



2025

ANNUAL REPORT & ACCOUNTS

VITAFOAM NIGERIA PLC RC: 3094



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Vitafoam



Vitafoam Nigeria Plc.

QUALITY POLICY STATEMENT

Our policy at Vitafoam Nigeria Plc. is to continually manufacture, distribute and sell polyurethane / reconstituted foam (mattress, cushions, pillows, sheetings) and allied products that conform to international standards, applicable statutory, regulatory and other requirements as well as surpass customers' expectations at a price that represents value.

Vitafoam Nigeria Plc is committed to satisfying customer, legal and our relevant interested parties' requirements as well as the continual improvement of the quality management system.

CORPORATE PROFILE

Vitafoam Nigeria Plc is Nigeria's foremost manufacturer of flexible, reconstituted, and rigid foam products. With the largest foam manufacturing and distribution network in the country, the Company ensures efficient, just-in-time delivery of high-quality products across Nigeria and the West African sub-region.

Established in **4 August 1962** and listed on the **Nigerian Stock Exchange in 1978**, Vitafoam has grown into a trusted household name renowned for product excellence, innovation, and customer satisfaction. The Company's strong commitment to quality has earned multiple industry recognitions, including several **Gold Certificate Awards**. Notably, Vitafoam was the first foam manufacturing company in Nigeria to submit its operations to the Standards Organisation of Nigeria's Quality Management System, obtaining **NIS ISO 9002 certification in 2001**, upgraded to **NIS ISO 9001:2000** in 2004, and subsequently **recertified to ISO 9001:2015 in 2020**.

Vitafoam continues to consolidate its market leadership through innovation and strategic expansion through value-added products and services. The Company has evolved into a full-service comfort solutions provider, delivering a comprehensive range of bedding and lifestyle products through its nationwide network of **Comfort Centres**.

Its diverse product portfolio includes mattresses of various firmness levels, profile foam products, contour-cut specialty items, and custom-made mattresses and pillows. Vitafoam also provides versatile foam solutions such as Vitarest and Leisuremats, as well as foam seating products like Vitasolid chair. The Company caters to niche segments with foam-based baby and nursing products including cot mattresses, changing mats, pillows, and breastfeeding accessories. To

reflect its national presence, Vitafoam operates manufacturing facilities in **Aba, Ikeja, Jos, and Kano**, supported by an extensive network of distributors and retail outlets nationwide.

As a responsible corporate citizen, the Company adheres to global best practices and maintains a strong corporate governance culture. Its operations are guided by a competent, diverse, and experienced Board of Directors, comprising executive and non-executive members, and supported by a high-performing management team committed to operational excellence and sustainable growth.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 64th Annual General Meeting of members of VITAFOAM NIGERIA PLC (the Company) will be held at NECA House, Hakeem Balogun Street, Central Business District, Alausa, Ikeja, Lagos State on Thursday, 5th March, 2026 at 10.00am. to transact the following business:

AGENDA

Ordinary Business

1. To lay before the members the Report of the Directors, the Audited Financial Statements for the year ended 30th September 2025 together with the Report of the Auditor and the Audit Committee thereon.
2. To declare a Dividend.
3. To re-elect Mr. Ademola O. Bolarinde as a Director
4. To re-elect Mr. Achike C. Umunna as a Director
5. To authorize the Directors to fix the remuneration of the Auditor.
6. To disclose the remuneration of managers in compliance with the Companies and Allied Matters Act 2020.
7. To elect Members of the Audit Committee.

Special Business

8. To approve Directors' fees.
9. To authorize the renewal of recurrent transactions which are of trading nature or those necessary for its day-to-day operations from related companies in accordance with the Rules of the Nigerian Exchange Limited governing transactions with related parties or interested persons.
10. To consider and pass the following as special resolutions:

a. Increase in Share Capital

THAT the share capital of the Company be and is hereby increased from N625,422,531 (Six Hundred and Twenty-Five Million Four Hundred and Twenty Two Thousand Five Hundred and Thirty-One Naira Only) to N750,506,438 (Seven Hundred and Fifty Million Five Hundred and Six Thousand Four Hundred and Thirty-Eight Naira Only) by the creation of 250,168,812 ordinary shares of 50 (fifty) kobo each. The new shares are to rank pari passu in all respects with the existing ordinary shares of the Company

b. Amendment of Memorandum and Articles of Association

THAT Clause 5 in the Memorandum of Association and Clause 3 in the Articles of Association of the Company, be amended by deleting "The Issued Share Capital of the Company is N625,422,531 divided into 1,250,844,064 ordinary shares of 50 kobo each" and be substituted respectively with: "The Issued Share Capital of the Company is N750,506,438 divided into 1,501,012,876 Ordinary Shares of 50 (Fifty) Kobo each"

c. Bonus Issue

THAT pursuant to the Articles of Association of the Company and the recommendation of the Directors, the sum of N125,084,406 be and is hereby capitalized from the Retained Earnings and be set aside for distribution to all members whose names appear in the Register of Members at the close of business on 6th February, 2026 on the condition that the same shall not be paid in cash but shall be applied in paying in full for 250,168,812 new ordinary shares of 50 kobo each to be allotted and credited as fully paid to and among

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

such members in the proportion of 1 (one) new ordinary share for every 5 (five) existing ordinary shares held by them at that date, subject to necessary approvals from the appropriate authorities. The shares so distributed shall be treated for all purposes as capital not as income and shall rank pari passu with the existing ordinary shares of the company in all respect except that they shall not rank for dividend recommended for the year ended 30th September, 2025.

d. **THAT** the Directors be and are hereby authorized to take necessary steps to give effect to the above resolutions.

11. To consider and pass the following resolution as a special resolution:

THAT pursuant to Section 297 of the Companies and Allied Matters Act 2020, approval be and is hereby given to the review of the severance compensation payable to retiring Directors of the company, and for the consequential renewal of the enabling policy on payment of severance compensation to retiring Directors.

PROXY

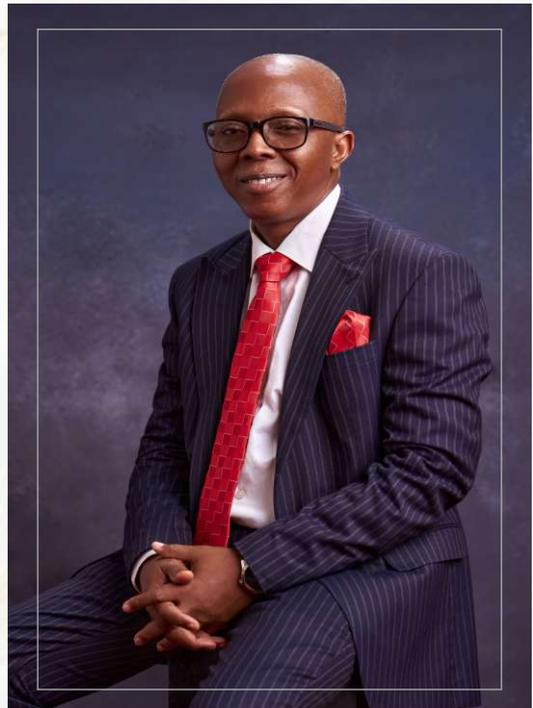
A member of the company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A detachable proxy form is enclosed with the Annual Report and also available on the company's website www.vitafoam.com.ng If it is to be valid for the purpose of the meeting, the Proxy Form must be completed and deposited at the office of the Company's Registrars, Meristem Registrar and Probate Services Limited 213, Herbert Macaulay Way, Adekunle, Yaba, P.O. Box 51585, Falomo, Ikoyi, Lagos State or emailed to info@meristemregistrars.com not later than 48 hours before the time of the meeting. The cost and expenses of stamp duties for all instruments of proxy shall be borne by the company.

Dated 18 December, 2025

BY ORDER OF THE BOARD



OLALEKAN SANNI ACIS
Company Secretary/Legal Adviser
FRC/2013/NBA/00000005309
Registered Office:
140, Oba Akran Avenue
Industrial Estate Ikeja, Lagos.



NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

NOTES:

(a) Dividend Payment

The Board of Directors has recommended a dividend payment of N3.00 per ordinary share of 50kobo each for approval by shareholders. If approved at the meeting, the dividend will be credited, less the appropriate withholding tax, on Thursday, 5th March, 2026 to the bank accounts of shareholders whose names appear in the Register of Members at the close of business on Friday 6th February, 2026 and who have completed the E-Dividend registration and mandated the Registrars to pay their dividends directly into their bank accounts.

(b) Closure of Register of Members

Notice is hereby given that the Register of Members and Transfer books of the Company will be closed from Monday 9th February 2026 to Friday 13th February, 2026 (both dates inclusive) for updating the Register of Members.

(c) Nomination for the Audit Committee

In accordance with Section 404 (6) of the Companies and Allied Matters Act, 2020, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the date of the Annual General Meeting. The Nigerian Code of Corporate Governance, 2018 issued by the Financial Reporting Council of Nigeria provides that members of the Audit Committee should be financially literate and able to read and interpret financial statements.

(d) Unclaimed Dividends

Shareholders with dividend warrants and share certificates that have remained unclaimed, or yet to be presented for payment or returned for revalidation are advised to complete the E-Dividend registration or contact the company's registrars, Meristem Registrars and Probate Services Limited, 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos State or call Telephone Number: 01-8920491-2. Shareholders with Unclaimed Dividends should please access the Unclaimed Dividend list on the Company's Website – corporate.vitafoam.com or via this link: <http://bit.ly/4qTFwZw>

(e) E-Dividend/Bonus

Notice is hereby given to all shareholders to open bank accounts, Stock broking accounts and CSCS accounts for the purpose of e-dividend /bonus. Detachable application form for e-bonus/e-dividend is attached to the Annual Report to enable all shareholders furnish particulars of their accounts to the Company's Registrars as soon as possible. Shareholders can also download the Form at the Registrar's website– www.mersitemregistrars.com complete and submit to the Registrars or their respective Banks.

(f) Rights of Securities' Holders to ask Questions

Pursuant to Rule 19:12 of the Rule Book of the Nigerian Exchange Limited, Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting. Such questions must be submitted to the office of the Company Secretary at least one week before the date of the Annual General Meeting.

(g) Electronic Annual Report

Electronic version of the Annual Report will be available for viewing and download from the company's website: www.vitafoam.com.ng while shareholders who have supplied their email addresses to the Registrar will receive electronic version of the Annual Report. Shareholders interested in electronic version of the Annual Report should send a request email to info@meristemregistrars.com.

BOARD OF DIRECTORS AND OFFICIALS

Corporate Information

Directors:

Mr. Zakari M. Sada	-	Chairman/Non-Executive
Mr. Taiwo A. Adeniyi	-	Group Managing Director/CEO
Mr. Bamidele S. Owoade	-	Technical Director
Mr. Joseph I. Alegbesogie	-	Finance Director (retired 07/04/25)
Mr. Ola Ogunfeyitimi	-	Supply Chain Director
Mr. Gambo D. Dahiru	-	Commercial Director
Mr. Abdul A. Bello	-	Independent Non-Executive Director
Mr. Achike C. Umunna	-	Independent Non-Executive Director
Mr. Gerson P. Silva	-	Non- Executive Director
Mr. Ademola Bolarinde	-	Non-Executive Director
Dr. (Mrs.) Abiola O. Davies	-	Non-Executive Director

Mr. Olalekan Sanni

Company Secretary/Legal Adviser:

Registrar:

Meristem Registrars & Probate Services Limited
213, Herbert Macaulay Way Adekunle, Yaba Lagos.

Website: www.meristemregistrars.com

E-mail: info@meristemregistrars.com

Tel: 01-2809250

Auditor:

PricewaterhouseCoopers (PwC)
FF Millenium Towers, Plot 13/14,
Ligali Ayorinde Street, Victoria Island, Lagos, Nigeria.

Registered Office:

140, Oba Akran Avenue
Industrial Estate, Ikeja, Lagos, Nigeria

Website:

www.vitafoam.com.ng

Bankers:

Access Bank Plc
First Bank of Nigeria Limited
Globus Bank Limited
Greenwich Merchant Bank Limited
Guaranty Trust Bank Limited
Jaiz Bank Plc
Union Bank of Nigeria Plc
United Bank for Africa Plc
Wema Bank Plc
Zenith Bank Plc

Company Registration Number

RC 3094

DIRECTORS' PROFILE

MR. ZAKARI MOHAMMED SADA (Non-Executive)

Mr. Zakari holds a Bachelor of Science (B.Sc. Hons) Degree in Accounting with First Class Honours from the prestigious Ahmadu Bello University, Zaria, Kaduna State. He began his career in the public service as an Accountant with the Kaduna State Health Management Board. He later ventured into auditing and consulting and then into banking. His banking career spanned 17 years at Habib Nigeria Bank Limited where he occupied several Senior Management positions and later rose to the position of Executive Director acquiring experience in financial and business advisory services. Mr. Zakari is the former Managing Director/CEO of Penman Pensions Limited and a former Commissioner, North West Zone, Fiscal Responsibility Commission.

With a background in accounting, credit analysis and control, banking operations, administration, corporate planning, strategy and regulatory experience. Mr. Sada is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), a Fellow of the Association of Certified Chartered Accountants (FCCA), a Fellow of the Chartered Institute of Taxation of Nigeria (FCTI), and a Fellow of the Chartered Institute of Pensions of Nigeria.

Mr. Zakari is an alumnus of the Harvard Business School, Boston, where he attended the Management Development Program.

He was appointed to the board of the company with effect from 16th November 2022 and subsequently appointed as the Chairman of the Board with effect from 10th of March 2024.

MR. TAIWO AYODELE ADENIYI (Executive)

Mr. Adeniyi holds a B.Sc. Degree in Chemistry and M.sc (Pharmaceutical Chemistry) from the University of Lagos and a master's degree in supply engineering and Logistics from the University of Warwick, United Kingdom. He is also an Alumnus of Cranfield University School of Management. He won the prestigious Chairman's award of an outstanding employee in 2009 and the Nigerian National Productivity Order of Merit Award in 2010. He started his career in PharmaDeko Plc where he gained wide experience in operations management and products developments.

He joined Vitafoam in 2007 as Logistics Manager and later became the Manufacturing Manager in 2010, a position he held until his appointment in July 2012 as Executive Director and later Technical Director. Mr. Adeniyi was appointed Acting Managing Director on 22nd April 2015 and became the substantive Managing Director on 4th June 2015.

MR. OWOADE BAMIDELE SOLA (Executive)

Mr. Owoade holds a bachelor's degree in mechanical engineering and a master's degree in business administration (MBA). He is a member of the National Institute of Marketing of Nigeria.

He started his career in 1995 as management trainee in West African Batteries Limited (Exide) He started where he gained experience in operations management and quality assurance. He joined PharmaDeko Plc in 2000 as Plant Engineer and later became Factory Engineer and Head, Factory and Engineering. He joined Vitafoam PLC in 2008. Prior to his appointment to the board of Vitafoam on 18th December 2018, Mr. Owoade was at various times the Factory Manager, Ikeja plant, National Sales Manager, Head of Sales at Vitafoam and Managing Director Vitablom Nigeria Limited (a subsidiary of Vitafoam).

DIRECTORS' PROFILE (CONT'D)

MR. JOSEPH ALEGBESOGIE (Retired 7/4/2025) **(Executive)**

Mr. Alegbesogie joined the Vitafoam Group in February, 2013, as the Head of Finance and Administration at Vono Products PLC, a then subsidiary of Vitafoam Nig. Plc. Prior to joining Vitafoam, he had held leadership positions in various other organizations including Messrs. Giwa- Osagie, DFK & Co. (Chartered Accountants), as Audit Manager: 2005; Whassan Nigeria Ltd, a then subsidiary of Compass Group Plc, UK, as Financial Controller: 2012. He has over 25 years professional and practical experience in accounting, audit, taxation, and insolvency practice. He was redeployed from Vono Products Plc to Vitafoam Nigeria Plc in 2015, as Chief Accountant and later promoted to the position of Head, Finance and Accounts in 2017. Mr. Alegbesogie is an alumnus of Lagos Business School, a fellow of the Institute of Chartered Accountants of Nigeria and an Associate member of the Chartered Institute of Taxation of Nigeria. He holds a bachelor's degree in management from the University of Port Harcourt. Mr. Alegbesogie was appointed to the Board of the company on 18th December 2018 and retired on 7th April 2025.

Mr. DAHIRU GAMBO **(Executive)**

Mr. Dahiru Gambo holds a bachelor's degree in applied chemistry with over 20 years' experience in sales and customer management. Prior to this appointment, he was the Head of Sales of the Company. Mr. Gambo is a Non-Executive Director at Vono Furniture Products Limited, a subsidiary of Vitafoam. Mr. Gambo started his career as Sales Supervisor at Neimeth International Pharmaceuticals Plc where he gained experience in Sales and Marketing. He joined Vitafoam Nigeria Plc in 2006. He was at various times Regional Sales Manager- Lagos Region, South West & Lagos Region and North Central Region. He was promoted to the post of National Sales Manager and later Head of Sales.

Mr. Gambo was appointed to the Board of the Company on the 25th of May 2023.

MR. OLAOLUWA OGUNFEYITIMI **(Executive)**

Mr. Ogunfeyitimi is a seasoned Chemical Engineer with strong expertise in Business and Project Management, backed by a dedicated interest in the process industries. He holds an MBA from Ahmadu Bello University, Zaria; a Master of Engineering (M.Eng) in Chemical Engineering from Nnamdi Azikiwe University, Awka; and a bachelor's degree in chemical engineering from Ladoke Akintola University of Technology.

He is a registered Engineer with the Council for the Regulation of Engineering in Nigeria (COREN), a former Council Member of the Sierra Leone Institution of Engineers, a Corporate Member of the Nigerian Society of Engineers, a Fellow of the Nigerian Society of Chemical Engineers, a Member of the Institute of Chartered Chemists of Nigeria, and a Council Member of the Manufacturers Association of Nigeria (Ikeja Branch).

Mr. Ogunfeyitimi began his professional journey in 2004 as Production Manager at Winco Foam. In 2008, he joined Vitafoam Nigeria Plc as Production Manager for the Jos Factory. Since then, he has served in several strategic roles, including Regional Sales Manager for the North-East and North- Central regions, Managing Director/CEO of Vitafoam Sierra Leone Limited (a subsidiary of Vitafoam Nigeria Plc), and Head of Technical.

He was appointed to the Board of Vitafoam Nigeria Plc on May 25, 2023.

DIRECTORS' PROFILE (CONT'D)

MR. GERSON PARREIRA SILVA **(Non-Executive)**

Mr. Silva is a Chemical Scientist with competency and specialization in Polyurethane (PU) Systems, a core production component of Vitafoam, and Vitapur (a sandwich panels and chemical systems subsidiary of Vitafoam). During his brilliant career, Mr. Silva has worked in several frontline chemical systems organizations across the globe including Dow Chemicals (one of the leading chemical companies in the world) for 18 years as a chemical scientist and analyst. Having acquired the know-how of chemical system application at DOW, Mr. Silva in partnership with like minds, proceeded to establish PURCOM, one of the largest Chemical System Houses in South America. PURCOM is an internationally acclaimed producer of various PU applications and systems. Mr. Silva is a widely travelled Consultant on PU Chemical Systems. His unique and widely acclaimed experience of Chemical Systems applications continues to be of immeasurable value to the operations of Vitafoam and some of its subsidiaries with exciting prospects of enhanced technical proficiency and competitiveness. Mr. Silva, a Brazilian was appointed to the Board of the Company with effect from 1st October 2017.

