

**BRANCHES:****IKEJA MILL**

1, Henry Carr Street,  
P.M.B. 21097, Ikeja  
Tel: 08077281527

**ABA MILL**

12, Industrial Layout  
P.M.B. 7119, Aba  
Tel: 08077281492

**NORTHERN OPERATIONS**

Km 17 Zawan Roundabout  
Zawan, Jos South  
Plateau State  
Tel: 08077281465

**ONITSHA OPERATIONS**

No. 15a Pokobros Avenue  
Off Atani Road, Onitsha  
Anambra State.  
Tel: 08077257575

## UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

**Board of Directors:**

Joseph I. D. Dada (*Chairman*), Adegboyega Adedeji (*Managing Director*)  
Abayomi Adeyemi, Adebolanle Badejo, Temitope Omodele, Chiamaka N. Uwaegbute

## Statement of Profit or Loss and Other Comprehensive Income

For the Period ended 30 September

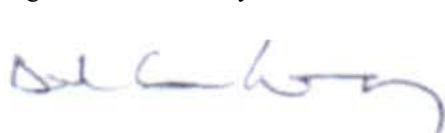
|                                                                       |        | 3 months to<br>September<br>2025<br>N'000 | 9 months to<br>September<br>2025<br>N'000 | 3 months to<br>September<br>2024<br>N'000 | 9 months to<br>September<br>2024<br>N'000 |
|-----------------------------------------------------------------------|--------|-------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
|                                                                       | Notes  |                                           |                                           |                                           |                                           |
| Revenue                                                               | 5      | 8,964,445                                 | 29,767,371                                | 13,123,227                                | 28,612,267                                |
| Cost of sales                                                         | 8(i)   | (8,059,525)                               | (25,903,443)                              | (10,896,552)                              | (23,917,464)                              |
| <b>Gross profit</b>                                                   |        | <b>904,919</b>                            | <b>3,863,929</b>                          | <b>2,226,675</b>                          | 4,694,803                                 |
| Other operating income                                                | 9      | 25,247                                    | 88,415                                    | 22,793                                    | 55,514                                    |
| Selling and distribution expenses                                     | 8(ii)  | (92,739)                                  | (246,224)                                 | (101,152)                                 | (240,006)                                 |
| Administrative expenses                                               | 8(iii) | (401,245)                                 | (1,217,672)                               | (418,744)                                 | (1,093,914)                               |
| <b>Operating profit</b>                                               |        | <b>436,183</b>                            | <b>2,488,448</b>                          | <b>1,729,573</b>                          | 3,416,397                                 |
| Finance income                                                        | 10     | 349                                       | 1,606                                     | 3,933                                     | 4,668                                     |
| Finance costs                                                         | 11     | (761,885)                                 | (2,662,581)                               | (396,668)                                 | <b>(1,308,298)</b>                        |
| <b>Net finance cost</b>                                               |        | <b>(761,536)</b>                          | <b>(2,660,975)</b>                        | <b>(392,735)</b>                          | (1,303,630)                               |
| <b>Profit before taxation</b>                                         |        | <b>(325,354)</b>                          | <b>(172,528)</b>                          | <b>1,336,837</b>                          | <b>2,112,767</b>                          |
| Minimum tax/Income tax expense                                        | 14(i)  | (103,580)                                 | (154,013)                                 | (441,157)                                 | (697,213)                                 |
| <b>Profit for the year</b>                                            |        | <b>(428,934)</b>                          | <b>(326,540)</b>                          | <b>895,681</b>                            | 1,415,554                                 |
| <b>Total comprehensive income for the year</b>                        |        | <b>(428,934)</b>                          | <b>(326,540)</b>                          | <b>895,681</b>                            | 1,415,554                                 |
| <b>Earnings per share (kobo)</b>                                      |        |                                           |                                           |                                           |                                           |
| Basic earnings for the year attributable to ordinary equity holders   | 15     | (14.30)                                   | (10.88)                                   | 29.86                                     | 47                                        |
| Diluted earnings for the year attributable to ordinary equity holders | 15     | (14.30)                                   | (10.88)                                   | 29.86                                     | 47                                        |

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

**Statement of Financial Position**  
**As at 30 September**

|                                       | Notes       | 2025<br>N'000     | 2024<br>N'000     |
|---------------------------------------|-------------|-------------------|-------------------|
| <b>Assets</b>                         |             |                   |                   |
| <b>Non-current assets</b>             |             |                   |                   |
| Property, plant and equipment         | 16(a)       | 1,873,668         | 1,743,712         |
| Intangible assets                     | 17          | 116,433           | 144,782           |
| Right of use assets                   | 20(ii)      | 457,674           | 495,120           |
| Deferred tax assets                   | 14(iii)     | 54,183            | 54,183            |
| <b>Total non-current assets</b>       |             | <b>2,501,958</b>  | <b>2,437,797</b>  |
| <b>Current assets</b>                 |             |                   |                   |
| Inventories                           | 18          | 12,983,042        | 19,332,397        |
| Trade and other receivables           | 19          | 1,201,896         | 152,620           |
| Refund assets                         | 19          | 5,616             | 5,616             |
| Prepayments                           | 20          | 183,581           | 249,671           |
| Other financial assets                | 21(i)       | 17,283            | 17,283            |
| Cash and cash equivalents             | 21          | 686,315           | 1,190,658         |
| <b>Total current assets</b>           |             | <b>15,077,733</b> | <b>20,948,245</b> |
| <b>Total assets</b>                   |             | <b>17,579,691</b> | <b>23,386,042</b> |
| <b>Equity</b>                         |             |                   |                   |
| Issued capital                        | 22          | 1,500,000         | 1,500,000         |
| Share premium                         | 22          | 693,344           | 693,344           |
| Retained earnings                     |             | 864,786           | 1,191,326         |
| <b>Total equity</b>                   |             | <b>3,058,130</b>  | <b>3,384,670</b>  |
| <b>Non-current liabilities</b>        |             |                   |                   |
| Lease liabilities                     | 24          | 277,476           | 230,917           |
| Employee benefits                     | 32(iv)      | 433,380           | 208,380           |
| <b>Total current liabilities</b>      |             | <b>710,856</b>    | <b>439,297</b>    |
| <b>Current liabilities</b>            |             |                   |                   |
| Trade and other payables              | 23          | 9,307,724         | 4,983,851         |
| Refund liabilities                    | 23(ii)      | 6,240             | 6,240             |
| Current tax liabilities               | (0) 14(iii) | 172,503           | 840,249           |
| Dividend payable                      | 25          | 17,384            | 17,384            |
| Interest-bearing loans and borrowings | 26          | 4,306,855         | 13,714,351        |
| <b>Total current liabilities</b>      |             | <b>13,810,706</b> | <b>19,562,075</b> |
| <b>Total liabilities</b>              |             | <b>14,521,562</b> | <b>20,001,372</b> |
| <b>Total equity and liabilities</b>   |             | <b>17,579,691</b> | <b>23,386,042</b> |

The Financial statements was approved and authorised for issue by the Board of Directors on the 23 October 2025 and was signed on its behalf by:



**Chairman**  
**Dr. Joseph Dada**  
**FRC/2016/APCON/00000014735**



**Managing Director**  
**Mr. Adedeji Adegboyega**  
**FRC/2020/003/00000021439**



**Chief Financial Officer**  
**Mr. Adekunle Adepoju**  
**FRC/2013/ICAN/00000004478**

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

## Statement of Changes in Equity

*For the Period ended 30 September*

|                                         | Issued capital<br>N'000 | Share<br>premium<br>N'000 | Retained<br>earnings/<br>(Accumulated<br>deficits)<br>N'000 | Total equity<br>N'000 |
|-----------------------------------------|-------------------------|---------------------------|-------------------------------------------------------------|-----------------------|
| <b>Balance at 1 January 2024</b>        | 1,500,000               | 693,344                   | (743,105)                                                   | 1,450,239             |
| Profit for the year                     | -                       | -                         | 1,415,554                                                   | 1,415,554             |
| OCI for the year                        | -                       | -                         | -                                                           | -                     |
| Total comprehensive income for the year | -                       | -                         | 1,415,554                                                   | 1,415,554             |
| <b>Balance at 30 September 2024</b>     | <b>1,500,000</b>        | <b>693,344</b>            | <b>672,449</b>                                              | <b>2,865,793</b>      |
| <b>Balance at 1 January 2025</b>        | 1,500,000               | 693,344                   | 1,191,326                                                   | 3,384,670             |
| Profit for the year                     | -                       | -                         | (326,540)                                                   | (326,540)             |
| OCI for the year                        | -                       | -                         | -                                                           | -                     |
| Total comprehensive income for the year | -                       | -                         | (326,540)                                                   | (326,540)             |
| <b>Balance at 30 September 2025</b>     | <b>1,500,000</b>        | <b>693,344</b>            | <b>864,786</b>                                              | <b>3,058,130</b>      |

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

**Statement of Cash Flows**  
*For the Period ended 30 September*

|                                                                      | Notes   | 2025<br>N'000       | 2024<br>N'000      |
|----------------------------------------------------------------------|---------|---------------------|--------------------|
| <b>Operating activities</b>                                          |         |                     |                    |
| Profit before tax                                                    |         | (172,528)           | 2,112,767          |
| <b>Adjustments for:</b>                                              |         |                     |                    |
| Depreciation of property, plant and equipment                        | 13      | 187,764             | 151,383            |
| Amortisation of intangible assets                                    | 13(i)   | 43,198              | 39,595             |
| Depreciation of right of use assets                                  | 20(ii)  | 37,446              | -                  |
| Finance cost                                                         | 11      | 1,758,416           | 1,308,298          |
| Finance income                                                       | 10      | (1,606)             | (4,668)            |
| Provision for long term employee benefits                            | 32(iv)  | 225,000             | -                  |
|                                                                      |         | <b>2,077,636</b>    | <b>3,607,375</b>   |
| <b>Changes in working capital:</b>                                   |         |                     |                    |
| Decrease/(Increase) in inventories                                   | 18      | 6,349,354           | (565,325)          |
| (Increase)/Decrease in trade and other receivables                   | 19      | (1,049,276)         | 874,317            |
| Decrease/ (Increase) in prepayments                                  | 20      | 66,090              | 2,468              |
| Increase in trade and other payables                                 | 23      | 4,332,351           | 4,483,635          |
| <b>Cash outflow generated from/ (used in) operating activities</b>   |         | <b>11,776,154</b>   | <b>8,402,470</b>   |
| Income tax paid                                                      | 14(iii) | (821,759)           | (103,029)          |
| <b>Net cash flows generated from/ (used in) operating activities</b> |         | <b>10,954,395</b>   | <b>8,299,441</b>   |
| <b>Investing activities</b>                                          |         |                     |                    |
| Interest received                                                    | 10      | 1,574               | 4,668              |
| Acquisition of intangible assets                                     | 17      | (14,849)            | -                  |
| Purchase of property, plant and equipment                            | 16(a)   | (326,197)           | (391,877)          |
| <b>Net cash flows used in investing activities</b>                   |         | <b>(339,417)</b>    | <b>(387,208)</b>   |
| <b>Financing activities</b>                                          |         |                     |                    |
| Interest paid                                                        | 26      | (1,917,814)         | (1,097,116)        |
| Proceeds from borrowings                                             | 26      | 10,310,146          | 3,706,452          |
| Repayment of borrowings                                              | 26      | (19,511,685)        | (9,625,172)        |
| <b>Net cash flows generated from financing activities</b>            |         | <b>(11,119,353)</b> | <b>(7,015,836)</b> |
| Increase in cash and cash equivalents                                |         | (504,375)           | 896,397            |
| Cash and cash equivalents at 1 January                               |         | 1,190,658           | 597,257            |
| Effects of movement of exchange rates on cash held                   |         | 32                  | -                  |
| <b>Cash and cash equivalents at 30 September</b>                     | 21      | <b>686,315</b>      | <b>1,493,654</b>   |

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

# Notes to the Financial Statements

*For the period ended 30 September 2025*

## 1 Reporting Entity

Livestock Feeds Plc was incorporated on 20th March, 1963 and commenced business on 20th May, 1963. The Company was quoted on the Nigerian Stock Exchange in 1978. The Company is engaged principally in the manufacturing and marketing of animal feeds and concentrates. The registered office of the Company is located at 1 Henry Carr Street, Ikeja Lagos. The parent Company is UAC of Nigeria Plc.

