controls based on their evaluation as of that date;
- e) The signing officers have disclosed to the auditors of the company and audit committee:
 - i) all significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls and
 - ii) any fraud, whether or not material, that involves management or other employees who have significant role on the company's internal controls;
- f) The signing officers have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weakness.



Managing Director



Finance Director