MR. ACHIKE CHARLES UMNUNNA **(Independent non-executive)**

Mr. Achike Charles Umunna obtained a bachelor's degree in law (LL.B) from the University of Nigeria, Nsukka in 1982, graduated from the Nigerian Law School in 1983 and obtained a Master's Degree (LL.M) from the University of Lagos in 1985. A Knight of the Catholic Church, Mr. Umunna is a fellow of the Nigerian Institute of Management Consultants (NIMC) and a fellow of the Chartered Institute of Arbitration (United Kingdom). He also holds a certificate in International Arbitration and Investment Law from Roma Tre University, Rome.

Mr. Umunna has been actively engaged in legal practice for over 35 years with experience in both the public and the private sectors. He started his legal career from the then National Assembly, Tafawa Balewa Square, Lagos where he was the Secretary to the Rules and Business Committee of the House of Representatives and later as legal officer with the Ministry of Defence, Defence Headquarters, Lagos. He went into private practice with the law firm of Chuka Okoli and Associates before establishing the firm of Achike Umunna and Associates in 1986. Amongst other fields of practice, Mr. Umunna has acquired expertise in the field of corporate law, maritime, petroleum, international trade laws and practices having worked as legal consultant in China, Bulgaria, Romania, United Kingdom, USA, Germany and Japan. He is a member of the Lagos Chamber of Commerce and Industry. He was first appointed to the Board of the company with effect from 19th December 2019 as a Non-Executive Director. He was re-appointed for another term as an Independent Non-Executive Director on 19th December 2024.

MR. ABDUL AKHOR BELLO **(Independent non-executive)**

Mr. Abdul Akhor Bello retired from UAC of Nigeria in 2019 after 30 years in service during which he held various senior management positions such as Group Chief Executive Officer; Group Executive Director/Chief Financial Officer; Managing Director, UPDC Plc; Managing Director, CAP Plc Finance Director/Company Secretary CAP Plc. He brings to Vitafoam, executive and board service experience acquired across a range of businesses including Manufacturing, Financial Services, Pension Fund Administration, Real Estate, Logistics and Quick Service Restaurants sectors.

Mr. Abdul Akhor Bello has served on the Governing Council of the Nigeria Employers Consultative Association, Nigeria-British Chamber of Commerce and the Nigerian Institute of Management. A Fellow of the Institute of Chartered Accountants of Nigeria, Mr. Bello attended Yaba College of Technology, Lagos. He is an alumnus of Oxford University's Advance Management & Leadership Program and has undertaken various local and international development courses.

He was appointed to the Board of the company as an Independent Non-Executive Director with effect from 4th of March 2021

DIRECTORS' PROFILE (CONT'D)

MR. ADEMOLA BOLARINDE

(Non-Executive)

Mr. Ademola Bolarinde holds a Bachelors of Arts (B.A.) Honours Economics from University of Nottingham, United Kingdom, and M.sc from the prestigious London School of Economics, London, United Kingdom. He has attended the Advanced Management Programme (AMP) of the Lagos Business School, among others. He has extensive knowledge and experience in business development, project start-up, HR and Administration, IT and team building skills, among others.

Mr. Bolarinde has undergone various Management and Leadership Programs and other local and international development courses.

He was appointed to the Board of the Company with effect from 26th of May 2023.



DR. OLUFUNKE ABIOLA DAVIES

(Non-Executive)

Dr. Olufunke Abiola Davies (nee Adebutu) is a distinguished healthcare leader with over thirty years of experience, marked by her exemplary contributions to healthcare management, clinical practice, and the pharmaceutical industry.

Dr. Davies's medical journey began at the Royal College of Surgeons in Ireland, where she graduated in 1989. She further obtained postgraduate training at the University of Lagos, Nigeria, where she earned a master's degree in pharmacology. Currently, she is pursuing an MBA from the Business School of Netherlands to enhance her managerial acumen.

Her professional career in Internal Medicine took her across the Republic of Ireland, the United Kingdom, and the United States, where she gained invaluable experience in diverse healthcare settings. Transitioning to the private sector, Dr. Davies served as a Medical Adviser for Pfizer Products PLC and Glaxo Wellcome Nigeria where she developed a passion for development work, pharmaceutical management and clinical research.

As the CEO of Diamed Centre in Nigeria, Dr. Davies is committed to ensuring high-quality patient care, fostering innovation, and maintaining regulatory compliance. Her leadership has been instrumental in the centre's growth and success, positioning it as a leading healthcare provider in the region. Her significant contributions to the healthcare sector have earned her numerous awards and recognitions including membership of the board of several foundations dedicated to providing health services to the underprivileged.

She was appointed to the Board of the Company with effect from 1st June 2024.



BOARD OF DIRECTORS

FRONT ROW: L - R:

Mr. Joseph I. Alegbesogie
Finance Director

Mr. Bamidele S. Owoade
Technical Director

Mr. Taiwo A. Adeniyi
Group Managing Director

Mr. Zakari M. Sada
Chairman

Dr. (Mrs.) Abiola O. Davies
Non Executive Director

Mr. Dahiru Gambo
Commercial Director

BACK ROW: L - R:

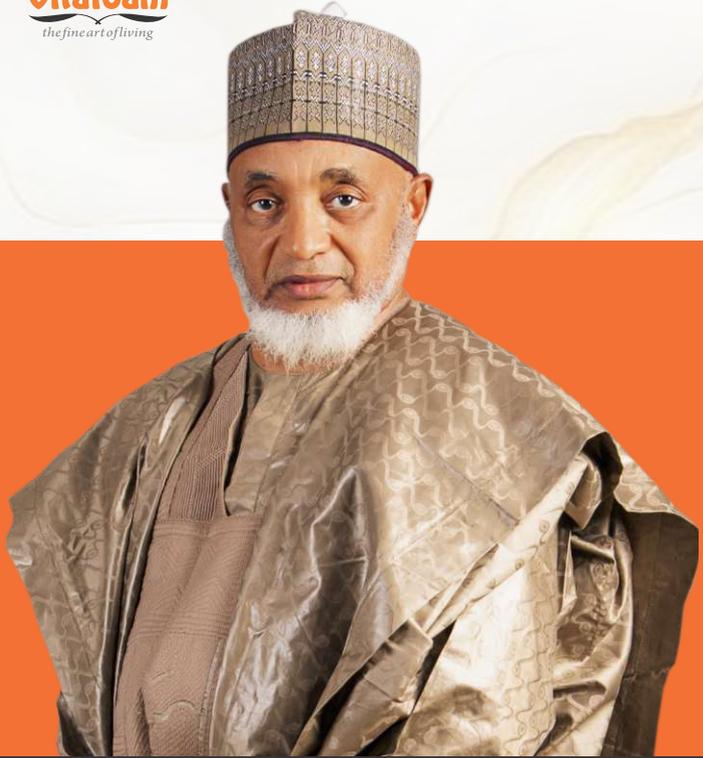
Mr. Obaoluwa Ogumeyitimi
Supply Chain Director

Mr. Achike C. Umuwua
Non Executive Director

Mr. Gerson P. Silva
Non Executive Director

Mr. Abdul Akor Bello
Non Executive Director

Mr. Adedamola Bolarinde
Non Executive Director



CHAIRMAN'S STATEMENT

Fellow Shareholders, Representatives of the Regulatory Authorities, Distinguished Ladies and Gentlemen,

It is my honour and privilege to welcome you to the 64th Annual General Meeting of our dear Company, Vitafoam Nigeria Plc. I deeply appreciate your continued trust, confidence and unwavering support. The past year tested the resilience of manufacturers in Nigeria, yet it also reaffirmed the enduring strength of our brand, the ingenuity of our people, and the loyalty of our customers and shareholders. Despite the prevailing volatility and turbulence in the operating environment, I am pleased to report that the Company closed the financial year on a positive trajectory, with renewed confidence and a solid foundation for sustainable future growth.

Before presenting the Annual Report and Accounts for the 2025 financial year and before receiving your valuable observations and insights, allow me to highlight key developments in the business environment that shaped our operations and performance during the year under review.

Business Environment

The 2025 financial year unfolded within an evolving economic landscape marked by cautious optimism with persistent structural challenges. Nigeria's economy showed encouraging signs of recovery, expanding by 4.23% year-on-year in Q2 2025, according to the National Bureau of

Statistics (NBS). Growth was largely driven by improvements in the services, agriculture, and manufacturing sectors, signaling early gains from ongoing reforms

Headline inflation, though still elevated, moderated from the highs of 2024 to approximately 20% by August 2025. This decline was supported by tighter monetary policy, improved foreign exchange liquidity, and favorable base-effect. Nevertheless, rising energy and logistics costs continued to exert pressure on both production and consumers spending.

A major fiscal milestone during the year was the conclusion of a Federal Government tax reform programme. On 26th June 2025, four key tax laws - the Nigeria Tax Act, Nigeria Tax Administration Act, Nigeria Revenue Service Act and Joint Revenue Board Act - were signed into law. Collectively known as the Tax Reform Act 2025 and effective from the 1st January 2026, these laws aim to simplify tax compliance, eliminate multiple taxation, and create a more transparent and competitive business environment.

On the monetary front, the Central Bank of Nigeria (CBN) maintained a tight policy stance for most of the year to stabilize the naira and curb inflation. As macroeconomic indicators improved in the second half of the year, the CBN signaled a gradual shift toward a more accommodative posture to stimulate lending and growth. Exchange rate

CHAIRMAN'S STATEMENT (CONT'D)

volatility eased modestly due to increased dollar inflows and improved regulatory co-ordination.

For the manufacturing industry, 2025 remained challenging. Higher energy tariffs, logistics inefficiencies, exchange rate fluctuations and elevated borrowing cost continue to impact cost structures and margins. These pressures required manufacturers to prioritize cost control, operational discipline, and efficiency improvements.

For Vitafoam, the operating environment demanded prudent management responses. Rising input costs and currency volatility affected production economics, while policy reforms and gradual improvements in domestic capacity offered limited opportunities for adjustment. Management remained focused on mitigating cost pressures, strengthening supply chain resilience, and sustaining operational stability.

In summary, year 2025 was a year of recalibration; one in which the Nigerian economy began to stabilize under the weight of reforms, and where businesses like ours continued to adapt, innovate, and build the agility required for long-term success. Against this backdrop, your Company pursued its strategic priorities with discipline: defending its market share, conserving liquidity, and sustaining stakeholder value.

Financial Performance

The Group delivered a strong financial performance in 2025. Turnover increased from N82.6 billion in the 2024 to N111.3 billion in 2025. Profit before tax rose significantly from N1.1 billion in 2024 to N21.3 billion while profit after tax from N952 million in 2024 to N14.5 billion.

The parent company recorded a turnover of N97.4 billion, compared to N73.4 billion in the previous year. Profit before tax stood at N17.4 billion, a remarkable turnaround from the N1 billion loss in 2024. Profit after tax rose to N11.7 billion compared to the loss of N902 million recorded in the prior year.

This exceptional performance marks a major milestone in our transformation journey. It was driven by improved production efficiency, stronger distribution, and disciplined cost management. During the year, we strengthened our funding structure by converting a significant portion of our foreign-currency obligations to local currency facilities. This de-risking strategy, supported by selective Bank of Industry interventions, reduced exposure to currency losses and ensured funding stability for core operations.

Dividends and Bonus Issue

In line with Vitafoam's commitment to delivering sustainable value, the Board of Directors is proposing a dividend of N3.00 per ordinary share of 50 kobo each, amounting to a total payout of N3.75 billion, subject to applicable withholding tax and shareholders' approval.

The proposed dividend reflects the Board's confidence in the Company's financial stability and disciplined capital allocation. While the operating environment remained challenging, the Board considers it appropriate to reward shareholders for their patience and support.

Additionally, the Board is proposing the capitalization of N125 million from retained earnings for the issuance of bonus shares on the basis of one new ordinary share for every five existing shares held as at the qualification date.

The Board remains committed to a balanced dividend policy that ensures steady returns while preserving capital for innovation, efficiency initiatives, and emerging opportunities.

Sustainability and Corporate Social Responsibility

Vitafoam remains steadfast in its commitment to sustainability and responsible corporate citizenship. In 2025, we deepened our sustainability initiatives, translating strategy into measurable impact across our operations and host communities.

Our **environmentally efficient initiatives** resulted in measurable improvements in energy consumption and waste reduction. Notably, our subsidiary, Vitapur Nigeria Limited, in collaboration with the United Nations Development Programme and the Federal Ministry of Environment, successfully completed the phase one of the project to phase out ozone depleting substances, achievement widely recognized and commended.

Our Corporate Social Responsibility programmes continued to focus on education, healthcare, and community empowerment, reinforcing our belief that business success is measured not only by profit but also by the positive impact we create.

Business Outlook

The outlook for year 2026 presents cautious optimism. Economic indicators suggest a gradual consolidation of growth, supported by fiscal and monetary realignments. Headline inflation, which eased to about 14% **by November 2025**, is expected to moderate further as monetary policies take firmer effect and foreign exchange liquidity improves.

However, challenges will persist. Energy and logistics costs

CHAIRMAN'S STATEMENT (CONT'D)

remain elevated, interest rates are expected to normalize gradually, and consumer purchasing power remains constrained. As the 2027 general elections approach, increased political activity may affect governance and policy implementation.

Nonetheless, structural reforms in the energy sector, including refinery rehabilitation and expansion of renewable capacity, should begin to ease cost pressures over the medium term.

Within this environment, we will continue to deepen cost optimization, strengthened efficient sourcing, invest in innovation and product diversification, enhance operational resilience through automation and energy efficiency, and elevate our sustainability performance in line with global best practices.

The Board and Management remain confident that disciplined execution of these priorities will sustain profitability and long-term value creation.

Appreciation

On behalf of the Board, I extend our sincere appreciation to the esteemed shareholders for their unwavering confidence, and to our customers and distributors for their continued loyalty, and trade partners for their support. I also commend the Management and staff of Vitafoam and its subsidiaries for their dedication, professionalism, and resilience throughout a demanding year.

To my colleagues on the Board, I express deep gratitude for your counsel, foresight, and collective support in navigating a complex landscape.

As we look ahead, we remain guided by prudence, innovation, and integrity; the values that continue to define Vitafoam. Building on the foundations laid in 2025, we will pursue emerging opportunities with renewed confidence, discipline, and purpose.

Thank you for your attention.



Zakari M. Sada.
Chairman



GROUP MANAGING DIRECTOR'S STATEMENT

Distinguished Shareholders, Ladies and Gentlemen,

It is my pleasure to welcome you all to the 2026 Annual General Meeting of our company, Vitafoam Nigeria Plc. As we reflect on the foundations laid in the 2024/2025 financial year and the evolving business landscape, I present to you the Audited Financial Statements of Vitafoam Nigeria Plc for the period under review at this 2026 Annual General Meeting. The year presented significant challenges that tested the resilience of businesses, particularly within the real sector of the economy. At the same time, it offered encouraging signals of economic recovery, reflecting the gradual impact of ongoing government policy reforms.

It is against this backdrop that I present an account of our stewardship in guiding the affairs of the Company and its subsidiaries during the year under review, highlighting key lessons learned and the practical steps being taken to strengthen performance and secure sustainable growth in the years ahead.

Global & Macro-Business Environment

According to the World Bank's 2025 Nigeria Development Update, Nigerian economy expanded by approximately 3.9% year-on-year in the first half of 2025, compared with 3.5% in the same period of 2024. This moderate growth reflects a shift away from oil-dependency with the non-oil sector (services, manufacturing, agriculture) increasingly contributing to aggregate output, indicative of a diversifying economic base. This trend holds positive implications for

companies operating outside the oil-export segment.

Importantly, reforms implemented over the past two years including subsidy removal, unification of exchange rates, and stabilization efforts in monetary and fiscal policies have helped strengthened external-sector metrics and boosted macroeconomic resilience. These reforms provide a firmer foundation for investment, operational planning, and long-term business expansion.

Notwithstanding these positive developments, inflationary pressures and currency-related challenges remained significant headwinds during the year. Although inflation showed signs of moderation relative to earlier peaks, it continued to erode household purchasing power and increase input costs for manufacturers; particularly in energy, logistics, and import-dependent raw materials. For companies such as Vitafoam, with significant reliance on imported inputs and energy-intensive production processes, disciplined cost management remained critical to sustaining margins.

Resurgence of insecurity particularly in the Northern part of the country continues to erode confidence in the ability of the government to secure lives and property. The tipping point came with the unfortunate designation of Nigeria as a country of particular concern by President Donald Trump of United States following the very disturbing characterization of the menace as genocide against a religious faith rather than a social menace with no ethnic, political or religious connotations. It is hoped that ongoing efforts by the government to strengthen security and enhance regional stability, including increased

GROUP MANAGING DIRECTOR'S REPORT (CONT'D)

security interventions and international cooperation, will support gradual improvements over time.

On the global front, continued uncertainty in supply-chain dynamics posed additional challenges. Elevated shipping costs, extended transit times, and disruptions linked to geopolitical tensions, global inflationary pressures, and evolving trade policies increased the complexity and cost of sourcing imported raw materials and spare parts. For Nigerian manufacturers, these conditions underscored the importance of supply-chain resilience, effective risk management, and, where feasible, greater localisation of inputs.

Despite these constraints, the gradual stabilization observed in FX markets and improved external balances offer windows of opportunity for businesses that manage to align procurement, production and pricing strategies to the evolving operating environment.

Financial Performance

The Group's turnover improved from N82.6 billion in the 2024 financial year to N111.3 billion in 2025. Profit before tax increased exponentially from N1.1 billion in 2024 to N21.4 billion in 2025 financial year while profit after tax also increased significantly from N965.1 million in 2024 to N14.5 billion in the year under review. Similarly, the turnover of our parent company, Vitafoam, increased from N73.4 billion in 2024 to N97.4 billion in 2025. The loss before tax of N1 billion recorded in 2024 was reversed with the company posting a significant profit before tax of N17.4 billion while the loss after tax of N906.5 million was similarly reversed into a profit after tax of N11.7 billion.

The impressive Group's and Company's performance during the financial year reflects the resilience of the business and the effectiveness of our cost-optimisation and financing strategies, as well as the discipline underpinning our operational and financial decisions. Improved oversight of inventory cycles, enhanced distribution planning, and the selective reallocation of resources to higher-yield segments supported earnings stability during the year. These measures contributed to sustaining operational cash flows and ensured that the Company met its obligations without compromising investment in critical areas of the business.

Overall, the Group's financial performance in 2025 underscores the underlying strength of our brand, the loyalty of our customers, and the effectiveness of the strategic adjustments implemented during the year. Subject to prevailing macroeconomic conditions and unforeseen developments, the Company is positioned to benefit from emerging opportunities as economic conditions improve.