### Statement of compliance

The Company's financial statements for the period ended 30 September 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting, IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023. Details of the Company's material accounting policies are included in Note 2.

The financial statement were authorized for issue by the Board of Directors on .

## 2 Summary of material accounting policies

### Basis of preparation

The financial statements are presented in Naira which is the Company's functional currency and all values are rounded to the nearest thousand (₦'000), except when otherwise indicated.

#### a) Basis of measurement

The financial statements have been prepared in accordance with the going concern assumption under the historical cost concept except for the following term.

Employee benefits: Present value of the obligation

#### b) Fair value measurement

The Company measures its financial instruments at fair value at each reporting date mainly for disclosure purpose. 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

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 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.

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

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:

**Notes to the Financial Statements**  
*For the period ended 30 September 2025*

**2 Summary of material accounting policies (cont'd)**

**b) Fair value measurement**

- 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 at fair value 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

**c) Revenue from contracts with customers**

The Company is into agricultural business for the manufacturing and marketing of animal feeds and concentrates.

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

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

The disclosures of material accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 5.

At contract inception, the Company assesses the goods or services promised to a customer and identifies as a performance obligation each promise to transfer to the customer either:

- a good or service (or a bundle of goods or services) that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Company has identified one distinct performance obligations:

| Performance Obligation | When Performance Obligation is Typically Satisfied                        | When Payment is Typically Due | How Standalone Selling Price is Typically Estimated |
|------------------------|---------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------|
| <i>Animal feeds</i>    | Upon delivery (point in time)                                             | Within 90 days of delivery    | Not applicable                                      |
|                        | When control of the feeds passes to the customer; typically upon delivery | Within 90 days of delivery    | Not applicable                                      |

# Notes to the Financial Statements

*For the period ended 30 September 2025*

## 2 Summary of material accounting policies (cont'd)

### c) Revenue from contracts with customers (cont'd)

Contract for the sale of feeds and concentrates begins when goods have been delivered to the customer and revenue is recognised at the point in time when control of the goods has been transferred to the customer, generally on delivery of the goods. The normal credit term is 90 days upon delivery.

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

#### i. Significant financing component

Using the practical expedient in IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component since Livestock feeds Plc expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

#### ii. Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

#### Volume incentives and trade discounts

When customers meet a set target in a particular month the Company gives a volume incentive. Trade discounts of 20% are given to customers which is determined at the inception of the contract and are set-off against revenue.

#### Rights of return

Some contracts for the sale of Animal feeds provide customers with a right of return and volume rebates. When a contract provides a customer with a right to return the goods within a specified period, the consideration received from the customer is variable because the contract allows the customer to return the products. The Company used the expected value method to estimate the goods that will not be returned. For goods expected to be returned, the Company presented a refund liability and an asset for the right to recover products from a customer separately in the statement of financial position.

#### Assets and liabilities arising from rights of return;

##### Refund assets

Refund assets represent the Company's right to recover the goods expected to be returned by customers. The assets is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

##### Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer.

The Company updates its estimates of refund (and the corresponding change in the transaction price) at the end of each reporting period.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### c) Revenue from contracts with customers (cont'd)

##### iii. Principal vs Agent consideration

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

##### Practical Expedients

Revenue Recognition

Livestock Feeds Plc (LSF) has elected to make use of the following practical expedients:

- LSF opted for the use of one year or less practical expedients for significant financing component.
- LSF applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

##### Other income

This comprises majorly profit from sale of plant and equipment, sales of sack, government grant and so on.

The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets.

#### d) Taxes

##### Current income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income. Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

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

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

##### Tertiary Education Tax

Tertiary Education Tax is charged on the assessable profit of the Company at the rate of 3%. The assessable profit of the Company is ascertained in the manner specified in the Companies Income Tax Act (CITA). The assessable profit is arrived at by adjusting the profit before tax with non-deductible expenses and non-taxable income based on the Companies Income Tax Act. The Company offsets the tax assets arising from withholding tax credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts, and it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### d) Taxes (cont'd)

##### **Minimum tax**

Minimum Tax (determined based on 0.5% of qualifying Company's turnover (revenue) less franked investment income). Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss. The liability is recognised under tax payable in the statement of financial position.

##### **Deferred tax**

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes are recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted by the reporting date.

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. 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.

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

##### **National Information Technology Development Agency Levy**

National Information Technology Development Agency Levy is computed on Profit before tax but it is not applicable to the Companies in agricultural sector.

##### **Nigeria Police Trust Fund Levy**

Nigeria Police Trust Fund Levy is computed on the net profit( i.e. profit deducting all expenses and taxes from revenue earned by the Company during the year) and is governed by the Nigeria Police Trust Fund (Establishment) Act,2019.

#### e) Foreign currencies transaction

In preparing the financial statements of the Company, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-translation of unsettled monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income within other operating income.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### f) Cash dividend

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. Based on the corporate laws of Nigeria, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. However, where interim dividend is declared by the Board, it is recognised in the liability pending the approval of the shareholders. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date where applicable.

#### g) Property, plant and equipment

##### Recognition

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The cost of property, plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment and are depreciated accordingly. Subsequent costs and additions are included in the asset's carrying amount or are 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 of the item can be measured reliably. Capital work in progress are uncompleted projects and they are not depreciated. Depreciation starts when the projects are completed and transferred to the relevant asset class.

All other repairs and maintenance costs are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred. Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method on the following bases:

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life. The depreciation commences immediately the asset is available for intended use.

Depreciation on other assets is calculated using the straight line method to allocate their cost over their estimated useful lives, as follows:

|                          |                |
|--------------------------|----------------|
| Leasehold Land           | 5 to 25 years  |
| Building                 | 10 to 33 years |
| Machinery & Equipment    | 2 to 10 years  |
| Motor Vehicle            |                |
| - Automobile             | 1 to 10 years  |
| - Truck                  | 3 to 10 years  |
| Computer Equipment       | 3 to 5 years   |
| Office equipment         | 3 to 5 years   |
| Capital work in progress | Nil            |

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### **Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss within 'other operating income' in the year that the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, with the changes in estimates accounted for prospectively.

#### **h) Intangible assets**

##### **Computer software**

Expenditure that enhances and extends the benefits of computer software beyond their original specifications and lives, is recognised as a capital improvement cost and is added to the original cost of the software. All other expenditure is expensed as incurred.

Amortisation is recognised in the profit/loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible 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.

##### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in statement of profit or loss and other comprehensive income when the asset is derecognised. The useful life rate is 33.3%

#### **i) Financial instruments – initial recognition and subsequent measurement**

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

##### **a) Financial assets**

No changes were made in the objectives, policies or processes for managing capital during the periods ended 30 September 2025 and 2024.

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

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

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

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### i) Financial instruments – initial recognition and subsequent measurement (cont'd)

In order for a financial asset to be classified and measured at amortised cost, 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 on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

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

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

#### Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows 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 the principal amount outstanding

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

The Company's financial assets at amortised cost includes trade receivables, and receivables from related parties.

#### Derecognition

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

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

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### i) Financial instruments – initial recognition and subsequent measurement (cont'd)

##### **Derecognition (cont'd)**

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company 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 Company has retained.

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

##### **Impairment of financial assets**

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (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 Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

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

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

The 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.

The Company calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### i) Financial instruments – initial recognition and subsequent measurement (cont'd)

##### Impairment of financial assets (cont'd)

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given time horizon.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise.
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Company considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs, EADs and LGDs. In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Oil price
- Exchange rate
- Inflation rate

##### Other Financial Assets

Other financial assets relate to 90% of the unclaimed dividend returned by the registrar of the company. This is in compliance with the directives of the Nigeria Securities and Exchange Commission. The amount is placed in a fixed deposit account where a fixed interest rate is earned.

#### b) Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortized cost, 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 Company's financial liabilities include trade and other payables, loans and borrowings and are classified at amortised cost.

##### Subsequent measurement

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

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

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

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

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### i) Financial instruments – initial recognition and subsequent measurement (cont'd)

##### **Financial liabilities at fair value through profit or loss (cont'd)**

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

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

##### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method.

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.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged, 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 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.

#### j) Inventories

Inventories are stated at the lower of cost and net realisable value, with appropriate provisions for old and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventory quantities and values will be adjusted for spoilage, spillage and deterioration, expiration and any other loss as soon as it is discovered. Stock assessment must be carried out quarterly and the inventories should be measured at the lower of cost and net realizable value as provided for in IFRS. The comparison of cost and net realizable value should be carried out on an item-by-item basis but, where this is impracticable, groups of similar items shall be considered together. It is however, unacceptable to compare the total net realizable value of all inventories with their total purchase price or production cost. Where the net realizable value of an item is less than its cost, the excess is written off immediately in income statement.

Cost is determined as follows:-

##### **Raw materials and packaging materials**

Raw materials and packaging materials include purchase cost and other costs incurred to bring the materials to their location and condition are valued using weighted average cost.

##### **Finished goods**

Cost of direct materials and labour plus a reasonable proportion of overheads absorbed by manufacturing based on normal levels of activity.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### j) Inventories (cont'd)

##### **Spare parts and consumables**

Spare parts which are expected to be fully utilized in production within the next operating cycle and other consumables are valued at weighted average cost after making allowance for obsolete and damaged stocks.

#### k) Impairment of non-financial assets

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

- |                                           |            |
|-------------------------------------------|------------|
| • Disclosures for significant assumptions | Note 4     |
| • Property, plant and equipment           | Note 16(a) |
| • Intangible assets                       | Note 17    |

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

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 the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### l) Cash and bank balances

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### **2 Summary of material accounting policies (cont'd)**

#### **m) Provisions**

A provision is recognized only if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. The Company's provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

#### **n) Contingent liabilities and Contingent assets**

A Contingent liability is a possible liability that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of the entity. Contingent assets are not recognised, but they are disclosed when it is more likely than not that an inflow of benefits will occur.

#### **o) Government grant**

Benefits accruing to the Company on government assisted loans granted at a below market rate of interest is treated as a government grant. The benefit of such a government assisted loan is the difference between market rate of interest and the below market rate applicable to the government assisted loan. The grant so measured is recognised as income in the financial statements on a systematic basis over the tenor of the loan.

#### **p) Pension and other post-employment benefits**

##### **i) Defined contribution scheme - pension**

In line with the provisions of the Nigerian Pension Reform Act, 2014, Livestock Feeds Plc has instituted a defined contributory pension scheme for its employees. The scheme is funded by fixed contributions from employees and the Company at the rate of 8% by employees and 10% by the Company of basic, housing and transport allowance, and invested outside the Company through Pension Fund Administrators (PFAs) of the employees choice.

The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees' service in the current and prior periods.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 2 Summary of material accounting policies (cont'd)

#### i) Defined contribution scheme - pension (cont'd)

The matching contributions made by Livestock Feeds Plc to the relevant PFAs are recognised as expenses when the costs become payable in the reporting periods during which employees have rendered services in exchange for those contributions. Liabilities in respect of the defined contribution scheme are charged against the profit of the period in which they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### ii) Other long term benefits

Other long term benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefit. The company's net obligation under other long term benefits is the amount of future benefits that employees have earned in return for their service in current and prior periods. The benefit is discounted to determine its present value and remeasurements are recognised in the profit or loss account in the period in which they arise.

#### iii) Profit-sharing and bonus plans

All full-time staff are eligible to participate in the profit-sharing scheme. The company recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments.

#### q) 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.

##### i) Right-of-use-assets (ROU)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

##### ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

## **Notes to the Financial Statements**

*For the period ended 30 September 2025*

### **2 Summary of material accounting policies (cont'd)**

#### **iii) Short-term leases**

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

#### **r) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the internal chief operating-decision maker. The chief operating-decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Livestock Feeds Plc.

The Company's primary format for segment reporting is based on business operating segments. Where applicable, segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The basis of segmental reporting is geographical locations where the Company operates namely Ikeja for

South west, Aba mill for South east, Onitsha operations for South south and Jos and Kano for the North.

#### **s) Prepayments:**

Prepayments are non-financial assets which result when payments are made in advance of the receipt of goods or services. They are recognized when the Company expects to receive future economic benefits equivalent to the value of the prepayments.

The receipt or consumption of the services is a reduction in the prepayment and a corresponding increase in expense or assets for that reporting period.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### **3 Application of new and revised International Financial Reporting Standards (IFRSs)**

#### **a) Amendments to IFRSs that are mandatorily effective for the current year**

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IFRS Accounting Standards) that are mandatorily effective for accounting period that begins on or after 1 January 2024.

#### **i) Lease Liability in a Sale and Leaseback (Amendments to IFRS Standards 16)**

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 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.

As part of the amendments, the IASB amended an Illustrative 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 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.

This has no material impact on the Company's financial statements.

#### **ii) 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 noncurrent). 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. 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.

The implementation of these amendments have had no material impact on the Company's financial statements.

#### **iii) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures — Supplier Finance Arrangements**

The amendments apply to supplier finance arrangements that have all of the following characteristics.

1. A finance provider pays amounts a company (the buyer) owes its suppliers
2. A Company agrees to pay under the terms and conditions of the arrangements on the same date or at a later date than its suppliers are paid.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 3 Application of new and revised International Financial Reporting Standards (IFRSs) (cont'd)

#### iii) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures — Supplier Finance Arrangements (cont'd)

3. The Company is provided with extended payment terms or suppliers benefit from early payment terms, compared with the related invoice payment due date.

The amendments do not apply to arrangements for financing receivables or inventory. The amendments introduce two new disclosure objectives—one in IAS 7 and another in IFRS 7. For the Company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the Company's liabilities and cash flows, and the Company's exposure to liquidity risk. Under the amendments, Companies also need to disclose the types and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement.

The implementation of these amendments have had no material impact on the Company's financial statements.

#### b) Standards issued but not yet effective

##### i) Amendment to IAS 21 – Lack of exchangeability (effective 1 January 2025)

An entity is impacted by this amendment when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

The lack of exchangeability may occur, for example, because of government imposed controls on capital imports and exports, or the volume of foreign currency transactions that can be undertaken at an official exchange rate is limited. The amendments clarify when a currency is considered exchangeable into another currency and how an entity estimates a spot rate for currencies that lack exchangeability.

The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.

The effective date of the amendment is for years beginning on or after 1 January 2025.

These amendments are not expected to have any material impact on the Company's financial statements.

##### ii) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

These amendments clarify how to classify and disclose some financial assets with ESG-linked features. The amendments to IFRS 9 include guidance on the classification of financial assets, including those with contingent features while amendments to IFRS 7 now requires Companies to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. The amendments also introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs.

The effective date of the amendment is for years beginning on or after 1 January 2026.

These amendments are not expected to have any material impact on the Company's financial statements.

##### iii) IFRS 18 Presentation and Disclosure in Financial Statements

The standard aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. It provides significant changes to how a company presents its income statement and what information needs to be disclosed, and making certain 'non-GAAP' measures part of the audited financial statements for the first time.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### **b) Standards issued but not yet effective (cont'd)**

#### **iii) IFRS 18 Presentation and Disclosure in Financial Statements (cont'd)**

The effective date of the amendment is for years beginning on or after 1 January 2027.

The directors of the Company anticipate that these amendments are not expected to have material impact on the financial statements presentation.

#### **iv) IFRS 19 Subsidiaries without public accountability: Disclosures (effective 1 January 2027)**

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability; and
- its parent produces consolidated financial statements under IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

#### **v) Annual improvements to IFRS standards - volume 11 (effective 1 January 2026)**

These amendments, published in a single document, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards.

The amended Standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

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

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

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

- |                                                      |         |
|------------------------------------------------------|---------|
| • Capital management                                 | Note 7  |
| • Financial instruments risk management and policies | Note 31 |
| • Sensitivity analyses disclosures                   | Note 31 |

#### **Judgements**

In the process of applying the Company's accounting policies, management has made the following

judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### **(a) Determining the lease term of contracts with renewal – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

## Notes to the Financial Statements

*For the period ended 30 September 2025*

### 4 Material accounting judgements, estimates and assumptions (cont'd)

#### (b) Revenue from contracts with customers

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

##### **Determining the timing of satisfaction of sales of feeds and concentrates**

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

##### **Estimates and assumptions**

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

#### (a) 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 off the asset. The fair value of the assets is based on the market value. This is the price which an asset may be reasonably expected to be realised in a sale in a private contract. These estimates are most relevant to intangibles with indefinite useful lives recognised by the Company.

#### (b) Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for various customer segments that have similar loss patterns (i.e., by product type, customer type and rating).

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

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 19 and 31.4

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 4 Material accounting judgements, estimates and assumptions (cont'd)

#### (c) Depreciation and carrying value of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

#### (d) Taxes

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

### 5 Revenue from contracts with customers

#### 5.1 Disaggregated revenue information

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

| Segments                                           | For the period ended 30 September 2025 |                   |                   |                   |                   |
|----------------------------------------------------|----------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                                    | Aba                                    | Ikeja             | Onitsha           | Northern          | Total             |
|                                                    | Operations                             | Operations        | Operations        | Operations        |                   |
|                                                    | N'000                                  | N'000             | N'000             | N'000             | N'000             |
| <b>Type of goods or service</b>                    |                                        |                   |                   |                   |                   |
| Sales of livestock feeds                           | 13,670,810                             | 10,236,263        | 1,760,129         | 4,100,170         | 29,767,371        |
| <b>Total revenue from contracts with customers</b> | <b>13,670,810</b>                      | <b>10,236,263</b> | <b>1,760,129</b>  | <b>4,100,170</b>  | <b>29,767,371</b> |
| <b>Geographical markets</b>                        |                                        |                   |                   |                   |                   |
| Within Nigeria                                     | 13,670,810                             | 10,236,263        | 1,760,129         | 4,100,170         | 29,767,371        |
| <b>Total revenue from contracts with customers</b> | <b>13,670,810</b>                      | <b>10,236,263</b> | <b>1,760,129</b>  | <b>4,100,170</b>  | <b>29,767,371</b> |
| <b>Timing of revenue recognition</b>               |                                        |                   |                   |                   |                   |
| Goods transferred at a point in time               | 13,670,810                             | 10,236,263        | 1,760,129         | 4,100,170         | 29,767,371        |
| <b>Total revenue from contracts with customers</b> | <b>13,670,810</b>                      | <b>10,236,263</b> | <b>1,760,129</b>  | <b>4,100,170</b>  | <b>29,767,371</b> |
| <b>For the period ended 30 September 2024</b>      |                                        |                   |                   |                   |                   |
| Segments                                           | Aba                                    | Ikeja             | Onitsha           | Northern          | Total             |
|                                                    | Operations                             | Operations        | Operations        | Operations        |                   |
|                                                    | N'000                                  | N'000             | N'000             | N'000             | N'000             |
| <b>Type of goods or service</b>                    |                                        |                   |                   |                   |                   |
| Sales of livestock feeds                           | 10,304,200                             | 13,283,719        | 1,662,353         | 3,361,995         | 28,612,267        |
| <b>Total revenue from contracts with customers</b> | <b>10,304,200</b>                      | <b>13,283,719</b> | <b>1,662,353</b>  | <b>3,361,995</b>  | <b>28,612,267</b> |
| <b>Geographical markets</b>                        |                                        |                   |                   |                   |                   |
| Within Nigeria                                     | 10,304,200                             | 13,283,719        | 1,662,353         | 3,361,995         | 28,612,267        |
| <b>Total revenue from contracts with customers</b> | <b>10,304,200</b>                      | <b>13,283,719</b> | <b>1,662,353</b>  | <b>3,361,995</b>  | <b>28,612,267</b> |
| <b>Timing of revenue recognition</b>               |                                        |                   |                   |                   |                   |
| Goods transferred at a point in time               | 10,304,200                             | 13,283,719        | 1,662,353         | 3,361,995         | 28,612,267        |
| <b>Total revenue from contracts with customers</b> | <b>10,304,200</b>                      | <b>13,283,719</b> | <b>10,503,121</b> | <b>10,503,121</b> | <b>28,612,267</b> |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 5 Revenue from contracts with customers (cont'd)

#### Performance obligations

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

#### *Sale of Animal feeds*

The performance obligation is satisfied upon delivery of livestock feeds and payment is generally due within 90 days from delivery.

#### Contract balances

|                             | 2025      | 2024    |
|-----------------------------|-----------|---------|
|                             | N'000     | N'000   |
| Trade receivables (Note 19) | 1,224,283 | 114,750 |

In 2025, provision for trade receivable is ₦97.95 Million (2024: ₦97.95million). No amount was recognised as impairment

losses on trade receivables in the statement of profit or loss and other comprehensive income.

### 6 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Board of Livestock Feeds Plc. The Board members review the Company's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segments based on these reports. Assessment of performance is based on operating profits of the operating segment that is reviewed by the Board. Other information provided to the Board is measured in a manner consistent with that of the financial statements.

The Company generated all its revenue in Nigeria. The Company operates only in the Feed Milling industry hence all information on the statement of profit or loss and other comprehensive income and statement of financial position remains the same with that of the segment information.

|                                               | 2025        | 2024        |
|-----------------------------------------------|-------------|-------------|
|                                               | N'000       | N'000       |
| Revenue from contract with customers (Note 5) | 29,767,371  | 28,612,267  |
| Operating profit                              | 2,488,448   | 3,416,397   |
| Finance cost (Note 11)                        | (2,662,581) | (1,308,298) |
| Finance income (Note 10)                      | 1,606       | 4,668       |
| Profit before taxation                        | (172,528)   | 2,112,767   |
| Minimum tax expense (Note 14 (v))             | -           | -           |
| Income tax expense (Note 14 (i))              | (154,013)   | (697,213)   |
| Total assets                                  | 17,579,691  | 23,386,042  |
| Total liabilities                             | 14,521,562  | 20,001,372  |

#### Revenue

The Company (all segments) produces animal feeds which is 100% of its turnover. Other products include Veterinary Drugs which is bought from other Companies for marketing and sales. All the products have similar risk and returns and are therefore considered as a single segment. Analysis of sales for the year is as follows:

|                     | 2025              | 2024              |
|---------------------|-------------------|-------------------|
|                     | N'000             | N'000             |
| Aba                 | 13,670,810        | 10,304,200        |
| Ikeja               | 10,236,263        | 13,283,719        |
| Onitsha Operations  | 1,760,129         | 1,662,353         |
| Northern Operations | 4,100,170         | 3,361,995         |
|                     | <b>29,767,371</b> | <b>28,612,267</b> |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 6 Segment information (cont'd)

#### Segmental revenue and operating profit-30 September 2025

|                                    | Aba              | Ikeja            | Onitsha<br>Operations | Northern<br>Operations | Total            |
|------------------------------------|------------------|------------------|-----------------------|------------------------|------------------|
|                                    | <b>N'000</b>     |                  |                       |                        |                  |
| From external customers            | 13,670,810       | 10,236,263       | 1,760,129             | 4,100,170              | 29,767,371       |
| Segment revenue                    | 13,670,810       | 10,236,263       | 1,760,129             | 4,100,170              | 29,767,371       |
| Cost of sales                      | (12,031,982)     | (8,840,220)      | (1,537,478)           | (3,493,762)            | (25,903,443)     |
| <b>Gross profit</b>                | <b>1,638,827</b> | <b>1,396,043</b> | <b>222,651</b>        | <b>606,407</b>         | <b>3,863,928</b> |
| Selling and distribution expense   | (49,179)         | (69,435)         | (15,820)              | (30,891)               | (165,325)        |
| <b>Trading profit</b>              | <b>1,589,648</b> | <b>1,326,608</b> | <b>206,831</b>        | <b>575,516</b>         | <b>3,698,603</b> |
| Other income                       | 40,234           | 16,017           | -                     | 8,949                  | 65,200           |
| Profit from sales of raw materials | -                | 7,721            | -                     | -                      | 7,721            |
| Sales of egg                       | 11,144           |                  |                       |                        | 11,144           |
| <b>Operating profit</b>            | <b>1,641,026</b> | <b>1,350,345</b> | <b>206,831</b>        | <b>584,465</b>         | <b>3,782,668</b> |
| Finance cost                       | (972,734)        | (1,127,792)      | (103,622)             | (411,875)              | (2,616,022)      |
| Lease interest expenses            |                  |                  |                       | (46,559)               | (46,559)         |
| <b>Contribution to margin</b>      | <b>668,292</b>   | <b>222,554</b>   | <b>103,209</b>        | <b>126,031</b>         | <b>1,120,086</b> |