The Subsidiaries

During the financial year under review, the subsidiaries continued to play a pivotal role in supporting our overall performance. Their collective efforts contributed to the stability of the Group's results and reinforced the resilience of our integrated business structure. Distinguished Ladies and Gentlemen, I now update you on the activities and general outlook for the subsidiaries.

Vitapur Nigeria Limited

Vitapur Nigeria Limited, our insulation and chemical systems subsidiary, recorded an impressive performance during the year, achieving a turnover of N7.22 billion compared to N5.054 billion in the previous financial year. The company's profit before tax increased from N705 million in 2024 to N1.06 billion in the reporting period while profit after tax improved correspondingly from N465 million in 2024 to N776 million in 2025.

During the year, Vitapur commissioned its Optimised Chemical Systems House and Laboratory, marking a significant operational milestone. The facility was formally inaugurated by the Honourable Minister of Environment and is expected to strengthen quality assurance processes, support product development, and enhance the subsidiary's technical capabilities across its core product lines.

In addition, the Company successfully commercialised its Viscoelastic PU Chemical Systems, resulting in the commencement of supplies to Vitavisco, a sister company. This development further strengthened operational synergies within the Group.

To support growth and capacity expansion, the subsidiary secured a N950 million facility from the Bank of Industry, comprising N500 million for capital expenditure and N450 million for working capital.

In furtherance of its capacity-building initiatives, Vitapur placed an order for a Castor Oil Refinery Plant, which, upon commissioning, is expected to enhance its upstream capabilities and support long-term raw material optimisation. In addition, the subsidiary commercialised the blending of Thermoware PU Systems as a new product line, thereby expanding its product portfolio and strengthening its market positioning.

The subsidiary successfully completed the Integrated Management System Audit, reaffirming its certification to **ISO 9001**, **ISO 14001**, and **ISO 45001** standards, reflecting its commitment to safety, quality management and environmental stewardship.

Distinguished Ladies and Gentlemen, I am hopeful that this impressive performance trend of the subsidiary will be sustained in the new financial year and beyond.

GROUP MANAGING DIRECTOR'S REPORT (CONT'D)

Vitablom Nigeria Limited

The soft furnishing subsidiary, Vitablom, experienced an uptick in performance during the year, posting a revenue of N5.33billion compared to N3.65billion in the previous year. The company's profit before tax increased from N366million in 2024 to N619million in 2025 while profit after tax increased from N245.6million in 2024 to N398.5million during the year under review.

During the reporting period, the Company expanded its footprints across major supermarkets nationwide, with the aim of increasing market share especially in the Northern region. In addition, Vitablom deepened penetration into modern trade channels and online platforms, further extending its reach beyond traditional retail outlets and positioning the brand for sustainable growth.

Product development remained a key growth driver. Notable upgrades during the year included the neck rest with earpiece in eye-catching carton packaging, the V-shaped pillow in carton packaging, the pregnancy pillow with upgraded suede material, and the baby bed with net launched through modern trade and online platforms.

Operational efficiency remained a core success factor, supported by strong and mutually beneficial relationships with both local and foreign suppliers. These collaborations ensured supply stability, operational reliability, and cost-effectiveness. In line with strategic financing initiatives, Vitablom secured a N450 million Bank of Industry loan, which supported inventory buildup to meet increased demand, and strengthened overall liquidity management.

Distinguished Ladies and Gentlemen, I will like to assure you that this subsidiary is well positioned to sustain growth and continue delivering value to shareholders.

Vitavisco Nigeria Limited

The moulded PU and polyethylene products Company, Vitavisco attained a significant performance milestone during the year leveraging products innovation, procurement efficiency and quality improvements. The Company's turnover grew exponentially from N1.86billion in 2024 to N3.38billion in the 2025 financial year. Profit before tax increased from N334million to N628million in the reporting year while profit after tax improved from N211million in 2024 to N418million in 2025 reflecting improved operational performance and the positive impact of strategic product development initiatives implemented during the year.

Following extensive market research and customer feedback, the Company developed and launched several new products, including a PU desk, wedge pillow, leg spacer, foam cervical collar, and a gel-on-memory-foam pillow. These additions strengthened the product

portfolio and enhanced customer appeal.

Operational efficiency was further enhanced through an upgrade of the shoe sole manufacturing plant aimed at improving product quality while achieving greater cost efficiency and operational effectiveness.

Overall, the 2025 financial year delivered meaningful product innovation and strengthened operational capabilities. Vitavisco is well positioned to sustain product-led growth and build on the current momentum.

Vono Furniture Products Limited

The wooden and metal furniture subsidiary, Vono Furniture Products Limited, sustain its growth momentum during the year implementing strategic initiatives that strengthened its position as a leading manufacturer of wooden, and metal furniture in Nigeria. The subsidiary's turnover increased from N1billion in 2024 to N1.5billion in 2025. Profit before tax grew from N40.6 million to N87million in reporting period while profit after tax improved from N26million to N51million in 2025.

During the year, deliberate strategies were implemented to widen market reach, including the expansion of the product portfolio with innovative designs, increased participation in major institutional projects nationwide, and the enhancement of retail presence through upgraded showrooms and experience centres. Collectively, these initiatives contributed to a notable rebound in market performance.

Operational efficiency was enhanced through optimized production processes, strengthened supplier partnerships, improved quality assurance procedures, and upskilling of technical teams, resulting in increased manufacturing capacity, faster turnaround, and higher product quality. Strategic collaborations with architects, interior designers, developers, and corporate clients further enhanced brand visibility and customer confidence.

It is gratifying to note that Vono has turned the corner and is now firmly positioned for sustainable profitability.

Vitaparts Nigeria Limited

The oil filter manufacturing subsidiary is steadily overcoming initial start-up challenges and, given the growing market acceptance of its products, is expected to establish a firm foothold in the automotive filter market in the near term. Despite prevailing macroeconomic headwinds, the Company achieved significant milestones in production scale-up, market penetration, and financial performance.

The Company recorded a year-on-year growth of 103%, underpinned by a robust Compound Annual Growth Rate of 78% in turnover and 77% in production quantity. The

GROUP MANAGING DIRECTOR'S REPORT (CONT'D)

Company sustained production of its two core products, the Spin-on and the Cartridge filters while maintaining strict quality standards that compete favorably with imported products.

Market expansion remained a key focus, with Vitaparts doubling its market presence in a single fiscal year. Strengthened relationships with dealers across major regions and enhanced brand visibility within the automobile industry has positioned the Company as a trusted local alternative to imported components, targeting Nigeria's estimated 11 million-vehicle population.

Overall, the 2024/25 financial year established a solid foundation for Vitaparts' 5-year strategic plan (2025–2030). With continued focus on quality, market expansion, and operational efficiency, the fortunes of the subsidiary are expected to improve in the short to medium term.

Vitafoam Sierra Leone Limited

The 2025 financial year marked a defining milestone for Vitafoam Sierra Leone Limited, reflecting years of perseverance, disciplined execution, and strategic realignment. Since inception, the Company had faced significant operational and market challenges, resulting in negative reserves and the inability to declare dividends. Through sustained cost optimization, careful stewardship, and focused turnaround initiatives, these deficits were steadily reduced, culminating in a return to positive reserves during the year under review.

Financial performance in 2025 was notably strong. Turnover increased to N4.9 billion, up from N3.4 billion in 2024. Profit before tax rose from N1.0 billion in 2024 to N1.5 billion in 2025, while profit after tax grew from N803 million to N1.4 billion.

The successful transition from negative to positive reserves represents a significant turning point for the subsidiary and paved the way for the consideration of dividend payments for the first time.

Overall, the 2025 financial year reflects the effectiveness of management's strategic focus and operational discipline. Vitafoam Sierra Leone Limited enters the new financial year on a stronger footing, well positioned to sustain growth, enhance shareholder value, and consolidate the gains from its transformation journey.

Business Outlook for 2025/2026

Recent projections from international and regional institutions point to a modest recovery trajectory for Nigeria over the next 12–24 months. The IMF, in its October 2025 *World Economic Outlook*, projects real GDP growth of 3.9% in 2025 and 4.1% in 2026, reflecting

improving domestic fundamentals driven by reforms, enhanced investor confidence, and continued macroeconomic stabilization efforts. Headline inflation is expected to average 26.5% in 2025, with the potential for upward pressure in 2026 due to structural bottlenecks and exchange-rate volatility. Within this environment, FX fluctuations and global commodity-price movements remain probable risk factors particularly for manufacturing and import-dependent industries. FX volatility could disrupt procurement cycles, while global supply-chain disruptions or commodity-price shocks may affect the cost of imported raw materials and energy inputs. Consumer demand may also remain subdued as households adjust to cost-of-living pressures. Nonetheless, the trajectory of reforms and improvements in forex liquidity suggest that a more stable and predictable policy environment may gradually emerge.

For our Company, this macroeconomic outlook presents both challenges and possibilities. While inflationary and input-cost pressures may persist, moderate GDP growth and the potential easing of fiscal and FX constraints present opportunities for demand recovery, cost stabilization, and improved consumer sentiment.

Against this backdrop, the Company will implement strategies designed to leverage emerging opportunities while prudently managing the risks associated with the current operating environment. We will strengthen cost-optimization through energy-efficiency initiatives, lean manufacturing practices, and cost-efficient procurement processes, as margin protection remains essential in light of prevailing input-cost and foreign-exchange pressures. In addition, efforts to deepen local sourcing of raw materials will be intensified where feasible, helping to reduce exposure to FX volatility and import-related cost increases, while flexible procurement arrangements for essential imported inputs will be maintained with appropriate forward-planning and risk-mitigation measures.

As economic conditions improve gradually, our Company will strengthen market presence through expanded distribution channels, enhanced product availability, and the introduction of value-oriented offerings that reflect evolving consumer taste and preference. Preserving a healthy cash flow remains a top priority, and to that end, we will enforce strict working-capital controls, maintain disciplined receivables and payables cycles, and retain sufficient liquidity buffers to ensure operational resilience under varying market conditions.

While recognizing that economic uncertainties may persist, investment decisions will remain selective and efficiency-driven, with a continued focus on strengthening resilience and prioritizing long-term stakeholder value over high-risk expansion. Strong governance practices, prudent financial reporting and consistent communication will continue to underpin

GROUP MANAGING DIRECTOR'S REPORT (CONT'D)

confidence in the Company as we navigate the evolving business environment.

Distinguished shareholders, while the operating landscape remains fragile albeit with glimmer of hope for a resurgence, I would like to assure you of our unflinching resolve to sustain the current performance trend by relentlessly pursuing opportunities that drive long-term growth and value creation.

Appreciation

In closing, I would like to express my sincere appreciation to the Board of Directors for their guidance and strategic oversight throughout the year. Their commitment to sound governance and steady leadership has remained the bedrock of our progress as an organisation.

I also extend my gratitude to our shareholders for their unalloyed support and confidence in the Company, even in a period marked by economic volatility and operational challenges. Your trust strengthens our resolve to deliver sustainable value and to manage the business with prudence and discipline. I also thank our customers, distributors, suppliers, and business partners whose loyalty and collaboration continue to reinforce the strength of our brand. Your support enables us to meet market needs and to continually improve the quality and reach of our products.

Lastly, I acknowledge the dedication of our employees across all locations. Their resilience, professionalism, and commitment to excellence have been instrumental to our performance during the year.

Thank you all for your attention and God bless



TAIWO ADENIYI.

Group Managing Director/CEO

FINANCIAL HIGHLIGHTS

For the year ended 30 September 2025

GROUP	2025	2024	Increase/ (decrease)
	N'000	N'000	
Revenue	111,379,338	82,639,888	35%
Profit before income tax	21,480,472	1,145,324	1775%
Profit for the year	14,537,221	952,190	1427%
Proposed dividend	4,618,383	1,888,852	145%
Share capital	625,422	625,422	0%
Total Equity	35,554,461	25,029,783	42%

Company	2025	2024	Increase/ (decrease)
	N'000	N'000	
Revenue	97,403,303	73,492,246	33%
Profit/(loss) before income tax	17,493,868	(1,059,811)	1751%
Profit/(loss) for the year	11,791,101	(906,511)	1401%
Proposed dividend (=N=)	3,752,532	1,313,386	186%
Share capital	625,422	625,422	0%
Total Equity	29,912,725	21,624,870	38%

Data per 50k share	2025	2024	Increase/ (decrease)
Basic Earnings (=N=)	9.43	(0.72)	1410%
Declared dividend (=N=)	3.00	1.05	186%
Net assets (=N=)	24	17	41%

Stock Exchange Information	2025	2024	Increase/ (decrease)
Stock exchange quotation at 30 September (=N=)	79.8	22	263%
Number of shares issued (000)	1,250,844	1,250,844	0%
Market capitalisation (N'000)	99,817,351	27,518,568	263%

GENERAL MANDATE CIRCULAR

Information in respect of General Mandate

In compliance with the Rules of the Nigerian Exchange Limited governing transactions with Related Parties and Interested Persons, the Company is seeking the general mandate of Shareholders under item no. 9 of the agenda of the Annual General Meeting.

The aggregate value of all transactions entered into with related companies during the financial year as stated on page 127 of this Annual Report and Accounts is more than 5% of the latest net tangible assets or the issued share capital of the Company.

For smooth conduct of business, the Company will continue to procure goods and services that are necessary for its operations from related companies in the next financial year and hereby seeks a general mandate from Shareholders for transactions with related companies that are of trading nature and those necessary for the day-to-day operations, that are more than 5% of the latest net tangible assets or the issued share capital of the Company.

Relevant details for Shareholders' consideration are as follow:

1. The class of interested persons with which the Company will be transacting during the next financial year are subsidiaries of the Company;
2. The transactions with the related companies are of trading nature and those necessary for its day-to-day operations;
3. The transactions shall be on normal commercial terms and shall not be prejudicial to the interest of the Issuer and the minority Shareholders;
4. The rationale for the transactions are that they are cost-effective and complementary to the Company's business and generally necessary to the operations of the Company;
5. The method or procedure for determining transaction prices is based on the Company's transfer pricing policy;
6. The Company shall obtain a fresh mandate from Shareholders if the method and procedure in 5 above become inappropriate;
7. Disclosure will be made in the Annual Report of the aggregate value of transactions conducted pursuant to this general mandate;
8. The interested person shall abstain, and has undertaken to ensure that its associates shall abstain, from voting on the resolution approving the transaction.

REPORT OF THE DIRECTORS

The Board of Directors of Vitafoam Nigeria PLC is pleased to present the Annual Report, along with the audited financial statements for both the group and the company, for the year ended 30th September 2025.

1 OUR BUSINESS

The Vitafoam Group, comprising Vitafoam Nigeria Plc and its subsidiaries—Vitapur Nigeria Limited, Vitablom Nigeria Limited, Vitavisco Nigeria Limited, Vitafoam Sierra Leone Limited, Vono Furniture Products Limited, and Vitaparts Nigeria Limited specializes in the manufacturing, marketing, and distribution of flexible and rigid foam products, fibre and textile-based items, furniture, and automotive components across Nigeria and the West African sub-region.

Our integrated operations allow us to serve diverse sectors, including real estate, healthcare, hospitality, agriculture, oil and gas, automotive, and general consumer markets. From foam and spring mattresses to advanced insulation solutions, furniture, and vehicle oil filters. Our product ecosystem is engineered to enhance comfort, improve productivity, and elevate the quality of life.

We are committed to remaining the trusted provider of professional, innovative, and high- quality comfort solutions through continuous research, superior manufacturing standards, rigorous quality assurance, and expansive distribution.

MAJOR PRODUCT OFFERINGS

a) Inner Core Spring Mattresses

Our inner core spring mattresses are produced using state-of-the-art Infinity spring technology. The continuous coil architecture enhances firmness, durability, and structural lightness. By combining premium materials—flexible foam, visco-elastic foam, steel coils, felt, and chip foam—we deliver superior comfort and aesthetics.

Key brands: *Vita Spring Firm, Vita Spring Flex, Vita Divan Bed.*

b) Regular Flexible Foams

Our flexible foam products are segmented to meet the needs of various lifestyles and consumer groups:

- **Early Days Segment:** Designed for nursing mothers and infants, offering baby mats, cot mattresses, pillows, feeders, solid chairs, and back supports.
- **Lifestyle Segment:** Stylish, trendy, and innovative products such as *Vita Sofa Bed, Vita Solid Chair, and Vita Roll.*
- **Premium Health Segment:** High-quality mattresses and pillows engineered for support and comfort. Popular brands include *Vita Supreme, Vita Galaxy, Vita Grand, and Vita Hospital Mattress.* *Vita Sizzler*, an ultra-soft, high-density mattress, combines flexible and reconstituted foam for superior stress relief.
- **Leisure Segment:** Portable, flexible, and colourful mats suitable for indoor and outdoor activities.

c) Fibre-Based and Allied Products



REPORT OF THE DIRECTORS (CONT'D)

This category features products made from fibre rather than PU foam, including pillows, cushions, duvets, and various textile linens. **Notable brands:** *Jumbo Pillow, Gazelle Pillow, Flip Pillow, Music Pillow, Vita Duvet.* Vitablom Nigeria Limited also produces durable scouring sponges in various sizes and shapes.

d) Rigid Foam (Insulation Solutions)

Led by **Vitapur Nigeria Limited**, our rigid foam division is strategically positioned to serve the fast-growing insulation market. Vitapur supports key industries such as construction, agriculture, oil and gas, pharmaceuticals, and food processing, through advanced insulation systems.

Vitapur is the **first insulation company in Nigeria** to earn SON's Integrated Management Systems certifications:

- **ISO 9001:2015 (Quality Management)**
- **ISO 14001:2015 (Environmental Management)**
- **ISO 45001:2018 (Occupational Health & Safety Management)**

These certifications affirm Vitapur's commitment to high-quality production and safe, eco-friendly processes.

e) System House Project

In partnership with the **UNDP** and the **Federal Ministry of Environment**, Vitapur established Nigeria's pioneering **System House**, a chemical blending facility for producing pre-blended polyols, prepolymers, and adhesives used in rigid polyurethane foam production.

The System House strengthens the Group's backward integration strategy by supplying essential inputs for reconstituted foam and laminations. This enables **just-in-time procurement**, reduces inventory costs, and ensures consistent production efficiency.

f) Visco-Elastic (Memory) Foam

Vitavisco Nigeria Limited manufactures high-performance visco-elastic (memory) foam products for the furniture and automotive industries. The company is well aligned with Nigeria's automotive policy, supplying materials for vehicle seats, bumpers, bushings, and other PU-based elastomers.

Popular brands: *Vitacool, Vitalite, Seat Support, Neck Pillow*, among others. New lifestyle and health-support items include lumbar rolls, cervical collars, PU soft desks, seat pads, wedge pillows, leg spacers, and throw pillows.

Vitavisco has also invested in a plant for **Polyethylene Foam Sheets and EPE Pipes**, used in insulation, packaging, protective equipment, and industrial applications such as, HVAC duct insulation, Cool bags, Life jackets, Protective suits and Agricultural packaging

g) Furniture Products

Vono Furniture Products Limited maintains a strong footprint in household and institutional furniture manufacturing, producing high-quality wood and metal furniture. Working synergistically with the parent company, Vono delivers integrated furnishing solutions to offices, homes, lounges, public institutions, and healthcare environments. Custom solutions are available for both residential and commercial clients.

REPORT OF THE DIRECTORS (CONT'D)

h) Oil Filters

Vitaparts Nigeria Limited began producing spin-on and paper cartridge oil filters in 2021. These products have quickly gained market acceptance due to their reliability and compliance with automotive standards. Vitaparts is becoming a strong player in Nigeria's automotive and industrial aftermarket segment.

I) Expansion into ECOWAS Countries

Vitafoam's expansion into Sierra Leone continues to deliver impressive results, with high-quality local production and successful exports to Guinea and Liberia. Beyond commercial activities, the Company collaborates with humanitarian agencies to supply quality mattresses for national welfare and relief programmes. This expansion strengthens Vitafoam's regional footprint and contributes to better living standards across West Africa.

2. TRADING RESULTS

The financial results for the year ended 30th September 2025 are summarized below:

	GROUP		COMPANY	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Revenue	111,379,338	82,639,888	97,403,303	73,492,246
Profit/(loss) before taxation	21,480,472	1,145,324	17,493,868	(1,059,811)
Taxation	(6,943,251)	(193,134)	(5,702,767)	153,300
Profit/(loss) for the year	14,537,221	952,190	11,791,101	(906,511)
Non Controlling Interest	1,025,841	592,486		
Profit Retained for the year	14,537,221	952,190	11,791,101	(906,511)

3. DIVIDEND AND BONUS RECOMMENDATION

The Board has recommended a dividend of N3.752bn representing N3.00 kobo per share to shareholders for declaration at the next Annual General Meeting. The dividend recommended, when approved, is subject to withholding tax at the prevailing rate. The board has also recommended a bonus issue of one ordinary share for five existing ordinary shares.

4. FIXED ASSETS

The sum of N 1,073mn (group) and N 469mn (company) were invested in property plant and equipment during the year to upgrade production facilities. In the opinion of the directors, the market value of property, plant and equipment is not lower than the carrying value in these financial statements.

5. SALES AND MARKETING

Over the years, Vitafoam has firmly positioned itself as a market leader in the manufacturing and distribution of flexible and rigid foam products in Nigeria. Building on this strong foundation, the Company has evolved into a provider of **complete sleep solutions**, offering a broad spectrum of household bedding (soft furniture) and durable hard furniture. This strategic expansion reflects our commitment to deepening our presence in the comfort and lifestyle industry and advancing our vision to ensure that **there is a Vitafoam product in every home**.

Our sales and marketing strategy is anchored on **product differentiation, market expansion, exceptional**

REPORT OF THE DIRECTORS (CONT'D)

customer service, and consistent service reliability. At the core of our marketing philosophy is the customer understanding their needs, preferences, lifestyles, and evolving expectations. As a trusted brand, **quality and value for money** remain fundamental to everything we do.

Through continuous engagement with both existing and prospective customers, we nurture strong brand affinity and long-term loyalty. Our **360-degree communication approach** is designed to inform, educate, and engage which ensures widespread visibility and meaningful connection across all customer segments. The positive responses we continue to receive reaffirm our commitment to service excellence and customer satisfaction.

New Products Introduction:

Vitafoam's premium pillow-top range (**VitaLuxe** and **VitaHelix**) elevates sleep to an entirely new standard. Designed with **exceptional bounce, high-resilience foam technology, and elegant quilting**, these mattresses offer a **plush yet deeply supportive** feel that gently contours the body while preserving optimal alignment.

Engineered to deliver **executive comfort without compromise**, Vitaluxe and VitaHelix envelop you in cloud-like softness atop a stable, long-lasting core and a perfect fusion of **indulgence, innovation, and Vitafoam's signature durability**.

Whether for everyday rejuvenation or a premium sleep upgrade, these pillow-top mattresses represent the ultimate expression of comfort, craftsmanship, and long-lasting performance.

6. RESEARCH AND DEVELOPMENT

Design and development of innovative products remain central to our long-term growth strategy. In expanding our product portfolio, we combine advanced research with efficient production processes that strengthen our competitive advantage and enhance cost efficiency.

To stay ahead of the competition, seize emerging opportunities, and reinforce our leadership in the industry, we have invested in a **state-of-the-art research laboratory**. This facility drives our internal product development efforts and is also open to other industry professionals, promoting collaboration, knowledge sharing, and cross-sector innovation.

Aligned with our sustainability agenda, our R&D framework now incorporates a comprehensive **recover, reuse, and recycle plan**. This approach enables us to minimise waste, optimise raw material utilisation, and embed circular economy principles into our operations. By integrating innovation with sustainability, we are not only improving operational efficiency but also driving productivity, reducing environmental impact, and shaping a more resilient future for the business.

7. DONATIONS AND CHARITABLE GIFTS

The following donations were made during the year ended 30 September 2025:

S/N	BENEFICIARIES	AMOUNT
1	Human Development Initiative Foundation Support Education Scholarship	2,876,268
2	Unilag Laboratory Furniture Supplied & Repair Work	10,708,811
	Company	13,585,079
3	Community Development Building Project For Hastings Community Centre	3,663,550
4	Rehabilitation Of Hastings Health Care Centre	1,267,040
5	Donation To Ministry Of Trade And Industry - Symposium	1,583,800
6	Construction Of Barrack Officers Mess - Wilberforce	752,305
	Group	20,751,774

REPORT OF THE DIRECTORS (CONT'D)

8. HUMAN RESOURCES MANAGEMENT

The company places a strong emphasis on the efficient management of its human resources as a foundation for achieving excellent performance. Its strategy focuses on attracting and retaining highly motivated and talented personnel across all functions to ensure sustainable growth and development. To maintain a productive work environment, several key strategic initiatives have been adopted, including:

1. **Group Synergy:** As part of cost-effective approach to Human Capital Development, the group structure has provided a platform for shared services and synergy in our operations. Appropriate resources that are available in the group are deployed to achieve optimal results throughout the group.
2. **Talent Acquisition and Retention:** The Company prioritizes attracting top talent by offering competitive compensation, career development opportunities, and a supportive workplace culture to foster employee loyalty and long-term retention.
3. **Continuous Training and Development:** By investing in the ongoing professional development of its staff, the Company ensures that employees stay skilled, adaptable, and prepared to meet the evolving demands of the business.
4. **Employee Engagement:** Initiatives aimed at enhancing employee satisfaction, well-being, and involvement in decision-making contribute to a positive and collaborative work environment, boosting morale and productivity.
5. **Performance Management:** A clear and transparent performance management system is in place to set goals, track progress, and reward high performance, ensuring alignment between individual and organizational objectives.
6. **Workplace Innovation and Collaboration:** Encouraging innovation, teamwork, and cross-functional collaboration supports problem-solving and drives creativity, keeping the company competitive and agile in a dynamic market.

By adopting these strategic initiatives, the Company fosters a motivated workforce that plays a key role in driving its long-term success.

9. CORPORATE GOVERNANCE REPORT

The Company's business is driven by a collective commitment to a culture of integrity, accountability, and transparency. We conduct our operations in strict accordance with high moral and ethical standards, while adhering to all relevant laws and regulations. Our goal is to remain a responsible and responsive corporate entity, dedicated to ensuring healthy and comfortable living for our customers. At the same time, we aim to make a positive contribution to the overall growth and development of the country, through sustainable practices, innovation, and community engagement. This commitment reflects our desire to create long-term value for all stakeholders while upholding the highest standards of corporate responsibility.

The Board of Directors

The Board of Vitafoam Nigeria plc is responsible for ensuring compliance with good corporate governance practices and statutory enactments guiding business operations. The Board formulates policies that ensure strict adherence to operational ethics. It requests and scrutinizes information regarding internal control systems,

REPORT OF THE DIRECTORS (CONT'D)

risk exposures and relevant developments within the operating environment. The Board, through its various committees, ensures that credible and reliable accounting records are maintained which disclose at any time, the financial status of the Company and ensure that the Company's accounts comply with the provisions of Companies & Allied Matters Act, Laws of the Federation of Nigeria, 2020 and the standards set by the Financial Reporting Council of Nigeria. The Board is also responsible for safeguarding the Company's assets by taking reasonable steps to ensure the prevention and detection of fraud and other irregularities.

Composition of the Board, Appointment and Training

At the date of this report, the Board consists of ten Directors: Six Non-Executive and four Executive Directors. In line with global best practice, the position of the Chairman is distinct from that of the Group Managing Director. The profile of the Board of Directors, comprising distinguished individuals with diverse skills and competences in different areas of the Company's business continually ensures the attainment of corporate objectives. The present mix and composition of the Board allows for broad and objective evaluation of policy framework for effective implementation of Company strategy.

New Directors are selected through carefully articulated selection guidelines that place emphasis on integrity, skills and competencies relevant to the Company's goals and aspirations. The Nomination and Governance Committee is assigned the responsibility for identifying individuals with track-record of outstanding achievement and potentials for value enhancement. Recommendations of the Committee are subsequently subjected to further scrutiny and deliberation by the entire Board before arriving at a decision. A newly appointed Director is made to undergo an induction and training program within and outside the Company to equip him/her with requisite knowledge and information for excellent performance as a director.

To keep abreast with developments in corporate practice and ensure quality participation in Board activities, existing Directors are made to attend periodic trainings on corporate governance and good business practice.

The Role of the Board

The responsibilities of the Board include the following:

- Formulation and implementation of strategic policies
- Ensuring the integrity of the Company's accounting and financial reporting systems.
- Evaluation of the Company's risk profile and framework and ensuring alignment with the overall business growth and direction.
- Review and monitoring of expenditure, budgetary planning and controls and financing strategies through the committee on risk and finance
- Review periodically the effectiveness and adequacy of internal control systems and processes.
- Periodic review and evaluation of actual business performance and the state of the Company
- Instituting and implementing policies on succession planning, appointment, training and remuneration of Directors and senior management
- Review of reports of Board committees and ratifying their decisions,
- Maintaining communication and acceptable interaction with shareholders
- Ensuring practice compliance with applicable laws, regulations and code of business
- Approve plans for general business growth and expansion.

REPORT OF THE DIRECTORS (CONT'D)

Board Meetings

The Board met four (4) times during the 2024/2025 financial year. The register of the Directors' attendance at Board meetings during the year is available for inspection at the Annual General Meeting in accordance with S.284 (2) of the Companies and Allied Matters Act 2020. The list of the Directors and their attendance at the Board meetings are as follows:

DIRECTORS	19/12/24	6/3/2025	15/05/25	11/9/2025
Mr. Zakari Sada	✓	✓	✓	✓
Mr. Taiwo A. Adeniyi	✓	✓	✓	✓
Mr. Bamidele. S. Owoade	✓	✓	✓	✓
Mr. Joseph. Alegbesogie	✓	✓	RTD	RTD
Mr. Gambo Dahiru	✓	✓	✓	✓
Mr. Olaoluwa Ogunfeyitimi	✓	✓	✓	✓
Mr. Achike Charles Umunna	✓	✓	✓	✓
Mr. Gerson P. Silva	✓	✓	✓	✓
Mr. Abdul Akhor Bello	✓	✓	✓	✓
Mr. Ademola Bolarinde	✓	✓	✓	✓
Dr. (Mrs). Olufunke A. Davies	✓	✓	✓	✓

Keys

✓ =Present

Rtd= Retired

Board Committees

The Board discharges its responsibilities through the Risk, Finance & General Purposes Committee, Establishment & Remuneration Committee and the Nomination & Governance Committee. To ensure objective and balanced consideration of issues, each of the Committees is chaired by a Non-Executive Director. The Committees operate within set guidelines and terms of reference approved by the Board of Directors. The following is the composition of the committees and records of attendance at the meetings:

A. Risk, Finance and General Purposes Committee

The Committee was chaired by Mr. Abdul A. Bello an Independent Non-Executive Director and met four times during the year. The table below shows the list and attendance of members at the meetings:

Directors	29/10/24	28/1/25	29/04/25	25/07/25
Mr. A.A. Bello	✓	✓	✓	✓
Mr. Taiwo Adeniyi	✓	✓	✓	✓
Mr. A.C. Umunna	✓	✓	✓	✓

Keys

✓ = Present

REPORT OF THE DIRECTORS (CONT'D)

B. Establishment & Remuneration Committee

At the time of this report, the Committee comprised three Non-Executive Directors with Mr. A.C. Umunna as the Chairman. Other members are Mr. Gerson Silva and Dr. Abiola Davies. The Committee met once during the year as below:

Directors	26/09/25
Mr. Achike c. Umunna	✓
Mr. Gerson P. Silva	✓
Dr. Abiola O. Davies	✓

C. Nomination & Governance Committee

At the date of this report, the Committee comprised two Non-Executive Directors. It is chaired by Mr. Ademola Bolarinde a Non-Executive Director. The Committee did not meet during the year.

D. Audit Committee

In compliance with Section 404 of the Companies and Allied Matters Act, 2020, the Company has a standing Audit Committee comprising two representatives of Directors nominated by the Board and three representatives of shareholders elected at the previous Annual General Meeting. All the members are equipped with relevant skills and experience for analyzing basic financial statements and making informed judgments. The Audit Committee's terms of reference include the statutory functions stipulated in Section 404(7) of the Companies & Allied Matters Act, 2020 and the Code of Corporate Governance. The Committee was chaired by Comrade S. B. Adenrele and the Company Secretary served as the Secretary to the Committee.

The Committee met four (4) times during the financial year and some of the meetings were attended by representatives of PricewaterhouseCoopers (PwC), the External Auditors. The following is a list of members of the Committee and their attendance at the meetings:

Members	18/12/24	28/01/25	25/04/25	25/07/25
Com. S.B. Adenrele	✓	✓	✓	✓
Rev. I.O. Elushade	✓	✓	✓	✓
Alhaji Gbadebo Olatokunbo	✓	✓	✓	✓
Mr. Ademola Bolarinde	✓	✓	✓	✓
Mr. Abdul A. Bello	✓	✓	✓	✓

REPORT OF THE DIRECTORS (CONT'D)

Management

The daily running of the business is vested in the Executive Management Committee led by the Group Managing Director/CEO, supported by the Executive Directors and Heads of Departments. The Executive Committee holds a weekly meeting to evaluate performance of the various aspects of the Company's operations and make policy decisions in line with Board directives. The Committee sets targets for the execution of tasks and monitors compliance with such targets. The minutes of the meetings of the Committee are properly maintained at the secretariat. In addition, a monthly meeting of extended management (management committee members and functional Heads of sub-units) is held to review the performances of the various units and also to plan activities for the upcoming month.

To ensure effective coordination of activities of subsidiaries and associated companies within the group, a monthly group business review meeting is held where reports of operations of each member are peer reviewed and extensively discussed. The forum ensures that group synergy is optimized for steady organic growth of the group. Group strategy session is held at the beginning of the financial year to review performance and plot growth strategy for the year.

Effectiveness of Internal Control

Management is responsible to the Board for implementing and monitoring internal control processes in all aspects of the Company's business on day-to-day basis. The deployment of Sage ERP X3 has continued to ensure that control breaches are considerably checked. The system, with inbuilt safeguards, ensures the integrity and reliability of financial information generated on a continual basis. Audit of the process is carried out periodically to ensure continued effectiveness and relevance to business scope and direction. The current internal control system of the Company is reviewed periodically in line with the Company's growth and the dynamics of the business environment. The system is effective and adequate for the Company's business and in line with standard practice.

Compliance with the code of corporate governance

The Company's level of compliance with the code of corporate governance in the 2024/2025 financial year was adequate and satisfactory. During the financial year, required statutory returns were submitted to the Securities & Exchange Commission (SEC), the Nigerian Exchange Limited and other regulatory bodies while appropriate disclosures concerning the business were made available periodically as required by relevant laws and regulations.

In line with the SEC's policy on discontinuance of dividend warrants, Shareholders are enjoined to open e-dividend accounts by filling the e-dividend mandate form attached to the annual report, stamp with their respective banks and send to Meristem Registrars Limited.

10. SUSTAINABILITY REPORT

Sustainability is the foundation of enduring corporate success and stands out as one of the core values of the Company. Sustainability promotes consistency of vision, actions and processes while ensuring that systems are entrenched and allowed to run seamlessly. Sustainability is our approach to responsible corporate activities, environmental care and Health and Safety at the workplace. Here is a summary of what we have done across these key areas.

Vitafoam Nigeria Plc's environmental policy demonstrates its commitment to sustainable practices and adherence to environmental regulations. The Company ensures that it meets national, state, and internal environmental policies, regulations, and laws pertinent to its sector. Vitafoam actively monitors its environmental impact through regular checks and assessments in accordance with its Environmental Management policies and regulations.

REPORT OF THE DIRECTORS (CONT'D)

The Company also conducts Environmental Impact Assessments (EIA) for new projects, evaluating potential environmental effects before implementation. For ongoing operations and established projects, Vitafoam carries out Environmental Audits, develops Environmental Management Plans (EMP), and implements Environmental Compliance Monitoring to ensure consistent adherence to environmental standards and regulations. This proactive approach underscores the Company's dedication to environmental sustainability and regulatory compliance in its operations.

Vitafoam Nigeria Plc places a strong emphasis on maintaining a robust Occupational Health and Safety (OHS) management system and environmental performance, ensuring continuous improvement and compliance through both internal and external audits. These audits and validations help assess the effectiveness of the Company's health, safety, and environmental procedures.

Our Health, Safety, and Environment (HSE) Manager oversees all HSE matters. This includes the coordination and timely analysis of environmental data, ensuring that all health, safety, and environmental concerns are promptly addressed.

Environmental Management Plans

Vitafoam Nigeria Plc's Environmental Management Plan incorporates a series of proactive measures designed to mitigate, monitor, and manage environmental and social impacts at its operational sites. The Company's approach aims to ensure that adverse environmental impacts are reduced to acceptable levels through sustainable practices.

Key Areas of Environmental Management:

1. Energy Management

The primary energy source is the national grid operated by the Transmission Company of Nigeria, with diesel-powered generators installed as backups across various operational sites in Ikeja, Jos, Aba and Kano. These generators are routinely maintained by certified energy management contractors to ensure efficiency.

2. Air Quality Management

Foam blowing processes emit hazardous volatile compounds like acetic acid and oxides. Vitafoam has implemented several measures to minimize these emissions:

- Exhaust gases are filtered through fume extractors and activated carbon filters before being discharged
- Smoking and waste incineration are prohibited across all operational sites.
- Dust levels are reduced through extractor fans installed within operational facilities.
- Relevant personal protective equipment (PPE) such as rubber gloves, face masks, and safety shoes are worn by staff to minimize exposure to occupational risks.

3. Noise and Vibration Management

- Installation of silencers on air compressors and blowers.
- Equipment is mounted on vibration isolating platforms and rubber mats to reduce noise and vibrations.
- Air conditioning systems, fans, and ventilation systems are fitted with noise-proof ducting and acoustically

REPORT OF THE DIRECTORS (CONT'D)

designed openings.