#### Head Office

|                                     |                  |
|-------------------------------------|------------------|
| Dividend income (Note 9)            | 408              |
| Finance income (Note 10)            | 1,606            |
| Laboratory income                   | 2,345            |
| Sales of scrap                      | 706              |
| Gain on disposal of assets (Note 9) | 55               |
| Miscellaneous income                | 837              |
| Administrative cost (Note 8(iii))   | (1,217,672)      |
| Marketing cost                      | (80,899)         |
| <b>Profit before tax</b>            | <b>(172,528)</b> |

#### Segment assets and liabilities- 30 September 2025

|                                   | Head office      | Aba            | Ikeja          | Onitsha<br>Operations | Northern<br>Operations | Total            |
|-----------------------------------|------------------|----------------|----------------|-----------------------|------------------------|------------------|
|                                   | <b>N'000</b>     |                |                |                       |                        |                  |
|                                   | <b>N'000</b>     |                | <b>N'000</b>   | <b>N'000</b>          | <b>N'000</b>           | <b>N'000</b>     |
| Property, plant and equipment     | 1,162,436        | 458,201        | 201,183        | 1,881                 | 49,967                 | 1,873,668        |
| Intangible assets                 | 116,433          | -              | -              | -                     | -                      | 116,433          |
| Right of use of assets            | -                | -              | -              | -                     | 457,674                | 457,674          |
| Deferred tax assets               | 54,183           | -              | -              | -                     | -                      | 54,183           |
| <b>6 Total Non-current Assets</b> | <b>1,333,052</b> | <b>458,201</b> | <b>201,183</b> | <b>1,881</b>          | <b>507,641</b>         | <b>2,501,958</b> |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### Segment information (cont'd)

#### Segment assets and liabilities- 30 september 2025

|                             |                  | Aba              | Ikeja            | Onitsha        | Northern         |                   |
|-----------------------------|------------------|------------------|------------------|----------------|------------------|-------------------|
| Current assets              | N'000            | N'000            | N'000            | N'000          | N'000            | N'000             |
| Inventory                   | 4,970,602        | 2,793,638        | 3,498,665        | 9,110          | 1,711,027        | 12,983,042        |
| Trade and other receivables | -22,387          | 563,393          | 391,370          | 109,563        | 159,957          | 1,201,896         |
| Refund assets               | 5,616            | -                | -                | -              | -                | 5,616             |
| Prepayments                 | 157,683          | -                | 15,120           | -              | 10,778           | 183,581           |
| Other financial asset       | 17,283           | -                | -                | -              | -                | 17,283            |
| Cash and cash equivalents   | 438,586          | 11,471           | 1,025            | 101,464        | 133,768          | 686,315           |
| <b>Total Current Assets</b> | <b>5,567,383</b> | <b>3,368,502</b> | <b>3,906,180</b> | <b>220,137</b> | <b>2,015,531</b> | <b>15,077,733</b> |

The inventory balance at the head office represents materials held in Livestock feeds Plc warehouses and those held at external warehouses in Lagos, Kano and Zaria and will be transferred to the various mills in the current year while trade and other

|                   |                |          |          |          |                |                |
|-------------------|----------------|----------|----------|----------|----------------|----------------|
|                   | -              | -        | -        | -        | 277,476        | 277,476        |
| Lease liabilities |                |          |          |          |                |                |
| Employee benefits | 433,380        | -        | -        | -        | -              | 433,380        |
|                   | <b>433,380</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>277,476</b> | <b>710,856</b> |

| Current liabilities              | N'000             | N'000         | N'000         | N'000        | N'000         | N'000             |
|----------------------------------|-------------------|---------------|---------------|--------------|---------------|-------------------|
|                                  |                   |               |               |              |               | 9,307,724         |
| Trade and other payables         | 9,174,584         | 40,689        | 63,439        | 3,652        | 25,361        |                   |
| Short- term borrowings           | 4,306,855         | -             | -             | -            | -             | 4,306,855         |
| Refund liabilities               | 6,240             | -             | -             | -            | -             | 6,240             |
| Dividend payable                 | 17,384            | -             | -             | -            | -             | 17,384            |
| Current tax liabilities          | 172,503           | -             | -             | -            | -             | 172,503           |
| <b>Total Current Liabilities</b> | <b>13,677,565</b> | <b>40,689</b> | <b>63,439</b> | <b>3,652</b> | <b>25,361</b> | <b>13,810,705</b> |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

6

### Segment information (cont'd)

#### Segmental revenue and operating profit -30 September 2024

|                                  | Aba              | Ikeja            | Onitsha        | Northern       | Total            |
|----------------------------------|------------------|------------------|----------------|----------------|------------------|
|                                  | N'000            |                  |                |                |                  |
| From external customers          | 10,304,200       | 13,283,719       | 1,662,353      | 3,361,995      | 28,612,267       |
| Segment revenue                  | 10,304,200       | 13,283,719       | 1,662,353      | 3,361,995      | 28,612,267       |
| Cost of sales                    | (8,301,582)      | (11,363,457)     | (1,520,961)    | (2,731,465)    | (23,917,464)     |
| <b>Gross profit</b>              | <b>2,002,618</b> | <b>1,920,262</b> | <b>141,392</b> | <b>630,530</b> | <b>4,694,803</b> |
| Selling and distribution expense | (38,093)         | (53,055)         | (20,787)       | (22,894)       | (134,829)        |
| <b>Trading profit</b>            | <b>1,964,525</b> | <b>1,867,207</b> | <b>120,605</b> | <b>607,636</b> | <b>4,559,974</b> |
| Other income                     | 27,183           | 21,977           | -              | 3,409          | 52,569           |
| <b>Operating profit</b>          | <b>1,991,709</b> | <b>1,889,184</b> | <b>120,605</b> | <b>611,045</b> | <b>4,612,543</b> |
| Finance expense                  | (328,511)        | (756,507)        | (47,445)       | (175,835)      | (1,308,298)      |
| <b>Contribution to margin</b>    | <b>1,663,198</b> | <b>1,132,677</b> | <b>73,160</b>  | <b>435,210</b> | <b>3,304,245</b> |

#### Head Office

|                                  |                  |
|----------------------------------|------------------|
| Dividend income (Note 9)         | 459              |
| Interest income (Note 10)        | 4,668            |
| Laboratory income                | 1,675            |
| Miscellaneous income             | 810              |
| Administrative cost(Note 8(iii)) | (1,093,914)      |
| Marketing cost                   | (105,178)        |
| <b>Profit before tax</b>         | <b>2,112,767</b> |

#### Segment assets and liabilities- 31 December 2024

|                                 | Head office      | Aba            | Ikeja          | Onitsha             | Northern            | Total            |
|---------------------------------|------------------|----------------|----------------|---------------------|---------------------|------------------|
|                                 | N'000            | N'000          | N'000          | Operations<br>N'000 | Operations<br>N'000 | N'000            |
| Property, plant and equipment   | 1,193,305        | 347,634        | 201,282        | -                   | 1,491               | 1,743,712        |
| Intangible assets               | 144,782          | -              | -              | -                   | -                   | 144,782          |
| 6 Right of use of assets        | -                | -              | -              | -                   | 495,120             | 495,120          |
| Deferred tax assets             | 54,183           | -              | -              | -                   | -                   | 54,183           |
| <b>Total Non-current Assets</b> | <b>1,392,270</b> | <b>347,634</b> | <b>201,282</b> | <b>-</b>            | <b>496,611</b>      | <b>2,437,797</b> |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### Segment information (cont'd)

|                                |                                  | N'000             | N'000            | N'000            | N'000         | N'000            | N'000             |
|--------------------------------|----------------------------------|-------------------|------------------|------------------|---------------|------------------|-------------------|
| <b>Current assets</b>          |                                  |                   |                  |                  |               |                  |                   |
|                                | Inventory                        | 10,542,237        | 3,181,739        | 3,971,467        | 12,644        | 1,624,310        | 19,332,397        |
|                                | Trade and other receivables      | 37,870            | 48,498           | 54,391           | 8,695         | 3,166            | 152,620           |
|                                | Refund assets                    | 5,616             | -                | -                | -             | -                | 5,616             |
|                                | Prepayments                      | 113,710           | 2,633            | 22,495           | -             | 110,833          | 249,671           |
|                                | Other financial asset            | 17,283            | -                | -                | -             | -                | 17,283            |
|                                | Cash and cash equivalents        | 164,480           | 26               | 1,011,464        | 14,669        | 19               | 1,190,658         |
|                                | <b>Total Current Assets</b>      | <b>10,881,197</b> | <b>3,232,896</b> | <b>5,059,817</b> | <b>36,008</b> | <b>1,738,328</b> | <b>20,948,245</b> |
|                                |                                  |                   |                  |                  |               |                  |                   |
| <b>Non-current liabilities</b> |                                  | N'000             |                  |                  |               |                  |                   |
|                                |                                  | N'000             |                  | N'000            | N'000         | N'000            | N'000             |
|                                | Lease liabilities                | -                 | -                | -                | -             | 230,917          | 230,917           |
|                                | Employee benefits                | 208,380           | -                | -                | -             | -                | 208,380           |
|                                |                                  | <b>208,380</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>      | <b>230,917</b>   | <b>439,297</b>    |
|                                |                                  |                   |                  |                  |               |                  |                   |
|                                |                                  | Head office       | Aba              | Ikeja            | Onitsha       | Northern         | Total             |
|                                |                                  |                   |                  |                  | Operations    | Operations       |                   |
| <b>Current liabilities</b>     |                                  |                   | N'000            |                  |               |                  |                   |
| 7                              | Trade and other payables         | 4,860,793         | 21,168           | 57,927           | 33,362        | 10,601           | 4,983,851         |
|                                | Short- term borrowings           | 13,714,351        | -                | -                | -             | -                | 13,714,351        |
|                                | Refund liabilities               | 6,240             | -                | -                | -             | -                | 6,240             |
|                                | Dividend payable                 | 17,384            | -                | -                | -             | -                | 17,384            |
|                                | Current tax payable              | 840,249           | -                | -                | -             | -                | 840,249           |
|                                | <b>Total Current Liabilities</b> | <b>19,439,017</b> | <b>21,168</b>    | <b>57,927</b>    | <b>33,362</b> | <b>10,601</b>    | <b>19,562,075</b> |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 7 Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and retained earnings attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's

#### Capital management (cont'd)

|                                       |      | 2025              | 2024              |
|---------------------------------------|------|-------------------|-------------------|
|                                       | Note | N'000             | N'000             |
| Trade and other payables              | 23   | 9,307,724         | 4,983,851         |
| Interest-bearing loans and borrowings | 26   | 4,306,855         | 13,714,351        |
| Cash and cash balances                | 21   | (686,315)         | (1,190,658)       |
| <b>8 Net debt</b>                     |      | <b>12,928,264</b> | <b>17,507,544</b> |
| <b>8(i) Total capital: Equity</b>     |      | <b>3,058,130</b>  | <b>3,384,670</b>  |
| <b>Capital and net debt</b>           |      | <b>15,986,394</b> | <b>20,892,214</b> |
| <b>Gearing ratio</b>                  |      | <b>81%</b>        | <b>84%</b>        |

No changes were made in the objectives, policies or processes for managing capital during the periods ended 30 September 2025 and 2024.

#### Expenses by Nature

| Cost of sales                                                | Notes | 2025              | 2024              |
|--------------------------------------------------------------|-------|-------------------|-------------------|
|                                                              |       | N'000             | N'000             |
| Change in inventories of finished goods and work in progress |       | 24,433,531        | 22,913,777        |
| Salaries and other staff benefit*                            |       | 655,684           | 426,956           |
| Business travelling expenses                                 |       | 43,557            | 5,237             |
| Business entertainment expenses                              |       | 1,073             | 4,386             |
| Electricity and power                                        |       | 285,495           | 223,397           |
| Depreciation of property, plant & equipment                  | 13    | 155,037           | 123,836           |
| Amortisation of intangible assets                            | 13(i) | -                 | 109               |
| Depreciation expense - (ROU)                                 |       | 37,446            |                   |
| Rent**                                                       |       | 51,776            | 50,942            |
| Security expenses                                            |       | 27,824            | 19,907            |
| Local repair and renewal                                     |       | 134,526           | 97,671            |
| Laboratory expenses                                          |       | 22,053            | 12,427            |
| Research & development                                       |       | 11,639            |                   |
| Vehicle repairs expenses                                     |       | 4,880             | 13,187            |
| Sundry vehicle expenses                                      |       | 2,426             | 1,611             |
| Cleaning & sanitation                                        |       | 5,802             | 4,178             |
| Office stationery & printing                                 |       | 7,102             | 6,228             |
| Rates                                                        |       | 50                | 2,650             |
| Subscription                                                 |       | 6,924             | 1,620             |
| Information Technology                                       |       | 3,801             | 1,050             |
| Other expenses ***                                           |       | 12,818            | 8,293             |
| <b>Total cost of sales</b>                                   |       | <b>25,903,443</b> | <b>23,917,464</b> |

\* Salaries & other benefits includes Employer Pension for the year ₦12,286,061 (2024: ₦9,745,639).