- Service Level Agreements (SLAs) are in place for regular maintenance of generators, air compressors, and air conditioners.

4. Water Management

- Water for the factories is sourced from boreholes, with drinking water treated by a portable water treatment plant.
- The water is used for both drinking and general cleaning, ensuring safe and efficient water usage.

5. Waste Management

- Waste generation mainly comes from ancillary activities such as kitchen wastes, sanitary wastewater, and cleaning activities. Foam production, being a dry process, does not generate wastewater.
- Foam scraps, which constitute 98% of solid waste, are recyclable and are sent to foam recycling plants located in Lagos and Jos for reuse in orthopaedic and hospital mattress production.
- Polyethylene films are also collected and sold to third-party recyclers
- Non-recyclable wastes are handled by certified local waste management contractors for proper disposal.

6. Waste Oil Storage and Management

- Waste oils from servicing generators and compressors are carefully managed through SLAs with certified contractors.
- Salvaged oils are reused as mold degreasers in batch foaming operations, ensuring responsible waste management.

7. Chemical Storage and Management

- Chemicals used in production are stored in dedicated areas and handled in compliance with regulatory guidelines and Material Safety Data Sheets (MSDS).
- This ensures safe handling and reduces the risk of chemical accidents.

8. Fire Safety

- All factories are equipped with standard fire detection, fire protection and suppression gadgets.
- Smoke and heat detectors, hose reels, automatic sprinkler systems, and fire hydrants are strategically installed for rapid response in case of fire emergencies.
- Fire extinguishers are also available at marked fire points for emergency use. Vitafoam's commitment to a comprehensive environmental management plan reflects its dedication to minimizing environmental

REPORT OF THE DIRECTORS (CONT'D)

impacts, enhancing sustainability, and complying with both local and international environmental regulations. Through these efforts, the company is ensuring the responsible management of resources and the protection of both the environment and the health of its workers.

Corporate Social Responsibility: At Vitafoam, we are committed to uplifting the well-being of our immediate community around our operational sites and beyond. The Company's CSR efforts are primarily targeted at the following areas of identified needs such as health care, education and security.

- **Health-** Over the years the Company has continued to give material support to maternity homes, orphanages, general hospitals etc. Worthy of note is the yearly Vitafoam's First baby of the year initiative by which the Company donates products to the first three babies born at the Island Maternity Hospital. The Company also seizes the opportunity to donate hospital mattresses and furniture.
- **Education-** the Company has a well-developed impressive program for students of tertiary institutions on Industrial attachments (under the SIWES Schemes) and National Youth Service Corp members posted to the Company on their compulsory 1 year service. All through the year students on industrial attachments and Youth Corp members are offered opportunities to undergo well supervised training that promotes acquisition of various management/technical skills on our operational sites.

We also have in place a scheme where fresh graduates are recruited into our Management Trainee Scheme programs and are further retained after a successful 1-year training and assessment.

Our facilities pan-Nigeria have also become destination points for students of various schools and institutions on excursion and practical learning activities. The company is also actively engaged in the donation of research equipment to institutions of higher learning.

As a Company that acknowledges the importance of education to the society, we have undertaken the construction of blocks of Government-owned classrooms on a build, equip and transfer basis.

- **Security-** At Vitafoam Nigeria Plc, we take keen interest in the security of lives and property. We give regular support to law enforcement agencies within our areas of operations.

Health & Safety Policy

The safety of our employees is paramount and we take adequate steps to provide a safe workplace. At all of the Company's factory and office sites, we deploy world-class safety and health practices. Where needed, experts in Safety, Health and Environment are invited to give necessary assistance. In addition to the foregoing, the Company periodically organizes awareness programs such as safety week, Health Talk and other related activities.

The Company runs a well-equipped sports center to enable staff exercise at break periods thereby achieving work-life balance. The Company also retains the services of accredited Health Management Organizations (HMOs) for efficient management of all health matters of employees and qualified dependants.

We implement an effective emergency training program (i.e. fire drill) regularly and also have a Business Continuity Plan team. This is intended to prevent occurrence of disasters or minimize the impact of occurrence on the business and the employees.

The Company has in-house canteens across our factories where quality, nutritious and balanced meals are served to employees at heavily subsidized rates. This in a way contributes to the wellbeing of our staff. Regular health tests are conducted for our Kitchen staff and food handlers in order to safeguard the health of the employees.

REPORT OF THE DIRECTORS (CONT'D)

HIV/AIDS & Disability- the Company does not discriminate in the employment of persons living with HIV/AIDS or any other form of disability. Our HR Practices and policies are designed to give equal opportunities to all employees with special facilities provided to support the physically challenged.

Decent Work

The main thrust of our HR policy is to engender a happy workforce and make the company a great place to work. We implement several policies and employee friendly initiatives in the belief that human capital is paramount to the achievement of corporate success. A happy and motivated workforce will necessarily translate into a prosperous organization and enhanced stakeholders' satisfaction.

The Company does not condone direct or indirect discrimination against any employee on the basis of nationality, ethnicity, sex, religion, disability or marital status. Management holds periodic engagement with all employees and key stakeholders. We hold regular quarterly town hall meetings, a forum for management-employee interaction which has become a key platform for dialogue.

Workers' trade unions are allowed to function across our factory locations without any hindrance in line with section 40 of the 1999 Constitution of the Federal Republic of Nigeria which guarantees the right to freedom of association. Over the years, we have enjoyed industrial harmony.

Sustainability Performance highlights in the financial year

Our sustainability performance in 2025 is graphically illustrated below using the key elements of Governance, Economic, Social and Environment:



We have a wide range of employees who are actively engaged and decently remunerated. During the year, remuneration review was implemented for all categories of employees to align pay with inflationary trend



We run in-house canteen across our operating facilities where clean, nutritious and balanced meals are served at subsidized rates to employees.



Prioritizing the health and safety of our people, we run an in-house clinic and physiotherapy gym managed by competent consultants. All employees and their dependents are enrolled under the Health Management Organization (HMO) scheme. We also provide medical support for cases not covered under the HMO.



The company accepts an average of 35 Corps Members and students on Students Industrial Work Experience (SIWES) annually. We support children of our employees with varying degrees of scholarships. We regularly host students of several institutions on learning excursions.

REPORT OF THE DIRECTORS (CONT'D)

<p>5 GENDER EQUALITY</p> 	<p>Despite being a manufacturing company, conscious efforts are being made to promote gender equality. Consideration is given to gender balance in recruitments across all levels</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>Achieved significant decrease in energy consumption through installation of energy saving bulbs.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Sporting Center maintained Work-life balance is encouraged by ensuring that employees take their annual vacation when due. Periodic improvement of employee welfare. Provision and enforcement of the use of personal protective equipment (PPEs)</p>
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>Regular Research is being undertaken Certified ISO 9001:2015 on quality management standards Awarded Best Premium Bedding & foam product manufacturer.</p>
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>Support is given to security agencies within our community of operations.</p>
<p>13 CLIMATE ACTION</p> 	<p>Significant decrease in energy consumption. Responsible management of liquid and solid waste.</p>
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 	<p>We provide peaceful and inclusive work outlook Employees are members of trade union and there has been a harmonious working relationship between management and the Trade Union.</p>
<p>17 PARTNERSHIPS FOR THE GOALS</p> 	<p>Management is in consultation with all major stakeholders and key distributors and partners to ensure compliance and implementation of the sustainable development goals. Quarterly engagement is held with Trade Partners to discuss the state of the entity. Quarterly Town Hall meeting is held with the employees by the Group Managing Director to communicate policies and discuss the progress of the company and welfare, health and safety of employees.</p>

PHOTOS SPEAK



REPORT OF THE DIRECTORS (CONT'D)

11. DIRECTORS' INTEREST IN SHARES

Interest of the Directors in the Issued Share Capital of the Company as recorded in the Register of Members and/or as notified by them for the purpose of section 301 of the Companies & Allied Matters Act, 2020 are as stated below.

Directors	As at 30/09/2025 No. of shares	As at 30/09/2024 No. of shares
Mr. Zakari M. Sada	237,280	87,280
Mr. Taiwo .A. Adeniyi	1,364,000	1,364,000
Mr. Bamidele. S. Owoade	320,000	320,000
Mr. Joseph Alegbesogie	Retired	976,820
Mr. Gambo Dahiru	153,344	109,553
Mr. Olaoluwa Ogunfeyitimi	414,627	414,627
Mr. Ademola Bolarinde	100,000	100,000
Mr. Achike C. Umunna	140,000	140,000
Mr. Abdul Akhor Bello	171,860	171,860
Mr. Gerson P. Silva	Nil	Nil
Dr. Olufunke A. Davies	Nil	Nil

12. DIRECTORS INTEREST IN CONTRACTS

In accordance with section 303 (2) of the Companies and Allied Matters Act 2020, Mr. Gerson P. Silva a Non-Executive Director has notified the Board in writing of his association with companies/firms that render contracts with the Company.

13. ANALYSIS OF SHAREHOLDING

- a) According to the Register of members, the following shareholders held 5% and above of the issued share capital of the company as at 30th September, 2025:

Shareholder	Units held	Percentage
Bolarinde Samuel Olaniyi	150,427,902	12.03%
Awhua Resources Limited	98,281,981	7.86%
Neemtree Limited	125,334,977	10.02%

Aside from the three substantial shareholders above, no other shareholder(s) holds 5% and above of the issued and fully paid shares of the company.

- b) The shares of the Company were held as follows as at 30th September 2025

REPORT OF THE DIRECTORS (CONT'D)

Type	Shareholding	%	Shareholders	%
Individual	714,669,176	57.11	44,260	96.35
Corporate	534,787,835	42.75	1,574	3.42
Foreign	1,387,053	0.11	101	0.21
Total	1,250,844,064	100	45,970	100

c) The range analysis of the shareholding as at 30th September, 2025 is as below:

Range	No. of Holders	% of Units	Shareholding	%
1-5,000	32,936	71.70	41,039,484	3.28
5001-10,000	5,179	11.27	39,342,198	3.14
10,001-100,000	6,888	14.99	192,478,102	15.38
100,001-500,000	753	1.63	152,777,428	12.21
500,001-1,000,000	87	0.18	63,794,159	5.10
1,000,001- 100,000,000	90	0.19	485,649,814	38.82
100,000,001-Above	2	0.004	275,762,879	22.04

14. ACQUISITION OF SHARES

The Company did not purchase any of its own shares during the 2024/2025 financial year.

15. SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule) Vitafoam Nigeria Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders in relation to their dealings in the Company's shares. The Policy undergoes periodic review 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 year. Details of the policy are on the company's website at www.vitafoamng.com.

16. CODE OF BUSINESS ETHICS AND WHISTLE BLOWING POLICY

The Company's code of business ethics and Whistle blowing policy set standards of ethical behaviour in the workplace for all employees. A key component of workplace ethics and behavior is integrity which the Board upholds to ensure a culture of honesty and transparency at all levels of the Company. The Company maintains a steady awareness of these values through periodic sensitization and publicity of the contents of the code to its employees. Details are available on the Company's website - www.vitafoamng.com.

17. COMPLAINTS POLICY

This policy regulates and prescribes procedure for handling Shareholders' complaints by the Secretariat and the Registrars. Details are available on the Company's website - www.vitafoam.com.ng

REPORT OF THE DIRECTORS (CONT'D)

18. RETIREMENT BY ROTATION

The Directors retiring by rotation in accordance with the Company's Articles of Association are Mr. Ademola Bolarinde and Mr. Achike C. Umunna and being eligible, offer themselves for re-election. Bio-data of the Directors is on pages 9 to 12 of the Annual Report.

19. INDEPENDENT AUDITORS

In accordance with Section 401(2) of the Companies and Allied Matters Act, 2020, PricewaterhouseCoopers (PwC) have indicated willingness to continue in office as the Company's Auditor. A resolution will be proposed at the Annual General Meeting to authorize the Board of Directors to fix their remuneration.

BY ORDER OF THE BOARD



OLALEKAN SANNI ACIS
Company Secretary/Legal Adviser
FRC/2013/NBA/00000005309

18 December, 2025

FREE FLOAT CALCULATION FOR VITAFOAM NIGERIA PLC SHAREHOLDING STRUCTURE AND FREE FLOAT STATUS

Company Name:	Vitafoam Nigeria Plc
Board Listed:	Main Board
Period End:	September 30th 2025
Reporting Period:	September 30th 2025
Share Price at end of reporting period	N79.80

Description	30-Sep-24		30-Sep-25	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	1,250,844,064	100%	1,250,844,064	100%
Substantial Shareholdings (5% and above)				
Bolarinde Samuel Olaniyi	150,427,902	12.03	150,427,902	12.03
Awhua Resources Limited	98,281,981	7.86	98,281,981	7.86
Neemtree Limited	125,334,977	10.02	125,334,977	10.02
Total Substantial Shareholdings	374,044,860	29.90%	374,044,860	29.90%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Mr. Zakari M. Sada	87,280	0.01	237,280	0.02
Mr. Taiwo Adeniyi	1,364,000	0.11	1,364,000	0.11
Mr. Bamidele S. Owoade	320,000	0.03	320,000	0.03
Mr. Joseph Alegbesogie	976,820	0.03	0	0.00
Mr. Dahiru Gambo	109,553	0.01	153,344	0.01
Mr. Olaoluwa Ogunfeyitimi	414,627	0.03	414,627	0.03
Mr. Ademola Bolarinde	100,000	0.07	100,000	0.01
Mr. Achike Charles Umunna	140,000	0.01	140,000	0.01
Mr. Abdul Akhor Bello	171,860	0.01	171,860	0.01
Mr. Gerson Silva	0	0.00	0	0.00
Mrs. Abiola O. Davies	0	0.00	0	0.00
Total Directors Shareholdings	3,684,140	0.30	2,901,111	0.23
Other Substantial Shareholdings				
Sanctus Nigeria Limited	49,934,231	3.99%	50,134,231	4.01%
Total other Substantial Shareholdings	49,934,231	3.99%	50,134,231	4.01%
Free Float in Units and Percentage	823,180,833	65.81%	823,763,862	65.86%
Free Float in Value	18,109,978,326.00		65,736,356,187.60	

Declaration:

Vitafoam Nigeria Plc with a free float value of N65,736,356,187.60 (65.86%) as at September 30th, 2025 is compliant with the Nigerian Exchange Limited's free float requirements for companies listed on the Main Board.



LEKANI SANNI ACIS
COMPANY SECRETARY/LEGAL ADVISER

REPORT OF THE AUDIT COMMITTEE

In Compliance with Section 404(7) of the Companies and Allied Matters Acts 2020, the members of the Audit Committee reviewed the financial statements of the company for the year ended 30th September 2025 and report as follows:

- Reviewed the scope and planning of the audit requirements and found them adequate;
- Reviewed the financial statement for the year ended 30th September 2025 and are satisfied with the explanations obtained;
- Reviewed the external auditors' management letter for the year ended 30th September 2025 and are satisfied with management responses to the issues raised; and
- Ascertained that the accounting and reporting policies for the year ended 30th September, 2025 are in accordance with legal requirements and agreed ethical practices.

The external auditors confirmed having received full cooperation from the Company's management and that the scope of their work was not restricted in any way.

Dated this 16th December, 2025



Comrade S.B. Adenrele

Chairman, Audit Committee

FRC/2021/002/00000022710

Members of the Committee are:

Comrade S. B. Adenrele	-	Shareholders' Representative
Rev. I.O. Elushade	-	Shareholders' Representative
Alh. Gbadebo Olatokunbo	-	Shareholders' Representative
Mr. Abdul A. Bello	-	Independent Non-Executive Director
Mr. Ademola Bolarinde	-	Non-Executive Director

The Company Secretary, **Mr. Sanni Olalekan**, served as Secretary to the Audit Committee.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS

The Directors of Vitafoam Nigeria plc and its subsidiaries (the Group and Company) accept responsibility for the preparation of the consolidated and separate financial statements that give a true and fair view of the financial position of the Group as at 30 September 2025, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

In preparing the financial statements, the Directors are responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance.

Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern and have no reason to believe the Group will not remain a going concern in the year ahead.

The financial statements of the Group for the ended 30 September 2025 were approved by the directors on 18th December, 2025.

Signed on behalf of the Board of Directors by:



Mr. Taiwo Adeniyi
Group Managing Director/CEO
FRC/2015/IODN/00000010639



Mr. Bamidele Sola Owoade
Executive Director
FRC/2019/PRO/DIR/003/00000019046

CERTIFICATION OF THE FINANCIAL STATEMENTS

In accordance with section 405 of the Companies and Allied Matters Act of Nigeria 2020, the Group Managing Director and the Head of Finance and Accounts certify that the financial statements have been reviewed and based on our knowledge, the

- (i) Audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and
- (ii) Audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group as of and for, the periods covered by the audited financial statements.

We state that management and directors:

- (I) Are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Company and its subsidiaries is made known to the officer by other officers of the Group, particularly during the period in which the audited financial statement report is being prepared.
- (ii) Have evaluated the effectiveness of the Group's internal controls within 90 days prior to the date of its audited financial statements, and
- (iii) Certify that the Group's internal controls are effective as of that date;

We have disclosed:

- (i) That there are no significant deficiencies in the design or operation of internal controls which could adversely affect Group's ability to record, process, summarize and report financial data, and has identified for the Group's auditors any material weaknesses in internal controls, and
- (ii) That there has been no fraud that involves management or other employees who have a significant role in the Group's internal control; and
- (iii) That there have been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The financial statements of the Group for the year ended 30 September 2025 were approved by the directors on 18 December 2025.

Signed on behalf of the Board of Directors by:



Mr. Taiwo Adeniyi
Group Managing Director/CEO
FRC/2015/IODN/00000010639



Mr. Bamidele Sola Owoade
Executive Director
FRC/2019/PRO/DIR/003/00000019046



Julius Familoye
Head, Finance & Accounts
FRC/2025/PRO/ICAN/001/395185

MANAGEMENT'S ANNUAL ASSESSMENT OF, AND REPORT ON, VITAFOAM NIGERIA PLC'S INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Vitafoam Nigeria Plc for the year ended 30 September 2025:

- i. Vitafoam Nigeria Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. Vitafoam Nigeria Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. Vitafoam Nigeria Plc's management has assessed that the entity's ICFR as of the end of 30 September 2025 is effective.
- iv. Vitafoam Nigeria Plc's external auditor Messrs PricewaterhouseCoopers that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs PricewaterhouseCoopers that audited its financial statements will be filed as part of Vitafoam Nigeria Plc's annual report.



Mr. Taiwo A. Adeniyi
Group Managing Director
FRC/2015/IODN/00000010639



Mr. Bamidele Sola Owoade
Executive Director
FRC/2019/PRO/DIR/003/00000019046

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Vitafoam Nigeria Plc for the year ended 30 September 2025.

I, Taiwo Adeniyi, certify that:

- a) I have reviewed this management assessment on internal control over financial reporting of Vitafoam Nigeria Plc.
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.
- d) Vitafoam Nigeria Plc Head, Finance & Accounts and I:
 - 1) are responsible for establishing and maintaining internal controls.
 - 2) have designed such internal controls and procedures or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - 3) have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
 - 4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) Vitafoam Nigeria Plc Head, Finance & Accounts and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 - 1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
 - 2) Any fraud, whether or not material, that involves management or other employees who have a significant

role in the entity's internal control system.

- f) Vitafoam Nigeria Plc Head, Finance & Account and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Taiwo Adeniyi
Group Managing Director/CEO
FRC/2015/IODN/00000010639

CERTIFICATION OF MANAGEMENT ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING,

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Vitafoam Nigeria Plc for the year ended 30 September 2025.

I, Julius Familoye, certify that:

- a) I have reviewed this Management assessment on internal control over financial reporting of Vitafoam Nigeria Plc.
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.
- d) Vitafoam Nigeria Plc Group Managing Director and I:
 - 1) are responsible for establishing and maintaining internal controls.
 - 2) have designed such internal controls and procedures or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - 3) have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
 - 4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) Vitafoam Nigeria Plc Group Managing Director and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
 - 1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
 - 2) Any fraud, whether or not material, that involves management or other employees who have a

significant role in the entity's internal control system.

- f) Vitafoam Nigeria Plc Group Managing Director and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Julius Familoye
Head, Finance & Accounts
FRC/2025/PRO/ICAN/001/395185



RC: 653567

IoD Centre for Corporate Governance

December 19, 2025

**REPORT OF THE INDEPENDENT EXTERNAL CONSULTANTS ON BOARD EVALUATION
OF VITAFOAM NIGERIA PLC FOR THE YEAR ENDED 30 SEPTEMBER 2025**

IoD Centre for Corporate Governance (IoDCCG) was appointed to undertake an independent external evaluation of the Board of Directors of Vitafoam Nigeria Plc. (“Vitafoam”) for the year-ended 30th September 2025 in line with the provisions of **Section 15 of the Securities and Exchange Commission (SEC) Corporate Governance Guidelines (“the SEC Guidelines”)**, and **Principle 14.1 of the Nigerian Code of Corporate Governance, 2018 (NCCG)** and **The Business Facilitation Act 2022**. The evaluation entailed a comprehensive review of Vitafoam Nigeria’s corporate and statutory documents, the Minutes of Board and Committee meetings, policies currently in place, and other ancillary documents made available to us, including responses to Board and Peer Review Surveys administered to Directors.

We carried out the assessment focusing on eight key themes (including the Company Secretariat) and their subsets. These key areas are Board Structure and Composition; Strategy and Planning; Board Functioning and Effectiveness; Monitoring, Measuring and Reporting Performance; Assurance (Risk Management, Audit, Internal Controls and Compliance); Sustainability and Good Corporate Citizenship; Transparency and Disclosure; and Individual Directors Assessment. These focus areas are all derived from the 28 principles relevant to Board Evaluation as contained in NCCG 2018 and other relevant statutes used for benchmarking.

Vitafoam Nigeria Plc. has 4 committees namely; Risk, Finance and General-purpose Committee; Nomination and Governance Committee; Establishment and Remuneration Committee; and Statutory Audit Committee (Section 9.2 of the SEC Corporate Governance Guidelines). The Board committees efficiently support the Board in its oversight responsibility of the Company’s operations, in compliance with the Nigerian Code of Corporate Governance, 2018 and the SEC Corporate Governance Guidelines.

The Board of Vitafoam Nigeria Plc. demonstrates commitment to good corporate governance practices and compliance with the provisions of the Nigerian Code of Corporate Governance, 2018, and the Securities and Exchange Commission (SEC) Corporate Governance Guidelines. We observed some areas requiring improvements, which have been communicated to the Board of Directors. The Board has expressed its commitment to address these observations as the company strives to continue to play its role in the development of the Nigerian economy.

Details of our key findings and recommendations are contained in the full Board and Corporate Governance Evaluation Report.

Yours faithfully,

For: IoD Centre for Corporate Governance

Nerus Ekezie, MBA, MNIM, FIMD, FIMC, FIMS (UK)

Chief Executive Officer

FRC/2024/PRO/NIM/002/560573

BOARD OF GOVERNORS: Mr. Urum Kalu Eke, MFR, FIoD (Chairman), Dr. Taiwo Nolas-Alausa, Mrs. Tinuade Awe, Barr. Sulaiman Gbale Mamman Mr. Titus Osawe, Mr. Sa’ad Abdulsalam, Mrs. Rashida J. Monguno, Mrs Fatima Wali-Abdurrahman, Mr. Bede-Nerus Ekezie (CEO)

IoD Centre for Corporate Governance

28, Cameron Road, Ikoyi, Lagos.

Tel: +234 703 792 7814

E-mail: info@iodccg.com

Website: iodccg.com.ng

PARTNERS:



Affiliate member of the African Corporate Governance Network



Independent practitioner's report

To the Members of Vitafoam NigeriaPlc

Report on an assurance engagement performed by an independent practitioner to report on management's assessment of controls over financial reporting

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of Vitafoam Nigeria Plc. ("the company") and its subsidiaries (together "the group") are not adequate as of September 30, 2025, based on the SEC Guidance on Implementation of Section 60-63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission.

What we have performed

We have performed an assurance engagement on Vitafoam Nigeria Plc's internal control over financial reporting as of September 30, 2025, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Assessment of, and report on, Vitafoam Nigeria Plc Internal Control over Financial Reporting. Our responsibility is to express an opinion on the group's internal control over financial reporting based on our assurance engagement.

Basis for opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the group's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting

A group's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A group's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted



accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorizations of management and directors of the group; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the group's assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the consolidated and separate financial statements of Vitafoam Nigeria Plc and our report dated 24 December 2025, expressed an unqualified opinion.

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria
FRC/2023/COY/176894
Engagement Partner: Edafe Erhie
FRC/2013/PRO/ICAN/004/00000001143



24 December, 2025



Independent auditor's report

To the Members of Vitafoam Nigeria Plc

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Vitafoam Nigeria Plc. ("the company") and its subsidiaries (together "the group") as at 30 September 2025, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with international financial reporting standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards") and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

Vitafoam Nigeria Plc's consolidated and separate financial statements comprise:

- the consolidated and separate statements of profit or loss and other comprehensive income for the year ended 30 September 2025;
- the consolidated and separate statements of financial position as at 30 September 2025;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended;
- Material accounting policies; and
- the notes to the consolidated and separate financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

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

We have determined that there are no key audit matters to communicate in our report.



Other information

The directors are responsible for the other information. The other information comprises Quality policy statement, Corporate profile, Notice of annual general meeting, Corporate information, Directors' profile, Financial highlights, Report of the Directors, Report of the Audit Committee, Statement of Directors' Responsibilities for the Preparation and Approval of the Financial Statements, Certification of the Financial Statements, Managements' annual assessment of and report on Vitafoam Nigeria Plc's internal control over financial reporting, Certification of managements assessment on internal control over financial reporting, Value Added Statement And Five-Year Financial Summary (but does not include the consolidated and separate financial statements and our auditors report thereon) which we obtained prior to the date of this auditor's report, and the other sections of the Vitafoam Nigeria Plc 2025 Annual Report, which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of the Vitafoam Nigeria Plc 2025 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors and those charged with governance for the consolidated and separate financial statements

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

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

Those charged with governance are responsible overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when

it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of Directors use of the going concern basis of the accounting and based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast doubts on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law



or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) the company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from locations not visited by us;
- iii) the company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement and reported management's assessment of Vitafoam Nigeria Plc's internal control over financial reporting as of 30 September 2025. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unqualified opinion in our report dated 24 December 2025.

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria
Engagement Partner: Edafe Erhie
FRC/2013/PRO/ICAN/004/00000001143



24 December, 2025

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

	Note	Group		Company	
		2025 N '000	2024 N '000	2025 N '000	2024 N '000
Revenue	6	111,379,338	82,639,888	97,403,303	73,492,246
Cost of sales	7	(70,422,750)	(52,333,877)	(63,692,736)	(48,006,383)
Gross profit		40,956,588	30,306,011	33,710,567	25,485,863
Other gains/(losses)	8	773,987	(12,120,325)	931,468	(11,755,092)
Distribution expenses	10	(4,082,909)	(2,887,785)	(3,764,271)	(2,679,742)
Movement in expected credit loss allowances	20	52,437	(69,745)	13,463	21,275
Administrative expenses	9	(10,420,012)	(8,176,455)	(7,754,507)	(6,248,860)
Operating Profit		27,280,091	7,051,701	23,136,720	4,823,444
Finance income	12	10,910	866,562	10,544	866,332
Finance costs	11	(5,810,529)	(6,772,939)	(5,653,396)	(6,749,587)
Profit/(loss) before taxation		21,480,472	1,145,324	17,493,868	(1,059,811)
Taxation	13	(6,943,251)	(193,134)	(5,702,767)	153,300
Profit/(loss) for the year		14,537,221	952,190	11,791,101	(906,511)
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements on net defined benefit liability	39	(402,141)	183,433	(402,141)	183,433
(Losses)/gains on property revaluation	39	(1,791,900)	8,063,548	(1,791,900)	8,063,548
Gain on valuation of investments in equity instruments designated as at FVTOCI	39	4,181	5,820	4,181	5,820
Total items that will not be reclassified to profit or loss		(2,189,860)	8,252,801	(2,189,860)	8,252,801
Items that may be reclassified subsequently to profit or loss:					
Foreign exchange differences on translation of foreign operations	39	(165,173)	612,836	-	-
Other comprehensive (loss)/income for the year net of taxation	39	(2,355,033)	8,865,637	(2,189,860)	8,252,801
Total comprehensive income for the year		12,182,188	9,817,827	9,601,241	7,346,290
Profit/(loss) attributable to:					
Owners of the parent		13,511,380	359,704	11,791,101	(906,511)
Non-controlling interest		1,025,841	592,486	-	-
		14,537,221	952,190	11,791,101	(906,511)
Total comprehensive income attributable to:					
Owners of the parent		11,156,347	9,225,341	9,601,241	7,346,290
Non-controlling interest		1,025,841	592,486	-	-
		12,182,188	9,817,827	9,601,241	7,346,290
Earnings per share					
Per share information					
Basic and diluted earnings/(loss) per share (kobo)	29	1,080.00	29.00	943.00	(72.00)
From Continuing operations					
Basic and diluted earnings/(loss) per share (kobo)	29	1,080.00	29.00	943.00	(72.00)
Diluted earnings per share (Kobo)	29	1,080.00	29.00	943.00	(72.00)

The accounting policies and the notes on pages 63 to 137 form an integral part of the consolidated and separate financial statements.

Consolidated and Separate Statements of Financial Position

	Note	Group		Company	
		2025 N '000	2024 N '000	2025 N '000	2024 N '000
Assets					
Non-Current Assets					
Property, plant and equipment	15	15,914,443	15,937,112	11,801,468	11,766,459
Intangible assets	16	42,815	124,654	33,856	46,554
Investment property	17	-	-	1,575,376	1,647,654
Investments in subsidiaries	38	-	-	1,584,621	1,708,521
Right-of-use assets	42	176,747	183,892	176,747	183,892
Investment in financial assets	18	21,631	17,450	21,631	17,450
Finance lease receivables	41	121,141	86,352	121,141	86,352
Deferred tax	25	899,287	862,485	-	-
		17,176,064	17,211,945	15,314,840	15,456,882
Current Assets					
Inventories	19	28,734,447	20,543,078	22,132,867	16,256,299
Trade and other receivables	20	4,298,889	4,089,713	5,095,912	6,442,365
Other assets	21	6,048,934	3,255,858	5,373,908	2,276,979
Cash and cash equivalents (excluding bank overdraft)	22	9,017,055	7,110,133	6,605,284	5,474,936
		48,099,325	34,998,782	39,207,971	30,450,579
Total Assets		65,275,389	52,210,727	54,522,811	45,907,461
Equity and Liabilities					
Equity					
Share capital	28	625,422	625,422	625,422	625,422
Reserves	28.1	6,918,121	8,871,013	6,738,439	8,526,158
Retained earnings		25,869,820	14,073,967	22,548,864	12,473,290
		33,413,363	23,570,402	29,912,725	21,624,870
Non-controlling interest		2,141,098	1,459,381	-	-
		35,554,461	25,029,783	29,912,725	21,624,870
Liabilities					
Non-Current Liabilities					
Borrowings	23	2,386,520	3,513,145	906,873	3,484,148
Lease liabilities	43	139,437	208,610	139,437	208,610
Retirement benefit obligation	26	1,636,926	895,765	1,636,926	895,765
Deferred income	24	223,324	-	138,698	-
Deferred tax	25	3,752,513	1,061,698	3,659,591	992,837
		8,138,720	5,679,218	6,481,525	5,581,360
Current Liabilities					
Trade and other payables	27	8,659,624	10,114,593	6,407,429	8,243,985
Borrowings	23	6,916,159	10,474,953	6,916,159	10,449,736
Deferred income	24	213,826	-	167,619	-
Current tax payable	14	5,792,599	912,180	4,637,354	7,510
		21,582,208	21,501,726	18,128,561	18,701,231
Total Liabilities		29,720,928	27,180,944	24,610,086	24,282,591
Total Equity and Liabilities		65,275,389	52,210,727	54,522,811	45,907,461

The consolidated and separate financial statements and notes on pages 58 to 137 were authorised and approved for issue by the board on the 18 December 2025 and were signed on its behalf by:


Mr. Taiwo A. Adeniyi
 Group Managing Director/CEO
 FRC/2015/IODN/00000010639


Mr. Julius Familoje
 Head, Finance and Accounts
 FRC/2025/PRO/ICAN/001/395185

The accounting policies and the notes on pages 63 to 137 form an integral part of the consolidated and separate financial statements.

Consolidated Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Reserve for valuation of investments	Other reserves	Retained earnings	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	N '000	N '000	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Group									
Balance at 1 October 2023	625,422	(173,581)	-	(30,628)	393,018	15,430,279	16,244,510	1,161,568	17,406,078
Profit for the year	-	612,836	-	-	-	359,704	359,704	592,486	952,190
Other comprehensive income	-	-	8,063,548	5,820	-	183,433	8,865,637	-	8,865,637
Total comprehensive income for the year	-	612,836	8,063,548	5,820	-	543,137	9,225,341	592,486	9,817,827
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Statute barred unclaimed dividend received	-	-	-	-	-	51,869	51,869	-	51,869
Dividend paid	-	-	-	-	-	(1,951,318)	(1,951,318)	(294,673)	(2,245,991)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	(1,899,449)	(1,899,449)	(294,673)	(2,194,122)
Balance at 1 October 2024	625,422	439,255	8,063,548	(24,808)	393,018	14,073,967	23,570,402	1,459,381	25,029,783
Profit for the year	-	(165,173)	-	-	-	13,511,380	13,511,380	1,025,841	14,537,221
Other comprehensive income	-	-	(1,791,900)	4,181	-	(402,141)	(2,355,033)	-	(2,355,033)
Total comprehensive income for the year	-	(165,173)	(1,791,900)	4,181	-	13,109,239	11,156,347	1,025,841	12,182,188
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(1,313,386)	(1,313,386)	(344,124)	(1,657,510)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	(1,313,386)	(1,313,386)	(344,124)	(1,657,510)
Balance at 30 September 2025	625,422	274,082	6,271,648	(20,627)	393,018	25,869,820	33,413,363	2,141,098	35,554,461

The accounting policies and the notes on pages 63 to 137 form an integral part of the consolidated and separate financial statements.

Separate Statement of Changes in Equity

	N '000	Revaluation reserve	Reserve for valuation of investments	Other reserves	Retained earnings	Total attributable to equity holders of the group / company	Total equity
	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Company							
Balance at 1 October 2023	625,422	-	(30,628)	487,418	15,095,817	16,178,029	16,178,029
Loss for the year	-	-	-	-	(906,511)	(906,511)	(906,511)
Other comprehensive income	-	8,063,548	5,820	-	183,433	8,252,801	8,252,801
Total comprehensive Loss for the year	-	8,063,548	5,820	-	(723,078)	7,346,290	7,346,290
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-
Statute barred unclaimed dividend received	-	-	-	-	51,869	51,869	51,869
Dividend paid	-	-	-	-	(1,951,318)	(1,951,318)	(1,951,318)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	(1,899,449)	(1,899,449)	(1,899,449)
Balance at 1 October 2024	625,422	8,063,548	(24,808)	487,418	12,473,290	21,624,870	21,624,870
Profit for the year	-	-	-	-	11,791,101	11,791,101	11,791,101
Other comprehensive income	-	(1,791,900)	4,181	-	(402,141)	(2,189,860)	(2,189,860)
Total comprehensive income for the year	-	(1,791,900)	4,181	-	11,388,960	9,601,241	9,601,241
Transaction with owners in their capacity as owners	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	(1,313,386)	(1,313,386)	(1,313,386)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	(1,313,386)	(1,313,386)	(1,313,386)
Balance at 30 September 2025	625,422	6,271,648	(20,627)	487,418	22,548,864	29,912,725	29,912,725

The accounting policies and the notes on pages 63 to 137 form an integral part of the consolidated and separate financial statements.

Consolidated and Separate Statements of Cash Flows

	Note(s)	Group		Company	
		2025 N '000	2024 N '000	2025 N '000	2024 N '000
Cash flows from operating activities					
Cash generated from operations	31	16,515,569	6,096,715	15,055,597	4,098,416
Tax paid	14	(1,002,670)	(2,541,001)	-	(2,204,804)
Benefit paid	26	(51,909)	(27,496)	(51,909)	(27,496)
Contribution to the fund	26	(230,940)	(230,940)	(230,940)	(230,940)
Net cash from operating activities		15,230,052	3,297,278	14,772,748	1,635,176
Cash flows from investing activities					
Purchase of property, plant and equipment	15	(1,072,578)	(462,434)	(468,780)	(188,540)
Proceed from disposal of property, plant and equipment	8.1	13,630	6,797	13,404	6,798
Purchase of other intangible assets	16	(1,700)	(82,304)	-	(6,988)
Finance lease payment	41	(91,801)	(83,006)	(91,801)	(83,006)
Finance lease receipts	41	57,012	51,865	57,012	51,865
Interest Income	12	10,910	866,562	10,544	866,332
Net cash from investing activities		(1,084,527)	297,480	(479,621)	646,461
Cash flows from financing activities					
Proceeds from borrowings	23.1	7,630,833	12,507,040	5,850,000	12,507,040
Repayment of borrowings	23.1	(17,499,933)	(28,603,428)	(17,118,233)	(28,552,967)
Effect of deferred income		(604,769)	-	(473,936)	-
Lease liabilities	43	(91,252)	-	(91,252)	-
Dividends paid	30	(1,657,510)	(2,245,991)	(1,313,386)	(1,951,318)
Statute barred dividend received (Note 26.4 .1)		-	51,869	-	51,869
Net cash from financing activities		(12,222,631)	(18,290,510)	(13,146,807)	(17,945,376)
Total movement for cash & cash equivalent for the year		1,922,894	(14,695,752)	1,146,320	(15,663,739)
Cash at the beginning of the year		7,110,133	21,833,668	5,474,936	21,166,458
Effect of exchange rate movement on cash balances		(15,972)	(27,783)	(15,972)	(27,783)
Cash and cash equivalent at the end of the year	22	9,017,055	7,110,133	6,605,284	5,474,936

The accounting policies and the notes on pages 63 to 137 form an integral part of the consolidated and separate financial statements.