## Notes to the Financial Statements - Continued

For the year ended 30 September 2025

### Expenses by Nature-continued

| 8(ii) Selling and distribution expenses     | Notes | 2025<br>N'000  | 2024<br>N'000  |
|---------------------------------------------|-------|----------------|----------------|
| Salaries and other staff benefit*           |       | 118,563        | 104,028        |
| Business travelling expenses                |       | 43,694         | 25,550         |
| Distribution expenses                       |       | 42,762         | 33,862         |
| Corporate gifts/marketing investment        |       | 13,307         | 52,621         |
| Depreciation of property, plant & equipment | 13    | 17,034         | 13,274         |
| Electricity and power                       |       | 3,084          | 1,912          |
| Local repair and renewal                    |       | 28             | 63             |
| Advertisement and publicity                 |       | 613            | 870            |
| Vehicle repairs, maintenance & fuelling     |       | 6,899          | 7,630          |
| Other expenses **                           |       | 240            | 195            |
|                                             |       | <b>246,224</b> | <b>240,006</b> |

\* Salaries & other benefits include Employer's Pension ~~₦4,251,749~~ (2024: ~~₦4,055,817~~)

\*\* Other expenses include all other expenses that are related to selling & distribution but not stated above such as, staff uniform, postages, and telephone expenses etc which were incurred during the year.

| 8(iii) Administrative expenses              |        | 2025<br>N'000    | 2024<br>N'000    |
|---------------------------------------------|--------|------------------|------------------|
| Salaries and other staff benefit*           |        | 326,502          | 264,968          |
| Consultancy                                 |        | 63,566           | 27,786           |
| Audit fee**                                 |        | 15,129           | 14,109           |
| Non-audit related services ***              |        | 11,880           |                  |
| Subscription                                |        | 7,623            | 5,554            |
| Board expenses                              | 31(ii) | 43,240           | 21,947           |
| AGM expenses                                |        | 6,200            | 10,227           |
| Information Technology                      |        | 201,961          | 138,880          |
| Depreciation of property, plant & equipment | 13     | 15,692           | 14,273           |
| Amortisation of intangible assets           | 13(i)  | 43,198           | 39,486           |
| Insurance                                   |        | 71,492           | 39,245           |
| Management service fees                     | 28     | 318,583          | 290,041          |
| Bank charges                                |        | 16,893           | 16,600           |
| Business travelling & entertainment         |        | 19,416           | 14,036           |
| Electricity & power                         |        | 7,084            | 6,786            |
| Cleaning & sanitation                       |        | 1,137            | 256              |
| Security expenses                           |        | 19,488           | 668              |
| Office stationery & printing                |        | 1,652            | 1,639            |
| Local repairs & renewal                     |        | 4,251            | 1,800            |
| Rent and rates                              |        | 998              | 2,576            |
| Advertisement & publicity                   |        | 274              | 821              |
| Legal Expenses                              |        | 7,313            |                  |
| Vehicles repairs, maintenance & fueling     |        | 2,201            | 991              |
| Other expenses ****                         |        | 11,899           | 181,225          |
|                                             |        | <b>1,217,672</b> | <b>1,093,914</b> |

\* Salaries & Other benefits include Employer's Pension ~~₦9,405,475~~(2024:~~₦9,948,260~~).

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 8(iii) Administrative expenses (cont'd)

\*\* Audit fees relates to the professional fees for our external auditor.

\*\*\* Non-Audit related services, relates to the professional fees for the limited Assurance Engagement performed on Management's Assessment of Internal Control over Financial reporting.

| 9 | Other operating income                            | Notes | 2025<br>N'000 | 2024<br>N'000 |
|---|---------------------------------------------------|-------|---------------|---------------|
|   | Sales of sacks                                    |       | 62,487        | 50,593        |
|   | Laboratory income *                               |       | 2,616         | 1,938         |
|   | Weighing income**                                 |       | 2,318         | 1,569         |
|   | Sales of scrap                                    |       | 828           | 145           |
|   | Gain on disposal of property, plant and equipment |       | 55            | -             |
|   | Registration fees                                 |       | 837           | 810           |
|   | Dividend income                                   |       | 408           | 459           |
|   | Sales of egg                                      |       | 11,144        | -             |
|   | Profit on sales of raw materials***               |       | 7,721         | -             |
|   | <b>Total other operating income</b>               |       | <b>88,415</b> | <b>55,514</b> |

\* The Company has laboratories in Ikeja mill and Aba mill where third parties come for laboratory analysis and pay for this service.

\*\* Third parties made use of Livestock feeds Plc weighbridge to weigh their trucks and goods in Ikeja mill and Onitsha operation during the year.

\*\*\* Profit on sales of raw materials relates to gain on sales of natuzyme.

| 10 | Finance income                                  | 2025<br>N'000 | 2024<br>N'000 |
|----|-------------------------------------------------|---------------|---------------|
|    | Interest income on short-term bank deposits     | -             | 21            |
|    | Interest income - unclaimed dividend            | 1,574         | 1,205         |
|    |                                                 | <b>1,574</b>  | <b>1,226</b>  |
|    | Gain on unrealized foreign currency revaluation | 32            | 3,442         |
|    |                                                 | <b>1,606</b>  | <b>4,668</b>  |

| 11 | Finance cost            | 2025<br>N'000    | 2024<br>N'000    |
|----|-------------------------|------------------|------------------|
|    | Interest on loans       | 1,711,857        | 919,828          |
|    | Treasury expenses**     | 904,165          | 388,470          |
|    | Lease interest expenses | 46,559           | -                |
|    |                         | <b>2,662,581</b> | <b>1,308,298</b> |

\*\*Treasury expenses relates to finance costs to be paid to the parent company, UAC of Nigeria Plc in respect of funding support provided to the Company to augment it's working capital requirements

### 12 Profit/ (loss) before

Profit/ (loss) before taxation is stated after charging:

|                                   |             | 2025<br>N'000 | 2024<br>N'000 |
|-----------------------------------|-------------|---------------|---------------|
| Amortisation of intangible assets | 13(i)       | 43,198        | 39,486        |
| Depreciation                      | 13          | 225,209       | 151,384       |
| Auditors remuneration             | 8(iii)      | 27,009        | 14,109        |
| Staff cost                        | 8(i,ii,iii) | 1,100,749     | 795,952       |

## Notes to the Financial Statements - Continued

*For the period ended 30 September 2025*

| <b>13</b>  | <b>Depreciation of property, plant &amp; equipment</b>                                                                                                                             | <b>Notes</b> | <b>2025</b>      | <b>2024</b>    |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------|----------------|
|            |                                                                                                                                                                                    |              | <b>N'000</b>     | <b>N'000</b>   |
|            | Cost of sales                                                                                                                                                                      | 8(i)         | 192,483          | 123,836        |
|            | Selling and distribution expenses                                                                                                                                                  | 8(ii)        | 17,034           | 13,274         |
|            | Administrative expenses                                                                                                                                                            | 8(iii)       | 15,692           | 14,273         |
|            |                                                                                                                                                                                    |              | <b>225,209</b>   | <b>151,384</b> |
| <b>(i)</b> | <b>Amortisation of intangible assets</b>                                                                                                                                           |              | <b>2025</b>      | <b>2024</b>    |
|            |                                                                                                                                                                                    |              | <b>N'000</b>     | <b>N'000</b>   |
|            | Cost of sales                                                                                                                                                                      | 8(i)         | -                | 109            |
|            | Administrative expenses                                                                                                                                                            | 8(iii)       | 43,198           | 39,486         |
|            |                                                                                                                                                                                    |              | <b>43,198</b>    | <b>39,595</b>  |
| <b>14</b>  | <b>Taxation</b>                                                                                                                                                                    |              |                  |                |
| <b>(i)</b> | <b>Income tax expense</b>                                                                                                                                                          |              |                  |                |
|            | The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises: |              |                  |                |
|            |                                                                                                                                                                                    |              | <b>2025</b>      | <b>2024</b>    |
|            |                                                                                                                                                                                    |              | <b>N'000</b>     | <b>N'000</b>   |
|            | <b>Current tax expense:</b>                                                                                                                                                        |              |                  |                |
|            | Minimum Tax/ Company income tax                                                                                                                                                    |              | (148,837)        | 633,830        |
|            | Education tax charge                                                                                                                                                               |              | (5,176)          | 63,383         |
|            | <b>Income tax charge</b>                                                                                                                                                           |              | <b>(154,013)</b> | <b>697,213</b> |

## Notes to the Financial Statements - Continued

*For the period ended 30 September 2025*

### 14 Taxation (cont'd)

#### Deferred tax

Deferred tax relates to the following:

|                                  | 2025            | 2024            |
|----------------------------------|-----------------|-----------------|
|                                  | N'000           | N'000           |
| Property, plant and equipment    | (54,183)        | 165,285         |
| Employee benefits                | -               | (68,766)        |
| Provisions                       | -               | (238,988)       |
| Unrealised exchange gain         | -               | 1,098           |
| Right of use assets              | -               | 87,188          |
| <b>Net deferred tax assets</b>   | <b>(54,183)</b> | <b>(54,183)</b> |
| Unrecognised deferred tax assets | -               | -               |
| <b>Net deferred tax assets</b>   | <b>(54,183)</b> | <b>(54,183)</b> |

#### Current tax liabilities

|                                 | 2025           | 2024           |
|---------------------------------|----------------|----------------|
|                                 | N'000          | N'000          |
| As of 1 January                 | 840,249        | 116,222        |
| Income tax expense for the year | 154,013        | 967,104        |
| Payment during the year         | (821,759)      | (243,077)      |
| As at 30 September/31 December  | <b>172,503</b> | <b>840,249</b> |

### 15 Earnings per share (EPS)

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

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year adjusted for any dilutive or potentially dilutive instruments.

## Notes to the Financial Statements - Continued

*For the period ended 30 September 2025*

### 15 Earnings per share (EPS) (cont'd)

The following table reflects the income and share data used in the basic and diluted EPS calculations:

|                                                                             | 2025<br>N'000 | 2024<br>N'000 |
|-----------------------------------------------------------------------------|---------------|---------------|
| earnings/ (Loss) attributable to ordinary equity holders for basic earnings | (326,540)     | 1,415,554     |
| Average number of ordinary shares for basic EPS                             | 2,999,999     | 2,999,999     |
| Basic earnings/ (loss) per share (Kobo)                                     | (10.88)       | 47.19         |
| Diluted earnings/ (loss) per share                                          | (10.88)       | 47.19         |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 16(a) Property, plant and equipment