Material Accounting Policies

CORPORATE INFORMATION

Vitafoam Nigeria Plc is Nigeria's leading manufacturer of flexible, reconstituted and rigid foam products. It has the largest foam manufacturing and distribution network, which facilitates just-in-time delivery of its products throughout Nigeria. Incorporated on 4 August 1962 and listed on the floor of the Nigerian Stock Exchange in 1978. Vitafoam's successful brands remain household names in the country. Vitafoam Nigeria Plc is domiciled and incorporated in Nigeria.

The company is consolidating its core business by the introduction of innovative value added products and services. It is exploiting polyurethane technology in the more profitable technical/ industrial and construction business. It has become a full range solutions provider for polyurethane products and bedding/ cushion products. Its Comfort Centers provide a one-stop shop for discerning consumers of its products. In addition, Vitafoam is striving to be a major player in the Oil and Gas industry by providing insulation solutions to Oil companies.

The Company has carved a niche for itself in the industry by its offer of a vast array of high and superior quality products that present the customers multiple choices. Mattresses of varied resilience and hardness are available nationwide. By use of contours cutting equipment, Vitafoam designs and constructs custom-made mattresses and pillows. In addition, a range of profile products that are versatile in use are offered to the market - Mats (Vitarest, Leisure mats etc.) and Foam sitting chairs (Vitasolid). The needs of nursing mothers are addressed by the offering of a number of foam based baby products (Changing mat, Baby cot mattresses, pillows etc.). Rigid polyurethane foam manufactured by Vitafoam is found useful in the oil industry, refrigeration, conditioners, poultry enclosure and office partitioning.

The address of the registered office is 140, Oba Akran Avenue, Ikeja Industrial Estate, Lagos, Nigeria.

Vitafoam Nigeria Plc is a Public Limited Liability company and it has six subsidiaries. These subsidiaries include Vitavisco Ltd, Vitapur Ltd, Vono Furnitures Ltd, Vitablom Ltd, Vitafoam Sierra Leone Ltd and Vitapart Nigeria Ltd.

Foreign operations are included in accordance with the policies set out in note 1.4.

These consolidated and separate financial statements are presented in Nigerian Naira, which is the functional currency of the primary economic environment in which the Group operates. The financial statements have been rounded to the nearest thousands.

The consolidated financial statements incorporate the financial statements of Vitafoam Nigeria Plc. and its subsidiaries, collectively called "the Group" made up to 30 September each year. The ultimate controlling party of the Group is the parent, Vitafoam Nigeria Plc.

Separate financial statements for Vitafoam Nigeria Plc (the Company) have also been presented. The same accounting policies are used by both the Group and Company.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 18 December, 2025.

1. Material accounting policies

1.1 Composition of financial statements

The consolidated and separate financial statements are presented in Naira which is the functional currency of Vitafoam Nigeria Plc in accordance with International Financial Reporting Standards (IFRS). These comprise:

- Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income
- Consolidated and Separate Statements of Financial Position
- Consolidated and Separate Statements of Changes in Equity
- Consolidated and Separate Statements of Cash Flows;
- Material accounting policies; and
- Notes to the Consolidated and Separate Financial Statements

1.2 Basis of measurement and preparation

The consolidated and separate financial statements have been prepared in accordance with applicable international financial reporting standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) for the year ended 30 September 2025, including IFRIC® Interpretations issued by IFRS Interpretations Committee, the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Companies and Allied Matters Act.

The preparation of consolidated and separate financial statements in conformity with generally accepted accounting principles under IFRS requires the directors to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Disclosed in note 1.17 are areas where significant judgement and estimate has been applied in the preparation of these financial statements.

The consolidated and separate financial statements have been prepared on the historical cost basis, except for:

- Non-derivative financial instruments – initially at fair value and subsequently at amortised cost using effective interest rate.
- Inventory – lower of cost and net realisable value.
- Lease liabilities- measured at present value of future lease payments.
- Defined benefits plan assets - measured at fair value.
- Defined benefits liabilities - measured at projected unit credit method.
- Financial assets measured at fair value through other comprehensive income - measured at fair value.
- Property, plant and equipment that are measured at revalued amounts or fair values at the end of each reporting period

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Going Concern

The consolidated and separate financial statements have been prepared on a going concern basis. Nothing has come to the attention of the directors that cast doubt about the ability of the Group and company to continue as a going concern.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies

have been consistently applied to all the years presented, unless otherwise stated.

1.3 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non controlling interest. Total comprehensive income of the subsidiaries is attributed to the owners of the company and to the non-controlling interest even if the results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition by acquisition basis. Other non controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interest even if this results in the non-controlling is in deficit.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed

to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture

Investments in subsidiaries in the separate financial statements

In the company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

1.4 Foreign currency

Functional and presentation currency

Items included in the consolidated and separate financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated consolidated and separate financial statements are presented in Naira which is the group functional and presentation currency.

Transactions and balances

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange gains and losses are presented on a net basis in the income statement.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Foreign Operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average

exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity (attributed to non-controlling interests as appropriate). On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that include a foreign operation that does not results in the group losing control over the subsidiary the proportionate share of accumulated foreign exchange difference are re-distributed to noncontrolling interest and are not recognised in profit or loss . For other partial disposal (i.e. partial disposal i associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income

1.5 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from sales of foams, mattress, pillows etc. Sales of goods is recognised at point in time.

Sale of goods

The Company sells its goods both to wholesalers (Key distributors) and directly to customers through its retail outlets (comfort centres).

For sales of its goods to the wholesale market, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the wholesaler's specific location (delivery). Following delivery, the wholesaler has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised by the Company when the goods are delivered to the wholesaler as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due in line with the group policy on credit sales of 90 days from the date the goods are delivered to the wholesaler. For sales of goods to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

Transaction price is determined by applying an average make-up to the aggregated direct cost , e.g. cost of material , direct labour and direct overhead cost attributed to production.Transaction price is allocated to performance obligation based on their stand only selling price.

Under the Company's standard contract terms, customers are entitled to variable consideration. This represents the discount applied directly on invoice and all other discount to customers for performance.

Under current revenue recognition standard, upon transportation of goods to customers the company recognise revenue.Upon returned of goods by a customer , the company makes a replacement of the returned goods.

1.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using standard costing model. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity).

Raw materials, non-returnable packaging materials and purchase cost on a weighted average basis including consumable spare parts - transportation and applicable clearing charges.

Finished products and products in-process (work in progress) - weighted average cost of direct materials, labour costs and a proportion of production overheads based on normal operating cycle

Inventory-in-transit - Purchase cost incurred to date

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses. Allowance is made for defective and slow moving items as appropriate. If carrying value exceeds net realizable amount, a write down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused it no longer exist.

Inventory write-down

A write-down should be made at half year and financial year end to recognise impaired value of inventory held, through obsolescence, damage, expired shelf life, or loss of value in the above stated categorisation.

Chemical :The Inventory of chemical carries expiry dates, however that on its own does not mean the chemical is not useable. Expired chemicals are reevaluated by the technical team through further analysis to determine the efficacy and potency with the view to determining the quantity of additive to revalidate such chemical. The value of the additives required to restore potency is provided as the value of impairment.

Textile/packing :This has no fixed shelf life and are therefore not subjected to write-down except where there is discontinuation in usage of a particular design.

Consumables/Spares : Impairment is recognised based on obsolescence and damage.

Furniture :This is further differentiated for the purpose of impairment test as follows:

Metal Furniture	Exceeding 8 years	30% impairment
Wooden Furniture	Exceeding 7 years	50% impairment
MDF Furniture	Exceeding 5 years	80% impairment
Foam Furniture	Only the cost of recovery is taken as the impairment cost	

Obsolete inventory :These are stocks that are no longer saleable or useful in the production process. These will be impaired 100%.

1.7 Property, plant and equipment

The initial measurement basis of property, plant and equipment is cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase price and any directly attributable cost to bring the assets to the condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognized 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 Group and the cost can be measured reliably. Repairs and maintenance costs are charged to the profit or loss in the period they are incurred.

The Group allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. The carrying amount of a replaced part is derecognized when replaced.

Material Accounting Policies (cont'd)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in the profit or loss.

The major categories of property, plant and equipment are depreciated on a straight-line basis as follows:

Asset Category	Useful life(years)
Buildings	33
Plant and machinery	5
Furniture and fixtures	5
Motor vehicles	4
IT equipment	2

To ensure the Company's financial position reflects current economic realities, the Board of Directors decided during the year ended 30 september 2024 to change the basis of measuring land from historical cost model to revaluation model. Valuations will be performed with sufficient regularity to ensure that the fair value of a revalued asset does not materially differ from its carrying amount.

Revaluation gain/losses in the carrying amounts arising on revaluation of land are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Gains and losses arising on disposal or retirement of an assets is determined as the difference between sales proceeds and the carrying amount of the assets. When revalued assets are sold, it is the Group policy to transfer any amount included in other reserves in respect of those assets to retained earnings.

Land is not depreciated. In case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as expense in profit or loss.

Derecognition of Property, plant and equipment

When an item of property, plant and equipment is disposed, the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

The annual rates of depreciation are consistent with those of prior year.

Property, plant and equipment that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Property, plant and equipment that suffer impairment are reviewed for possible reversal of the impairment at each balance sheet date.

The impact of the change in accounting policy on the relevant financial statements line items is shown below

Amount prior to revaluation	N'000
Property, plant and equipment	
Cost	430,557
Accumulated depreciation	-
Carrying amount	430,557
Amount post revaluation	N'000
Property, plant and equipment	
Cost	8,959,498
Accumulated depreciation	-
Carrying amount	8,959,498
	N'000
Equity (Revaluation Surplus)	8,959,498
Other Comprehensive income (Revaluation Surplus)	8,959,498

The change in policy was not applied retrospectively

1.8 Taxation

Current tax assets and liabilities

The income tax expense represents the sum of the tax currently payable and deferred tax.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

Current Income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred Income tax

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of the investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

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

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The following are the relevant tax rates

- Company income tax at 30% of taxable profit
- Tertiary education at 3% of assessable profit
- Police trust fund levy at 0.005% of profit before tax

1.9 Employee benefits

Pension obligations

The Company operates a pension scheme which is generally funded through payments to insurance companies or trustee administered funds, determined by periodic actuarial calculations. The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

The Group has both defined benefit and defined contributory schemes.

Defined Contributory scheme

In Nigeria, the Group, in line with the provisions of the Pension Reform Act 2014, operates a defined contribution pension scheme under which the Group contributes 10% and its employees each contribute 8% of the employees' monthly basic salary, housing and transport allowances to the fund.

The Group also operates defined contribution schemes in accordance with the relevant local laws. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

The staff contributions to the scheme are funded through payroll deductions while the Group's contributions are accrued and charged fully to the profit or loss account. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefits scheme

A defined benefit plan is a retirement benefit plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses are recognized in full in the period in which they occurred, in other comprehensive income and cumulated in other reserves without recycling to profit or loss in subsequent periods.

The current service cost of the defined benefit plan, recognised in the statement of profit or loss in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Past-service costs are recognised immediately in income.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

- service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurements

The Group recognises service costs as gratuity expenses within profit or loss as administrative expenses (see Note 9).

Interest expense or income is recognised within finance costs and finance income (see Note 11 and 12).

The retirement benefit obligation recognised in the consolidated statement of financial position represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by IAS 19:70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity [reduces service cost in the period in which the related service is rendered/reduces service cost by attributing contributions to the employees' periods of service in accordance with IAS 19:70].

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Pensions and other post-employment benefits

The Group and Company operate a defined contribution based retirement benefit scheme for its staff, in accordance with the Pension Reform Act of 2014 with employee contributing 8% and the employer contributing 10% each of the employee's relevant emoluments. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

The Group also operates a gratuity scheme for its qualified staff. Benefits are related to the employees' length of service and remuneration. The cost of providing gratuity benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. All actuarial gains and losses are recognised immediately through other comprehensive income. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- .Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements
- .Net interest expense or income.
- .Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item ['employee benefits expense' /others (please specify)]. Curtailment gains and losses are accounted for as past service costs

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

In addition the Group operates long service award to its qualified staff. The benefits are graduated depending on the employees number of years in service to the group.

Other long term benefits

Other long term benefits - Long Service awards are paid to qualifying staff when earned. The Group's liability to staff is measured annually by independent actuaries using the projected credit unit method.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial year, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in profit or loss over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the group is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all

other respects, the asset is treated in the same way as plan assets. In profit or loss, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

1.10 Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded as share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

1.11 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Unclaimed dividends which remain unclaimed for a period exceeding twelve (12) years from the date of declaration and which are no longer actionable by shareholders in accordance with section 429 of the Companies and Allied Matters Acts, 2020 of Nigeria are written back to retained earnings.

1.12 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

Group as lessee

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

- the amount expected to be payable by the group under residual value guarantees;
- the exercise price of purchase options, if the group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The group assesses whether a contract is, or contains, a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented. Details of leasing arrangements where the group is a lessee are presented in Note 41 Leases (group as lessee).

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the group incurs an obligation to do so, unless these costs are incurred to produce inventories; and

- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over lease term using straight line depreciation method. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

When the group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the group applies the exemption described previously, then it classifies the sublease as an operating lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The various lease and non-lease components of contracts containing leases are accounted for separately, with

consideration being allocated by applying IFRS 15.

1.13 Segmental reporting

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

An operating segment is a distinguishable component of the Company that earns revenue and incurs expenditure from providing related products or services (business segment), or providing products or services within a particular economic environment (geographical segment), and which is subject to risks and returns that are different from those of other segments.

The primary format for segment reporting is based on business segments. The business segments are determined by management based on the Company's internal reporting structure.

1.14 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the

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

1.15 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Land held under operating leases is classified and accounted for by the Company as investment property when the definition of investment property would otherwise be met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and (where applicable) borrowing costs. After initial recognition, investment property is carried at cost less accumulated depreciation and impairment. Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the Group and the cost can be reliably measured.

This is usually when all risks are transferred. Rental income represents income received from letting of properties. Income is recognised on an accrual basis and credited to the profit or loss.

Property rented to a parent, subsidiary, or fellow subsidiary is not investment property in consolidated financial statements that include both the lessor and the lessee, because the property is owner-occupied from the perspective of the group. However, such property could qualify as investment property in the separate financial statements of the lessor, if the definition of investment property is otherwise met.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Depreciation is recognised so as to write off the cost of the investment property over their useful lives, using the straight-line method, on the following basis:

Asset Category	Useful life (years)
Investment property	33

1.16 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The group intangible assets are acquired.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of five years. Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

There were no development expenditure capitalised as internally generated intangible asset during the year (2024: Nil).

No impairment charges as the assets were not impaired.

Internally-generated intangible assets - research and development expenditure

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows

Item	Depreciation method	Average useful life
Computer software	Straight line	5 years

1.17 Critical accounting judgements and sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from

other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Default rate constitutes a key input in measuring ECL. Loss rate is the estimate of the proportion of historical receivables balances that were never recovered within the defined loss point for various categories of customers. In determining the loss rates, an historical age analysis detailing the amounts that remained unpaid by customers as at the defined loss points defined by management for the various customer Companies. The calculation of which includes historical data, assumptions and expectations of future conditions. An historical/observed default rates obtained and regress with the historical data of the two chosen macroeconomic variables sourced over the same length of period which the default rates were obtained. The model generates regression coefficients (intercept and slopes) which are applied of the forecast macroeconomic data. A scalar is obtained which is applied to the Historical loss rate.

Useful life of property, plant and equipment and investment property

The Company calculates depreciation of property, plant and equipment and investment property on a straight-line basis so as to write off the cost of the assets over their expected useful lives. The economic life of an asset is determined based on existing wear and tear, economic and technical ageing, legal or other limits on the use of the asset and obsolescence. If some of these factors were to deteriorate materially, impairing the ability of the asset to generate future cash flow, the Company may accelerate depreciation charges to reflect the remaining useful life of the asset or record impairment.

The Company considers this to be a critical accounting estimate because any material change in the useful lives of the Company's property, plant and equipment and investment property would significantly impact the Company's ability to generate future cash flows, and depending on the asset, would have a material impact on the value of property, plant and equipment and may decrease/increase the Company's net loss. The changes in useful lives of some items of property, plant and equipment were not significant.

Estimation of fair values of property, plant and equipment

The Company engages external, independent and qualified valuers to perform independent valuations for its property, plant and equipment at sufficient regularity to ensure that the fair value of the revalued asset does not differ materially from its carrying amount. At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The directors determine a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties.

All resulting fair value estimates for properties are included in level 2. The level 2 fair value of land held for resale has been derived using the Depreciated Replacement Cost (DRC) method. This method equates the open market value of an asset to the estimated total cost of the items as new at the date of valuation less allowance for depreciation to account for age, wear and tear and obsolescence

Impairment of investment in subsidiaries

In line with the requirements of IAS 36 the Group annually perform impairment assessment to determine the recoverable amount of the investment in the subsidiary by using value in use (VIU) model to determine the recoverable amount of the

investment as at balance sheet date and this approach involved the use of discounted cash flow model with several key assumptions including revenue growth rate, discount rate, gross margin rate and terminal value growth rate. If the assessment resulted in sufficient head room no impairment loss would be recognised.

Impairment of non-financial assets

IAS 36 requires an assessment of the indicators of impairment at least at each reporting period end. Where no indicators exists as at review date, the standard precludes the need for any further impairment testing. The Directors have reviewed all indicators as at the reporting date and concluded that no non-financial assets were impaired.

Pension obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for these benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The Group's actuary determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations.

In determining the appropriate discount rate, the actuaries considers the interest rates of high-quality corporate bonds (except where there is no deep market in such bonds, in which case the discount rate should be based on market yields on Government bonds) that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related employee benefit obligation. Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in note 26

Income taxes

Taxes are paid by Companies under a number of different regulations and laws, which are subject to varying interpretations. In this environment, it is possible for the tax authorities to review transactions and activities that have not been reviewed in the past and scrutinize these in greater detail, with additional taxes being assessed based on new interpretations of the applicable tax law and regulations.

Accordingly, management's interpretation of the applicable tax law and regulations as applied to the transactions and activities of the Companies within the Group may be challenged by the relevant taxation authorities. The Group's management believes that its interpretation of the relevant tax law and regulations is appropriate and that the tax position included in these financial statements will be sustained.