|                                  | Building       | Machinery & Equipment | Motor Vehicles | Office Equipment | Computer equipment | Capital work in progress | Total            |
|----------------------------------|----------------|-----------------------|----------------|------------------|--------------------|--------------------------|------------------|
|                                  | N'000          | N'000                 | N'000          | N'000            | N'000              | N'000                    | N'000            |
| <b>Cost</b>                      |                |                       |                |                  |                    |                          |                  |
| <b>1 January 2024</b>            | <b>287,312</b> | <b>1,424,968</b>      | <b>176,593</b> | <b>64,216</b>    | <b>86,996</b>      | <b>471,032</b>           | <b>2,511,119</b> |
| Additions                        | -              | -                     | -              | -                | -                  | 795,835                  | 795,835          |
| Disposal                         | -              | -                     | (44,750)       | (418)            | -                  | -                        | (45,168)         |
| Reclassification                 | 12,097         | 134,310               | 120,122        | 7,890            | 39,448             | (313,867)                | -                |
| <b>31 December 2024</b>          | <b>299,409</b> | <b>1,559,278</b>      | <b>251,965</b> | <b>71,688</b>    | <b>126,444</b>     | <b>953,000</b>           | <b>3,261,786</b> |
| Additions                        |                |                       |                |                  |                    | 341,046                  | 341,046          |
| Reclassification                 | 7,197          | 143,909               | 143,579        | 7,782            | 19,096             | (321,563)                | -                |
| Disposal                         |                |                       |                |                  | (548)              |                          | (548)            |
| Transfers in/(out)               |                |                       |                |                  |                    | (23,326)                 | (23,326)         |
| <b>30 September 2025</b>         | <b>306,606</b> | <b>1,703,188</b>      | <b>395,544</b> | <b>79,470</b>    | <b>144,992</b>     | <b>949,157</b>           | <b>3,578,958</b> |
| <b>Accumulated depreciation</b>  |                |                       |                |                  |                    |                          |                  |
| <b>1 January 2024</b>            | <b>162,932</b> | <b>965,837</b>        | <b>124,588</b> | <b>47,254</b>    | <b>59,598</b>      | -                        | <b>1,360,209</b> |
| Depreciation charge for the year | 9,371          | 125,769               | 39,430         | 7,061            | 21,402             | -                        | 203,033          |
| Disposal                         | -              | -                     | (44,750)       | (418)            | -                  | -                        | (45,168)         |
| <b>31 December 2024</b>          | <b>172,303</b> | <b>1,091,606</b>      | <b>119,268</b> | <b>53,897</b>    | <b>81,000</b>      | -                        | <b>1,518,074</b> |
| Depreciation charge for the year | 7,127          | 96,962                | 56,047         | 6,361            | 21,267             |                          | 187,764          |
| Disposal                         |                |                       |                |                  | (548)              |                          | (548)            |
| <b>30 September 2025</b>         | <b>179,430</b> | <b>1,188,568</b>      | <b>175,315</b> | <b>60,258</b>    | <b>101,719</b>     | -                        | <b>1,705,290</b> |
| <b>Net book value</b>            |                |                       |                |                  |                    |                          |                  |
| <b>1 January 2024</b>            | <b>162,932</b> | <b>965,837</b>        | <b>124,588</b> | <b>47,254</b>    | <b>59,598</b>      |                          | <b>1,360,209</b> |
| <b>31 December 2024</b>          | <b>127,106</b> | <b>467,672</b>        | <b>132,697</b> | <b>17,791</b>    | <b>45,444</b>      | <b>953,000</b>           | <b>1,743,712</b> |
| <b>30 September 2025</b>         | <b>127,176</b> | <b>514,620</b>        | <b>220,229</b> | <b>19,212</b>    | <b>43,273</b>      | <b>949,157</b>           | <b>1,873,668</b> |

There was no existence of restrictions on the title to the Company's Property plant and equipment. No asset was pledged as securities for liabilities during the year (2024: Nil). No contractual commitment on any of the Company's Property, plant and equipment.

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 16(b). Analysis of Capital WIP into asset classes:

|                         |    | 2025           | 2024           |
|-------------------------|----|----------------|----------------|
|                         |    | N'000          | N'000          |
| Buildings               | 80 | 868,188        | 743,187        |
| Machinery and Equipment |    | 48,082         | 89,119         |
| Computer Hardware       |    | 32,887         | 38,444         |
| Motor Vehicle           |    | -              | 82,250         |
| Office Equipment        |    | -              | -              |
|                         |    | <b>949,157</b> | <b>953,000</b> |

### 17 Intangible assets

#### Computer software with definite useful life

|                        | 2025           | 2024           |
|------------------------|----------------|----------------|
|                        | N'000          | N'000          |
| <b>Cost:</b>           |                |                |
| At 1 January           | 275,833        | 275,833        |
| Additions              | 14,849         | -              |
| <b>At 30 September</b> | <b>290,682</b> | <b>275,833</b> |
| <b>Amortisation</b>    |                |                |
| At 1 January           | 131,051        | 78,295         |
| Amortisation           | 43,198         | 52,756         |
| <b>At 30 September</b> | <b>174,249</b> | <b>131,051</b> |
| <b>Carrying value</b>  | <b>116,433</b> | <b>144,782</b> |

Computer software consists of acquisitions costs of software used in the day-to-day operations of the Company.

The Company had no capital commitments as at 30 September 2025 (2024: Nil). There were no capitalized borrowing costs related to the acquisition of intangibles assets during the year (2024: Nil).

There are no restrictions on the Company's title to its intangible assets. All intangible assets items are non-current. There are no impairment losses for the year (2024:Nil).

### 18 Inventories

|                    | 2025              | 2024              |
|--------------------|-------------------|-------------------|
|                    | N'000             | N'000             |
| Raw materials      | 11,578,496        | 18,439,529        |
| Finished goods     | 967,500           | 339,488           |
| Veterinary drugs   | 123,386           | 248,597           |
| Engineering spares | 284,323           | 268,663           |
| Diesel             | 29,337            | 36,120            |
|                    | <b>12,983,042</b> | <b>19,332,397</b> |

#### Changes in inventories in the statement of cashflows

|                            | 2025             | 2024               |
|----------------------------|------------------|--------------------|
|                            | N'000            | N'000              |
| Inventories at 1 January   | 19,332,397       | 9,598,916          |
| Inventories at 31 December | 12,983,042       | 19,332,397         |
|                            | <b>6,349,355</b> | <b>(9,733,481)</b> |

During 2025, there was no write off and write down of Inventories by the Company (2024: Nil), In addition, the Company recognised ₦16.9billion (2024:₦12.5billion) as an expense for inventories carried at net realisable value. These are recognised in the cost of sales(Note 8(i)).

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 19 Trade and other receivables

|                                        | 2025<br>N'000    | 2024<br>N'000  |
|----------------------------------------|------------------|----------------|
| Receivables from third-party customers | 1,224,283        | 114,750        |
| Allowance for expected credit losses   | (97,953)         | (97,953)       |
|                                        | 1,126,330        | 16,797         |
| Related parties receivables (Note 28)  | -                | 59,211         |
| Other receivables                      | 30,704           | 18,296         |
|                                        | <b>1,157,034</b> | <b>94,304</b>  |
| Advance payments to suppliers*         | 44,862           | 58,316         |
|                                        | <b>1,201,896</b> | <b>152,620</b> |
| Refund asset                           | 5,616            | 5,616          |
|                                        | <b>1,207,512</b> | <b>158,236</b> |

Trade receivables are non-interest bearing and are generally on terms of 90 days. For terms and conditions relating to related party receivables, refer to Note 28.

\*Advance payments to suppliers relates to cash deposit to the suppliers of raw materials used in production of animal feeds.

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value. Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

|                        | 2025<br>N'000   | 2024<br>N'000   |
|------------------------|-----------------|-----------------|
| <b>As at 1 January</b> | (97,953)        | (132,030)       |
| Bad debt written off   | -               | 34,077          |
| <b>At 30 September</b> | <b>(97,953)</b> | <b>(97,953)</b> |

The information about the credit exposures are disclosed in Note 31.4.

| Changes in trade and other receivables in the statement of cashflows | 2025<br>N'000      | 2024<br>N'000    |
|----------------------------------------------------------------------|--------------------|------------------|
| Trade and other receivables at 1 January                             | 158,236            | 1,682,197        |
| Trade and other receivables at 31 December                           | 1,207,512          | 158,236          |
|                                                                      | <b>(1,049,276)</b> | <b>1,523,961</b> |
| Bad debt written off                                                 | -                  | (34,077)         |
|                                                                      | <b>(1,049,276)</b> | <b>1,489,884</b> |

#### Refund assets

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

|                                                     | 2025<br>N'000 | 2024<br>N'000 |
|-----------------------------------------------------|---------------|---------------|
| As at 1 January                                     | 5,616         | 5,616         |
| Amount deferred as a result of unexpired rights     | 5,616         | 5,616         |
| <b>Cost of sales recognized in the period from:</b> |               |               |
| Expired right not exercised                         | (5,616)       | (5,616)       |
| <b>As at 30 September/ 31 Deceml</b>                | <b>5,616</b>  | <b>5,616</b>  |

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 20 Prepayments

|                                                             | 2025           | 2024             |
|-------------------------------------------------------------|----------------|------------------|
|                                                             | N'000          | N'000            |
| <b>Due within one year:</b>                                 |                |                  |
| Others*                                                     | 124,952        | 116,542          |
| Short-term lease prepayments (Note 20(i))                   | 34,663         | 43,567           |
| Insurance                                                   | 23,966         | 89,562           |
|                                                             | <b>183,581</b> | <b>249,671</b>   |
| <b>Changes in prepayments in the statement of cashflows</b> | <b>2025</b>    | <b>2024</b>      |
|                                                             | N'000          | N'000            |
| Prepayments at 1 January                                    | 249,671        | 132,365          |
| Prepayments at 31 December                                  | 183,581        | 249,671          |
|                                                             | <b>66,090</b>  | <b>(117,306)</b> |

\*Others relates to SAP licence fee, internet services, generator maintenance and training etc during the year.

#### 20(i) Short-term lease prepayments

These were lease payment for Warehouse made during the year for a lease period of one year. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company applies the short-term lease recognition exemption for these leases.

Short-term leases are those including extension options reasonably certain to be exercised, with a total term of 12 months or less. Contracts that were in existence at the transition date, 1 January 2019, are assessed as short-term leases based on the transition date. All other contracts are assessed as short-term leases based on the contract start date.

#### 20(ii) Right of Use assets

|                        | 2025           | 2024           |
|------------------------|----------------|----------------|
|                        | N'000          | N'000          |
| Opening balance        | -              | -              |
| Addition               | 495,120        | 499,281        |
| Depreciation           | (37,446)       | (4,161)        |
| <b>Closing Balance</b> | <b>457,674</b> | <b>495,120</b> |

During the year, the Company entered into a lease agreement with Northern Rice and Oil Mill factory & equipments for a lease period of ten years. The lease will expire on 30th November 2027.

### 21 Cash and bank balances

|               | 2025           | 2024             |
|---------------|----------------|------------------|
|               | N'000          | N'000            |
| Cash on hand  | 5              | 20               |
| Cash at banks | 686,310        | 1,190,638        |
|               | <b>686,315</b> | <b>1,190,658</b> |

#### 21(i) Other financial asset(Unclaimed dividend funds)

|                           | 2025          | 2024          |
|---------------------------|---------------|---------------|
|                           | N'000         | N'000         |
| Unclaimed dividend funds* | 17,283        | 17,283        |
|                           | <b>17,283</b> | <b>17,283</b> |

\* Other financial assets relates to 90% of unclaimed dividend returned by the registrar of the Company. The amount is placed in a fixed deposit account by the Company. This is in compliance with the directives of the Nigeria Securities and Exchange Commission.

# Notes to the Financial Statements - Continued

For the period ended 30 September 2025

## 21(i) Other financial asset(Unclaimed dividend funds) (cont'd)

### Interest Income earned on Unclaimed dividend funds till date

|                 | 2025         | 2024         |
|-----------------|--------------|--------------|
|                 | N'000        | N'000        |
| Interest earned | 9,067        | 7,493        |
|                 | <b>9,067</b> | <b>7,493</b> |

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash at bank and call deposit as included below.

|                                             | 2025    | 2024      |
|---------------------------------------------|---------|-----------|
|                                             | N'000   | N'000     |
| Cash on hand, cash at bank and call deposit | 686,315 | 1,190,658 |

Call deposits are made for varying periods of between one month and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. During the reporting period, an expected credit loss assessment was performed on these(cash and cash equivalents) balances. The impairment allowance is considered immaterial.

## 22 Issued capital and reserves

### Ordinary shares issued and fully paid

2,999,999,418 ordinary shares of 50kobo each

|  | N'000     | N'000     |
|--|-----------|-----------|
|  | 1,500,000 | 1,500,000 |

### Share premium

At 1 January

At 31 December

|  | 693,344        | 693,344        |
|--|----------------|----------------|
|  | <b>693,344</b> | <b>693,344</b> |

## 23 Trade and other payables

Trade payables

Related parties (Note 28)

Other payables (Note 23(i))

Refund liabilities (Note 23(ii))

|                  |                  |
|------------------|------------------|
| 3,471,034        | 3,618,425        |
| 5,147,200        | 105,730          |
| 689,490          | 1,259,696        |
| <b>9,307,724</b> | <b>4,983,851</b> |
| 6,240            | 6,240            |
| <b>9,313,964</b> | <b>4,990,091</b> |

### Changes in trade and other payables in the statement of cashflows

|                                                        | 2025             | 2024             |
|--------------------------------------------------------|------------------|------------------|
|                                                        | N'000            | N'000            |
| Trade and Other Payables at 1 January                  | 4,990,091        | 1,530,895        |
| Trade and Other Payables at 30 September / 31 December | 9,313,964        | 4,990,091        |
|                                                        | <b>4,323,873</b> | <b>3,459,196</b> |

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-day terms
- Other payables are non-interest bearing and have an average term of six months
- For terms and conditions with related parties, refer to Note 28

For explanations on the Company's liquidity risk management processes, refer to Note 31.3.

## Notes to the Financial Statements - Continued

For the period ended 30 September 2025

### 23(i) Other payables

|                                  | 2025           | 2024             |
|----------------------------------|----------------|------------------|
|                                  | N'000          | N'000            |
| Value added tax payable          | 932            | 2,277            |
| Accrued liabilities              | 656,102        | 1,175,262        |
| Withholding tax payable          | 20,201         | 56,228           |
| Pay as you earn payable          | 12,190         | 15,141           |
| Industrial training fund payable | -              | 10,709           |
| Pension                          | 65             | 79               |
|                                  | <b>689,490</b> | <b>1,259,696</b> |

### 23(ii) Refund liabilities

|                    |                |                  |
|--------------------|----------------|------------------|
| Refund liabilities | 6,240          | 6,240            |
|                    | <b>695,730</b> | <b>1,265,936</b> |

#### (i) Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to accounting policy on variable consideration. See breakdown of refund analysis below:

|                                                 | 2025         | 2024         |
|-------------------------------------------------|--------------|--------------|
|                                                 | N'000        | N'000        |
| <b>As at 1 January</b>                          | 6,240        | 6,240        |
| Amount deferred as a result of unexpired rights | 6,240        | 6,240        |
| Revenue recognized in the period from:          | -            | -            |
| Expired right not exercised                     | (6,240)      | (6,240)      |
| <b>As at 30 September /31 December</b>          | <b>6,240</b> | <b>6,240</b> |

Net refund liabilities consist of the following at December 31:

| (In thousands of naira) | 2025         | 2024         | Change | Change    |
|-------------------------|--------------|--------------|--------|-----------|
| Refund assets           | 5,616        | 5,616        | -      | 0%        |
| Refund liabilities      | (6,240)      | (6,240)      | -      | 0%        |
| Net refund liabilities  | <b>(624)</b> | <b>(624)</b> | -      | <b>0%</b> |

### 24 Lease Liability

|                                               | 2025           | 2024           |
|-----------------------------------------------|----------------|----------------|
|                                               | N'000          | N'000          |
| Opening balance                               | -              | -              |
| Addition during the year                      | 230,917        | 499,282        |
| Lease interest expenses                       | 46,559         | 5,173          |
| Lease principal paid during the year          |                | (268,365)      |
| Lease interest paid during the year           |                | (5,173)        |
|                                               | <b>277,476</b> | <b>230,917</b> |
| <b>Splitting into Current and Non-Current</b> |                |                |
| Non-Current                                   | 277,476        | 230,917        |
|                                               | <b>277,476</b> | <b>230,917</b> |

This relates to lease liability on Northern Rice and Oil Mill factory & equipments. See Note 20(ii) for details

## Notes to the Financial Statements - Continued

*For the period ended 30 September 2025*

### 25 Dividend payable

Amounts recognised as dividend payable to ordinary shareholders in the year comprise:

|                                  | 2025<br>N'000   | 2024<br>N'000   |
|----------------------------------|-----------------|-----------------|
| As at 1 January                  | (17,384)        | (17,384)        |
| As at 30 September / 31 December | <b>(17,384)</b> | <b>(17,384)</b> |

### 26 Interest-bearing loans and borrowings

|                                                       | 2025<br>N'000    | 2024<br>N'000     |
|-------------------------------------------------------|------------------|-------------------|
| <b>Borrowings -Current</b>                            |                  |                   |
| Commercial loan - First Bank of Nigeria Limited (FBN) | 1,406,536        | 7,317,367         |
| Commercial loan - Zenith bank Pc                      | 2,900,319        | 6,396,984         |
|                                                       | <b>4,306,855</b> | <b>13,714,351</b> |

#### Reconciliation of interest-bearing loans and borrowings

|                                        |                  |                   |
|----------------------------------------|------------------|-------------------|
| As at 1 January                        | 13,714,351       | 10,261,726        |
| Additions*                             | 10,310,146       | 16,454,939        |
| Interest charged on loans              | 1,711,857        | 2,000,632         |
| Principal repayments                   | (19,511,685)     | (13,205,754)      |
| Interest repayments                    | (1,917,814)      | (1,797,192)       |
| <b>As at 30 September/ 31 December</b> | <b>4,306,855</b> | <b>13,714,351</b> |

#### Maturity

|              |                  |                   |
|--------------|------------------|-------------------|
| 0 - 1 year   | 4,306,855        | 13,714,351        |
| <b>Total</b> | <b>4,306,855</b> | <b>13,714,351</b> |

Bank loans include the following:

The loan addition during the year is made up of N2.90 billion from Zenith bank and N1.41 billion from First Bank.

The current obligations with Zenith bank and FBN are N3.91 billion and N1.82 billion running at 28% and 32% respectively.

These loans are secured by a letter of awareness by the parent company, UAC of Nigeria Plc

- c) UAC of Nigeria Plc sourced a commercial paper amounting to ₦6.03 billion on behalf of the Company. The tenor of the facility ranges between 180 and 270 days, with a maturity date of August 2025 and November 2025.

# Notes to the Financial Statements - Continued

For the period ended 30 September 2025

## 28 Related party disclosures

The immediate and ultimate parent, as well as controlling party of the Company is UAC of Nigeria Plc incorporated in Nigeria. There are other companies that are related to Livestock Feeds Plc through common shareholdings and directorship. The following table provides the total amount of transactions that have been entered into with related parties during the year.

### Related party disclosures

|                                       | Relationship      | Management<br>service fees | Purchases<br>from<br>related<br>parties | Sales to<br>related<br>parties | Amounts<br>owed by<br>related<br>parties | Amounts<br>owed to<br>related<br>parties |
|---------------------------------------|-------------------|----------------------------|-----------------------------------------|--------------------------------|------------------------------------------|------------------------------------------|
| As at 30 September 2025               |                   | N'000                      | N'000                                   |                                | N'000                                    | N'000                                    |
| Entity with control over the Company: |                   |                            |                                         |                                |                                          |                                          |
| UAC of Nigeria Plc                    | Parent Company    | 318,583                    | -                                       | -                              | -                                        | 5,029,435                                |
| Other related party                   |                   |                            |                                         |                                |                                          |                                          |
| UAC Foods Ltd                         | Fellow Subsidiary | -                          | -                                       | -                              | -                                        | -                                        |
| CAP PLC                               | Fellow Subsidiary | -                          | -                                       | -                              | -                                        | -                                        |
| Grand Cereals Nigeria Limited         | Fellow Subsidiary | -                          | 250,654                                 | 132,889                        |                                          | 117,765                                  |
|                                       |                   | 318,583                    | 250,654                                 | 132,889                        | -                                        | 5,147,200                                |

### As at 31 December 2024

|                                       |                   |         |         |           |         |        |
|---------------------------------------|-------------------|---------|---------|-----------|---------|--------|
| Entity with control over the Company: |                   |         |         |           |         |        |
| UAC of Nigeria Plc                    | Parent Company    | 192,807 | 82,481  | -         | -       | 32,983 |
| Other related party:                  |                   |         |         |           |         |        |
| UAC Foods Ltd                         | Fellow Subsidiary | -       | -       | -         | 226     | -      |
| CAP PLC                               | Fellow Subsidiary | -       | -       | -         | -       | -      |
| Grand Cereals Nigeria Limited         | Fellow Subsidiary | -       | 208,874 | 2,474,207 | 127,002 | -      |
|                                       |                   | 192,807 | 291,355 | 2,474,207 | 127,228 | 32,983 |

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

## 29 Commitments

The directors are of the opinion that all known liabilities and commitments which are relevant in assessing the state of affairs of the Company have been taken into consideration in the preparation of these financial statements.

Notes to the Financial Statements - Continued

For the Period ended 30 September 2025

30 Legal claim contingency

There is no contingent liability arising as a result of litigation as at year end (2025: Nil).

31 Financial assets and financial liabilities

| 31.1 Financial assets                   | 2025<br>N'000 | 2024<br>N'000 |
|-----------------------------------------|---------------|---------------|
| Cash and bank balances (Note 21)        | 686,315       | 1,190,658     |
| Trade and other receivables (Note 19)   | 1,157,034     | 94,304        |
| 31.2 Financial liabilities              | 2025<br>N'000 | 2024<br>N'000 |
| Financial liabilities at amortised cost |               |               |
| Borrowing (Note 26)                     | (4,306,855)   | (13,714,351)  |
| Trade and other payables (Note 23)      | (9,307,724)   | (4,983,851)   |

Trade and other payables here exclude VAT and withholding tax payable

31.3 Fair values

The carrying value of all financial assets and financial liabilities is a reasonable approximation of their fair value due to their current nature and the consequent insignificance of discounting no further fair value disclosures have been made.

The Company’s principal financial liabilities comprise trade and other payables and Borrowings. The main purpose of these financial liabilities is to finance the Company’s operations. The Company’s principal financial assets include trade receivables, and cash and bank balances that it derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company’s senior management oversees the management of these risks. The Company’s senior management is supported by the audit and governance committee of the Board that advises on risks and the appropriate risk governance framework for the Company. The audit and governance committee of the Board provides assurance to the Company’s senior management that the Company’s financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company’s policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

| Risk                           | Exposure arising from                                                                                      | Measurement                                   | Management                                                                                                                     |
|--------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Market risk – foreign exchange | Future commercial transactions, Recognised financial assets and liabilities not denominated in Naira units | Cash flow forecasting<br>Sensitivity analysis | Contractual agreements on exchange rates                                                                                       |
| Market risk – interest rate    | Long-term borrowings at variable rates                                                                     | Sensitivity analysis                          | Interest rate negotiations                                                                                                     |
| Credit risk                    | Cash and cash equivalents, Trade receivables.                                                              | Aging analysis<br>Credit ratings              | Diversification of bank deposits, credit limits and letters of credit. Investment guidelines and held-to-maturity investments. |
| Liquidity risk                 | Borrowings and other liabilities                                                                           |                                               | Availability of committed credit lines and borrowing facilities.                                                               |

## Notes to the Financial Statements - Continued

For the Period ended 30 September 2025

### Financial instruments risk management objectives and policies- continued

#### Impairment allowance for financial assets (cont'd)

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.

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

|                                                     | Days past due    |                   |                         |                          |                       | Total<br>N'000 |
|-----------------------------------------------------|------------------|-------------------|-------------------------|--------------------------|-----------------------|----------------|
|                                                     | Current<br>N'000 | <90 days<br>N'000 | 90–180<br>days<br>N'000 | 180–360<br>days<br>N'000 | >360<br>days<br>N'000 |                |
| <b>30-Sep-25</b>                                    |                  |                   |                         |                          |                       |                |
| <b>Expected credit loss rate</b>                    | 0.01%            | 1.03%             | 2.32%                   | 18.33%                   | 100%                  |                |
| Estimated total gross<br>carrying amount at default | 218,339          | 61,029            | 8,770                   | 6,395                    | 95,923                | 390,456        |
| Expected credit loss                                | (25)             | (630)             | (203)                   | (1,172)                  | (95,923)              | (97,953)       |
|                                                     |                  |                   |                         |                          |                       |                |
|                                                     | Days past due    |                   |                         |                          |                       | Total<br>N'000 |
|                                                     | Current<br>N'000 | <90 days<br>N'000 | 90–180<br>days<br>N'000 | 180–360<br>days<br>N'000 | >360<br>days<br>N'000 |                |
| <b>31-Dec-24</b>                                    |                  |                   |                         |                          |                       |                |
| <b>Expected credit loss rate</b>                    | 35.01%           | 59.69%            | 70.03%                  | 86.53%                   | 100%                  |                |
| Estimated total gross<br>carrying amount at default | 15,875           | 12,637            | -                       | 10,274                   | 75,964                | 114,750        |
| Expected credit loss                                | (5,556)          | (7,543)           | -                       | (8,890)                  | (75,964)              | (97,953)       |

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

|                                 | 2025<br>N'000   | 2024<br>N'000   |
|---------------------------------|-----------------|-----------------|
| Balance as at 1 January 2025    | (97,953)        | (132,030)       |
| Expected credit loss write back | -               | -               |
| Bad debt written off            | -               | 34,077          |
| Balance at 30 September         | <b>(97,953)</b> | <b>(97,953)</b> |

#### 32(i) Staff numbers and costs

The table below shows the number of employees (excluding directors), who earned over N500,000 as emoluments in the year and were within the bands stated.

|                                  | 2025<br>Number | 2024<br>Number |
|----------------------------------|----------------|----------------|
| <b>Staff Numbers by function</b> |                |                |
| Direct                           | 62             | 59             |
| Admin                            | 16             | 15             |
| Sales & marketing                | 14             | 22             |
|                                  | <b>92</b>      | <b>96</b>      |

## Notes to the Financial Statements - Continued

For the Period ended 30 September 2025

### 32(i) Staff numbers and costs (cont'd)

|                                   | 2025<br>Number | 2024<br>Number |
|-----------------------------------|----------------|----------------|
| ₦500,001- <del>₦600,000</del>     | -              | -              |
| ₦600,001- <del>₦700,000</del>     | -              | 2              |
| ₦700,001- <del>₦800,000</del>     | -              | 1              |
| ₦800,001- <del>₦1,000,000</del>   | -              | 7              |
| ₦1,000,001- <del>₦1,200,000</del> | 1              | 5              |
| ₦1,200,001- <del>₦1,300,000</del> | -              | -              |
| ₦1,300,001- <del>₦1,500,000</del> | 2              | 1              |
| Above ₦1,500,000                  | 89             | 80             |
|                                   | <b>92</b>      | <b>96</b>      |

Staff costs for the above persons (excluding Non-Executive Directors):

|                    | 2025<br>N'000    | 2024<br>N'000  |
|--------------------|------------------|----------------|
| Salaries and wages | 1,074,806        | 349,602        |
| Pension cost       | 25,943           | 12,300         |
|                    | <b>1,100,749</b> | <b>361,902</b> |

### (ii) Emoluments of Non-Executive Directors

|                               | 2025<br>N'000 | 2024<br>N'000 |
|-------------------------------|---------------|---------------|
| (a) Fees                      | 5,625         | 438           |
| Passage allowance             | 27,375        | 5,417         |
| Other emoluments              | 10,240        | 5,650         |
|                               | <b>43,240</b> | <b>11,504</b> |
| (b) The Chairman's emoluments | <b>8,167</b>  | <b>1,625</b>  |

### (iii) Key management compensation

Key management have been defined as the managing director and executive committee members

|                                                  | 2025<br>N'000 | 2024<br>N'000 |
|--------------------------------------------------|---------------|---------------|
| Key management compensation includes:            |               |               |
| Short-term employee benefits:                    |               |               |
| Wages and salaries - Managing Director           | 27,708        | 21,300        |
| Wages and salaries - Executive Committee Members | 66,699        | 47,418        |
|                                                  | <b>94,407</b> | <b>68,718</b> |

### (iv) Other long term employee benefits

The movement in the Company's other long term employee benefits is shown below:

|                        | 2025<br>N'000  | 2024<br>N'000  |
|------------------------|----------------|----------------|
| At 1 January           |                |                |
| Opening Balance        | 208,380        | 208,380        |
| <b>At 30 September</b> | <b>208,380</b> | <b>208,380</b> |
| Non-current            | 208,380        | 208,380        |
| Current                | 225,000        | -              |
|                        | <b>433,380</b> | <b>208,380</b> |

The Company has a 5-year long term incentive plan which commenced with effect from 2024 (year1). The benefit for 2024 has been discounted at 19.99% which represents the interpolated yield on government bonds that are due to mature on 31 December 2026.

## **Notes to the Financial Statements - Continued**

### ***For the Period ended 30 September 2025***

The Company has commercial services agreement with UACN Plc for support services. Expense for management services fee (representing 1% of turnover of the Company excluding intercompany sales to Grand Cereals Limited) is ₦132.9 million (2024: ₦201.3 million).

#### **34 Events after the reporting period**

There were no events after the reporting date that require adjustment in the financial statements of the Company that had not been adequately provided for or disclosed in the financial statements.

#### **35 Securities trading policy**

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Livestock Feeds Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.

#### **36 Provision of Audit and non-audit Services**

In compliance with FRC Rule No 3 mandating the disclosure of the value and the nature of the audit and non-audit services provided by Company's external auditor, KPMG Professional Services. The Company engaged KPMG for the limited Assurance Engagement performed on Management's Assessment of Internal Control over Financial reporting which is a Non-Audit services. See Note 8(iii) for details. Livestock Feeds Plc with a free float percentage of 26.71% (2024: 26.71%), is compliant with the Exchange's free float requirements for companies listed on the Main Board.

**Notes to the Financial Statements - Continued**  
**For the Year ended 30 September 2025**

**Financial instruments risk management objectives and policies- continued**

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company's exposure to foreign currency risk at the end of the reporting period expressed in the individual foreign currency unit was as follows:

|                    | 2025         |            |            | 2024         |            |            |
|--------------------|--------------|------------|------------|--------------|------------|------------|
|                    | \$'          | €'         | £'         | \$'          | €'         | £'         |
| <b>Financial</b>   |              |            |            |              |            |            |
| <b>Assets</b>      |              |            |            |              |            |            |
| Cash and Cash      |              |            |            |              |            |            |
| Equivalent         | 1,846        | 379        | 450        | 1,885        | 379        | 450        |
| <b>Financial</b>   |              |            |            |              |            |            |
| <b>Liabilities</b> | -            | -          | -          | -            | -          | -          |
| Net exposure       | <b>1,846</b> | <b>379</b> | <b>450</b> | <b>1,885</b> | <b>379</b> | <b>450</b> |

The following significant exchange rate were applied during the year:

|            | Average Rate during the |          | Reporting date spot rate |          |
|------------|-------------------------|----------|--------------------------|----------|
|            | 2025                    | 2024     | 2025                     | 2024     |
|            | ₦                       | ₦        | ₦                        | ₦        |
| US\$ 1     | 1,536.82                | 1,473.81 | 1,475.35                 | 1,538.25 |
| Euro (€) 1 | 1,662.14                | 1,595.03 | 1,721.02                 | 1,597.93 |
| GBP        | 1,985.04                | 1,884.92 | 1,983.53                 | 1,928.50 |

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD,EURO and GBP exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

|                                            | 30-Sep-25                  | 31-Dec-24                  |
|--------------------------------------------|----------------------------|----------------------------|
|                                            | Decrease in profit or loss | Decrease in profit or loss |
|                                            | N'000                      | N'000                      |
| USD (20% weakening) (2024: 10% weakening)  | (579,920)                  | (579,920)                  |
| EURO (20% weakening) (2024: 10% weakening) | (121,123)                  | (121,123)                  |
| GBP (20% weakening) (2024: 10% weakening)  | (173,565)                  | (173,565)                  |

A 20% strengthening of the Naira against the US dollar, Euro and Great British Pounds would have had the equal but opposite effect to the respective amounts shown above, on the basis that all other variables remain constant.

**Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Company's liquidity reserve and cash and bank balances (Note 21) on the basis of expected cash flows.

## Notes to the Financial Statements - Continued

For the Year ended 30 September 2025

### Financial instruments risk management objectives and policies- continued

#### Liquidity risk (cont'd)

This is generally carried out at each of the respective mills in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

#### Period ended 30 September 2025

|                                       |                 | Contractual cash flows |                   |
|---------------------------------------|-----------------|------------------------|-------------------|
|                                       |                 | Less than<br>3months   | 3 to 12<br>months |
|                                       | Carrying amount |                        |                   |
|                                       | N'000           | N'000                  | N'000             |
| Trade and other payables              | 9,313,964       | 9,313,964              | -                 |
| Interest-bearing loans and borrowings | 5,732,065       |                        | 5,732,065         |
|                                       | 15,046,029      | 9,313,964              | 5,732,065         |

#### Year ended 31 December 2024

|                                       |                 | Contractual cash flows |                   |
|---------------------------------------|-----------------|------------------------|-------------------|
|                                       |                 | Less than<br>3months   | 3 to 12<br>months |
|                                       | Carrying amount |                        |                   |
|                                       | N'000           | N'000                  | N'000             |
| Trade and other payables              | 1,524,655       | 4,983,851              | -                 |
| Interest-bearing loans and borrowings | 13,714,351      | -                      | 13,714,351        |
|                                       | 15,239,006      | 4,983,851              | 13,714,351        |

#### Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to related parties and to customers, including outstanding receivables.

#### (i) Risk management

Credit risk is managed on a Company basis. For banks and financial institutions, only independently rated parties with a minimum national rating of 'A' are accepted.

There is no independent rating for customers. Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The compliance with credit limits by customers is regularly monitored by line management.

Sales to customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. The credit ratings of the investments are monitored for credit deterioration.

## Notes to the Financial Statements - Continued

For the Year ended 30 September 2025

### Financial instruments risk management objectives and policies- continued

#### (ii) Security

No security is obtained for trade receivables either in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. However, some customers are required to provide postdated cheques for credit transactions while others are granted credit on the strength of their credibility and past performances. In the case of default, unpaid balances are set off against security deposit while others are referred to debt collection agents.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. There are no credit ratings for Livestock feeds plc trade and other receivables.

|                                                   | 2025             | 2024             |
|---------------------------------------------------|------------------|------------------|
|                                                   | N'000            | N'000            |
| Cash at bank and short-term bank deposits A+(nga) | 686,310          | 597,127          |
| Unrated cash and cash equivalents                 | 5                | 130              |
| Unrated trade and other receivables               | 1,157,034        | 1,676,581        |
| <b>Maximum credit exposure</b>                    | <b>1,843,349</b> | <b>2,273,838</b> |

#### (iii) Impairment of trade receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due 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 in Note 19. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several states, unrelated and diverse.

#### Impairment allowance for financial assets

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

Any publicly available information on the Company's customers and counter parties from Internal parties. This includes Internal rating grades issued by rating agencies, independent analyst reports, publicly traded bond or press releases and articles.

Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the customers operates.

Any other objectively supportable information on the quality and abilities of the client's management relevant for the Company's performance.

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

## Livestock Feeds Plc-Free Float Computation

|                                         |                     |
|-----------------------------------------|---------------------|
| Company Name:                           | Livestock Feeds Plc |
| Board Listed:                           | Main Board          |
| Period End:                             | September 30        |
| Reporting Period:                       | 30 September        |
| Share Price at end of reporting period: | ₦7.60 (2024: ₦1.87) |

### Shareholding Structure/Free Float

| Description                                          | 30-Sep-25      |            | 30-Sep-24      |            |
|------------------------------------------------------|----------------|------------|----------------|------------|
|                                                      | Units          | Percentage | Unit           | Percentage |
| Issued Share Capital                                 | 2,999,999,418  | 100%       | 2,999,999,418  | 100%       |
| <b>Substantial Shareholdings(5% and above)</b>       |                |            |                |            |
| UAC of Nigeria Plc                                   | 2,198,745,772  | 73.29%     | 2,198,745,772  | 73.29%     |
| Total Substantial Shareholdings                      | 2,198,745,772  | 73.29%     | 2,198,745,772  | 73.29%     |
| <b>Directors' Shareholdings(direct and indirect)</b> |                |            |                |            |
| Mr. Joseph Dada                                      | -              | -          | -              | -          |
| Mr. Adebolanle Badejo                                | -              | -          | -              | -          |
| Mr. Adegboyega Adedeji                               | -              | -          | -              | -          |
| Mrs. Chiamaka Uwaegbute                              | -              | -          | -              | -          |
| Mrs.Temitope Omodele                                 | -              | -          | -              | -          |
| Mr Abayomi Adeyemi                                   | -              | -          | -              | -          |
| Other Influential Shareholdings                      |                |            |                |            |
| <b>Total Other Influential Shareholdings</b>         |                |            |                |            |
| Free Float in Units and Percentage                   | 801,253,646    | 26.71%     | 801,253,646    | 26.71%     |
| Free Float in Value                                  | ₦7,131,157,449 |            | ₦1,498,344,318 |            |