Investment in subsidiary – Vitapur Nigeria Limited, Vitablom Nigeria Limited and Vitavisco Nigeria Limited

Even though Vitafoam holds only 40.08% of the equity shares in Vitapur Nigeria Limited, 40.64% in Vitablom Nigeria Limited and 40% in Vitavisco Nigeria Limited, the Directors believe that Vitafoam has control over Vitapur Nigeria Limited, Vitablom Nigeria Limited and Vitavisco Nigeria Limited even though it holds less than half of the voting rights of the entities. It has a sufficiently dominant voting interest to direct the relevant activities, controls the financials and operating policies of Vitapur Nigeria Limited, Vitablom Nigeria Limited and Vitavisco Nigeria Limited. This key judgement forms the basis for the consolidation of Vitapur Nigeria Limited, Vitablom Nigeria Limited and Vitavisco Nigeria Limited in these consolidated financial statements.

1.18 Financial instruments

Cash and cash equivalents

The company considers three categories as Cash and Cash Equivalents. Cash and Bank balances which comprises of cash at bank and in hand including cash in transit and time deposits whose contractual maturities (or maturities at inception) are of three months or less. Short term investments which include time deposits whose contractual maturities (or maturities at inception) are comprised between three months after the closing date, trading portfolios, investment at amortized costs, other short term investments and margin accounts deposited. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Finance lease receivable

Finance lease receivable The lease receivables are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the group is a lessor is recognised in income on a straightline basis over the lease term.

Financial assets

Despite the foregoing, the Group may make the following irrevocable election/ designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below)

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below). For financial assets that have

subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit impaired financial assets, the Group recognises interest income by applying the credit adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

(ii) Debt instruments classified as at FVTOCI

The corporate bonds held by the Group are classified as FVTOCI. Fair value is determined in the manner described in note 1.2. The corporate bonds are initially measured at fair value plus transaction costs.

Subsequently, changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds had been measured at amortised cost. All other changes in the carrying amount of these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short term profit taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item (note 12) in profit or loss.

The Group does not have and neither have they designated any investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9

Material Accounting Policies (cont'd)

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit, loss includes any dividend, or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in the Group's accounting policies (note 1.2).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other gains and losses' line item. Other exchange differences are recognised in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

Derecognition

Financial assets

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or

loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability.

It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

Trade and other payables:

Trade and other payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings:

Borrowings are recognised initially at fair value, net of transaction costs and are subsequently stated at amortised cost and include accrued and prepaid interest. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months from the reporting date. Bank overdrafts are shown within borrowings in current liabilities and are included within cash and cash equivalents in the statement of cash flow as they form an integral part of the group's cash management.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

1.19 Deferred income

Deferred income arises as a result of government intervention. Deferred income is recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

The group's loans at a rate below the prevailing market rate received from government agencies and parastatals are

recognised as deferred income in the financial statements.

1.20 Earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares in accordance with IAS 33 – Earnings per Share.

Basic earnings per share is calculated by dividing the profit or loss attributable to the ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by adjusting the:

- profit or loss attributable to ordinary equity holders, and
- weighted average number of ordinary shares outstanding,

for the effects of all dilutive potential ordinary shares, such as share options, warrants, convertible instruments, or contingently issuable shares.

Potential ordinary shares are considered dilutive only when their conversion would decrease EPS or increase loss per share from continuing operations. Anti-dilutive instruments are excluded from the diluted EPS calculation.

Where applicable, the Group also presents EPS for: - continuing operations, - discontinued operations, and - total operations, as required by IAS 33.

1.21 Provisions and Contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is a possible obligation 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 the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are only disclosed and not recognised 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.

1.22 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the

Material Accounting Policies (cont'd)

asset and settle the liability simultaneously. The legally enforceable right is not contingent on future events and is enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.23 Related parties

Related parties include the holding company and other group entities. Directors, their close family members and any employee who is able to exert a significant influence on the operating policies of the Group are also considered to be related parties. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Notes to the Consolidated and Separate Financial Statements

2. New Standards and Interpretations

2.1 Standards and Interpretations effective and adopted in the current year

Amendment to IAS 1 - Non-current liabilities with covenants

These amendments clarify how conditions which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these amendments.

Amendment to IFRS 16 - Leases on sale and leaseback

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to IAS 7 and IFRS 7 - Supplier finance

These disclosure requirements are to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. These are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The Group did not apply any new standards and amendments, which are effective for annual periods beginning on or after 1 October 2024 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 October 2025 or later periods:

IFRS 19 Subsidiaries without Public Accountability: Disclosures

This is a new standard which may be applied by subsidiaries which do not have public accountability. It is a disclosure only standard and provides for reduced disclosures for qualifying subsidiaries to apply, while still remaining compliant with the recognition, measurement and presentation requirements of IFRS accounting standards. The reduced disclosures provided in IFRS 19 may be applied by the subsidiary in their consolidated, separate or individual financial statements, provided that the ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS accounting standards. A subsidiary has public accountability, and may not apply IFRS 19, if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market, or if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

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

The group expects to adopt the amendment for the first time in the 2028 consolidated and separate financial statements.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

This is a new standard which replaces IAS 1 Presentation of Financial Statements and introduces several new presentation

requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

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

The group expects to adopt the amendment for the first time in the 2028 consolidated and separate financial statements.

The impact of this amendment is currently being assessed.

Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

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

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate financial statements

It is unlikely that the amendment will have a material impact on the group's consolidated and separate financial statements.

Lack of exchangeability - amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

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

The group expects to adopt the amendment for the first time in the 2026 consolidated and separate financial statements.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate financial statements

3. Financial instruments and risk management

Financial risk management

Overview

The Group and company's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates, credit risk, liquidity risk and interest rates.

The Group's Finance Director reports to the Board at least annually with reference to the application of the Group Treasury Policy. The policy addresses issues of liquidity, funding and investment as well as interest rate, currency and commodity risks.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls and to monitor the risks and limits continually by means of reliable and up-to-date systems. The Group modifies and enhances its risk management policies and systems to reflect changes in markets and products. The Audit & Risk Committee, under authority delegated by the Board, formulates the high-level Group risk management policy, monitors risk and receives reports that allow it to review the effectiveness of the Group's risk management policies.

The Company Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to both Senior Management and the Audit Committee.

The Group's business activities expose it to a variety of financial risks: market risk (including foreign exchange, interest rate, and price), credit risk and liquidity risk. Risk management is the responsibility of the finance director who aims to effectively manage the financial risk of Vitafoam Nigeria Plc, according to the policies approved by the Board of Directors. The finance director identifies and monitors financial risk

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group also sets credit limits and monitors customer activities to ensure that these limits are adhered to. Individual customer limits are set taking into consideration past experiences, trading performances and other factors. Where counterparties are unable to meet obligations under existing terms, the Group identifies such customers and restructures facilities to encourage performance and reduce losses.

The Group's credit portfolio is materially concentrated in South west Nigeria. The Group's maximum exposure to credit risk as at the reporting date is the carrying value of the financial assets in the statement of financial position. The carrying value of these financial assets approximates the fair value. The tables below analyse financial assets into the relevant past due groupings as at each reporting date.

3. Financial instruments and risk management (continued)

The maximum exposure to credit risk is presented in the table below:

Group
30 September 2025

Financial assets	Note	Neither past due nor impaired N'000	30-60 days N'000	90-120 days N'000	Above 120 days N'000	Total N'000
Cash and bank balances	22	9,017,055	-	-	-	9,017,055
Trade receivables (Gross)	20	736,957	58,931	33,139	348,106	1,177,133
Staff debtors	20	15,190	-	-	-	15,190
Finance lease receivable	41	121,141	-	-	-	121,141
		9,890,343	58,931	33,139	348,106	10,330,519
30 September 2024						
Financial assets		Neither Past due nor impaired N'000	30-60 days N'000	90-120 days N'000	Above 120 days N'000	Total N'000
Cash and bank balances	22	7,110,133	-	-	-	7,110,133
Trade receivables (Gross)	20	798,126	63,795	52,824	375,994	1,290,739
Staff debtors	20	7,754	-	-	-	7,754
Finance lease receivable	41	86,352	-	-	-	86,352
		8,002,365	63,795	52,824	375,994	8,494,978

Company
30 September 2025

Financial assets		Neither Past due nor impaired N'000	30-60 days N'000	90-120 days N'000	Above 120 days N'000	Total N'000
Cash and bank balances	22	6,605,284	-	-	-	6,605,284
Trade receivables (Gross)	20	151,249	15,041	1,429	204,654	372,373
Staff debtors	20	8,281	-	-	-	8,281
finance lease receivable	41	121,141	-	-	-	121,141
Due from related parties	20	2,698,489	-	-	-	2,698,489
		9,584,444	15,041	1,429	204,654	9,805,568
30 September 2024						
Financial assets		Neither Past due nor impaired N'000	30-60 days N'000	90-120 days N'000	Above 120 days N'000	Total N'000
Cash and bank balances	22	5,474,936	-	-	-	5,474,936
Trade receivables (Gross)	20	194,872	18,999	3,058	203,295	420,224
Finance lease receivable	41	86,352	-	-	-	86,352
Due from related parties	20	3,599,981	-	-	-	3,599,981
		9,356,141	18,999	3,058	203,295	9,581,493

Prepayments are not financial assets and thus not included as part of credit risk assessment for financial assets.

All receivables that are neither past due nor impaired are within approved credit limits, management does not expect any losses from non-performance by these parties. Receivables aged between 90- 120 days are past due but not impaired and relate to a number of customers for which there is no history of default.

Loss rates are based on actual credit loss experience over the past years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group and Company's view of economic conditions over the expected lives of the receivables. The forward-looking information included to reflect the economic conditions includes; inflation and GDP growth rate.

An allowance for impairment is generally recorded for trade receivable balances based on the circumstances of such receivables. Other factors considered in making the impairment allowance include evidence of financial difficulty of the debtor. The Group's policy on credit is such that the security account kept for distributors is used in the event of a default i.e. the group is able to recover its monies from these accounts. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. The amounts held in the security accounts as at each year end are as follows:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Collateral (Dealer's security account balances)	681,910	359,117	477,493	179,517

No other collateral is held on these balances.

An analysis of impaired receivables (above 120 days) and related allowance for impairment loss is as follows:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Carrying amount before provision(Gross)	551,915	648,205	220,888	217,920
Provisions for impairment loss	(348,106)	(375,994)	(204,654)	(203,295)
Net carrying amount	203,809	272,211	16,234	14,625

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by ensuring that sufficient funds are available to meet its commitments as they fall due.

The Group uses both long term and short term cash flow projections to monitor funding requirements for activities and to ensure there are sufficient cash resources to meet operational needs. Cash flow forecasting is performed by the finance department. Cash flow projections take into consideration the group's debt financing plans and covenant compliance.

The group enjoys favourable 90 days of credit from its suppliers as against 30 days of credit it gives to its customers. Thus, the group is always at an advantage position to meet its obligations because funding is quickly available from credits extended to its customers than the timing it requires to settle its obligations.

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The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2025

		Less 6 months	Between 6 months and 1 year	Between 1 to 2 years	Between 2 to 5 years	Undiscounted total amount
Financial liabilities		N'000	N'000	N'000	N'000	N'000
Borrowings- Term loans	23	-	-	4,650,078	2,823,670	7,473,748
Trade and other payables	27	6,652,567	-	-	-	6,652,567
Borrowings (letter of credit)	23	2,266,081	-	-	-	2,266,081
		8,918,648	-	(4,650,078)	(2,823,670)	8,918,648

Group - 2024

		Less 6 months	Between 6 months and 1 year	Between 1 to 2 years	Between 2 to 5 years	Undiscounted total amount
Financial liabilities		N'000	N'000	N'000	N'000	N'000
Borrowings- Term loans	23	-	-	5,941,963	3,513,145	9,455,108
Lease liabilities	43	-	91,252	-	-	91,252
Trade and other payables	27	7,295,315	-	-	-	7,295,315
Borrowings (letter of credit)	23	4,507,773	-	-	-	4,507,773
		11,803,088	91,252	(5,941,963)	(3,513,145)	11,894,340

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Company - 2025

		Less than 6 months	Between 6 months and 1 year	Between 1 to 2 years	Between 2 to 5 years	Undiscounted total amount
Financial liabilities		N'000	N'000	N'000	N'000	N'000
Borrowings- Term loans	23	-	-	-	-	-
Lease liabilities	43	-	104,940	4,650,078	1,213,190	5,863,268
						104,940
Trade and other payables	27	4,909,100	-	-	-	4,909,100
Borrowings (letter of credit)	23	2,266,081	-	-	-	2,266,081
		7,175,181	104,940	(4,650,078)	(1,213,190)	7,280,121

Company - 2024

		Less than 6 months	between 6 months and 1 year	Between 1 to 2 years	Between 2 to 5 years	Undiscounted total amount
Financial liabilities		N'000	N'000	N'000	N'000	N'000
Borrowings- Term loans	23	-	-	5,941,963	3,484,148	9,426,111
Lease liabilities	43	-	91,252	-	-	91,252
Trade and other payables	27	5,960,518	-	-	-	5,960,518
Borrowings (letter of credit)	23	4,507,773	-	-	-	4,507,773
		10,468,291	91,252	(5,941,963)	(3,484,148)	10,559,543

The amounts disclosed in the tables above are the contractual undiscounted cash flows of the liabilities.

The Group's exposure to liquidity risk is minimal as at 30 September 2025.

Market risk

Market risk is the risk that movements in market rates, including foreign exchange rates, interest rates, equity and commodity prices will affect the fair value or future cash flows of a financial instrument. The management of market risk is undertaken using risk limits approved by the operating unit finance directors under delegated authority.

Foreign currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the group's functional currency (The Naira).The Group is exposed to foreign exchange risks from some of its commercial transactions and current assets.

The Group buys and imports some of the raw materials used for production, the payments for which are made in US Dollars. Receipts for sales of finished goods in Nigeria are in Naira whilst receipts for sales of finished goods to countries such as Sierra Leone is in US Dollars. The Group makes payments and collects receipts primarily in Nigerian Naira.

Periodically however, receipts and payments are made in other currencies, mostly in the US dollar.

Management's approach to managing foreign exchange risk is to hold foreign currency bank accounts which act as a natural hedge for these transactions. Currency exposure arising from assets and liabilities denominated in foreign currencies is also managed primarily by setting limits on the percentage of net assets that may be invested in such deposits.

Sensitivity to foreign exchange risk

The sensitivity analysis for currency rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date. The foreign currency denominated balance that the group is exposed to fluctuations is cash and cash equivalents. The group is primarily exposed to the US Dollar

	Group		Company	
	2025 USD N'000	2024 USD N'000	2025 USD N'000	2024 USD N'000
Bank balance	433,054	584,395	433,054	584,395
Receivable	1,871,148	3,026,828	1,871,148	3,026,828
Letter of credit	2,265,774	1,768,605	2,265,774	1,768,605
	4,569,976	5,379,828	4,569,976	5,379,828
	N'000	N'000	N'000	N'000
US Dollar 5% increase (2024: 40%)	228,538	2,526,365	228,538	2,526,365
US Dollar 5% decrease (2024: 40%)	(228,538)	(2,526,365)	(228,538)	(2,526,365)
Exchange rate	1,478	1,542	1,478	1,478

Interest rate risk

As the group has no significant interest-bearing assets, the group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates.

The group's exposure to interest rate risk relates primarily to long term borrowings which were issued at floating interest rates. The Group can also be exposed to cash flow interest rate risk on short term deposits and short term bank borrowings to the extent that the significant reductions in market interest rates would result in a decrease in the interest earned or paid by the Group.

The Group's borrowings are denominated in Nigerian naira and to manage this risk, the Group's policy is to negotiate favourable terms with the banks to reduce the impact of exposure to this risk and to obtain competitive rates for loans and for deposits.

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

Sensitivity analysis for interest rate risk

The sensitivity analysis for interest rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates at the reporting date. The variable interest balances that the group is exposed relate to bank borrowings

Maximum exposure to interest increase or decrease in rate	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
10% increase in interest rate	279,080	434,114	234,691	433,225
10% decrease in interest rate	(279,080)	(434,114)	(234,691)	(433,225)
	-	-	-	-
Borrowings				
Bank loan	9,302,679	13,988,098	7,823,032	13,933,884

Price risk

The group's equity instruments are classified as fair value through other comprehensive income and are investments in Nigerian entities. Management monitors the movement in prices of these instruments on monthly basis by comparing price movements on same or similar equities on the stock exchange.

Sensitivity analysis for price risk

The sensitivity analysis for equity price risk illustrates how changes in the fair value of equity securities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual equity issuer, or factors affecting all similar equity securities traded in the market.

The group's exposure to equity price risk is not material as the group holds a small portfolio of equity instruments. It is assumed that the equity price increase or decrease by 100 basis points on the Nigeria Stock exchange (NGX) with all other variables held constant. A movement of this magnitude would not have a material impact on the group's profit, other comprehensive income or equity during the year.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. The group defines capital as the aggregate of equity attributable to shareholders and net borrowings (Total borrowings less cash and cash equivalents)

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

The Group monitors capital on the basis of the gearing ratio. The Group's net debt/total capital ratio is summarised as follows:

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged.

The Group's risk management committee reviews the capital structure on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

		Group		Company	
		2025 N '000	2024 N '000	2025 N '000	2024 N '000
Total borrowings	23	9,302,679	13,988,098	7,823,032	13,933,884
Cash and cash equivalents	22	(9,017,055)	(7,110,133)	(6,605,284)	(5,474,936)
Net borrowings		285,624	6,877,965	1,217,748	8,458,948
Equity		35,554,461	25,029,783	29,912,725	21,624,870
Gearing ratio		1%	27%	4%	39%

4. Fair value Estimation

Valuation processes applied by the Group

The fair value of assets is performed by the Group's finance department and operations team, on a quarterly basis. The finance department reports to the Group's Finance Director. The valuation reports are discussed with the Audit committee in accordance with the Group's reporting policy.

The fair value of investment properties is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuation company provides the fair value of the Group's investment portfolio every six months.

Highest and best use

Fair value is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction (not a forced sale) between market participants (market-based view) at the measurement date (current price). The table below analyses financial instruments carried at fair value, by valuation method. The different levels that are required to be disclosed are defined as follows.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

For financial instruments measured at amortised cost, the carrying values of cash and cash equivalent, trade and other receivables, trade and other payables approximate their fair value due to their short-term nature. However, borrowings, lease liabilities and retirement benefit obligation have fair values of which is different from the carrying amount.

The determination of what constitutes 'observable' requires significant judgement by the group. The group considers

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observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. There are no liabilities at fair value.

The following table presents assets that are measured at fair value at 30 September 2025 for both group and company:

Assets Fair value through OCI	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000	Carrying amount N'000
Equity Securities	21,631	-	-	21,631	21,631
Defined benefit obligation (Plan asset)	-	1,885,585	-	1,885,585	1,885,585
Land	-	9,398,211	-	9,398,211	9,398,211
	21,631	11,283,796	-	11,305,427	11,305,427

The following table presents assets that are measured at fair value at 30 September 2024 for both group and company:

Assets Fair value through OCI	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000	Carrying amount N'000
Equity Securities	17,450	-	-	17,450	17,450
Defined bebenefit obligation (Plan asset)	-	1,491,902	-	1,491,902	1,491,902
Land	-	9,398,211	-	9,398,211	9,398,211
	17,450	10,890,113	-	10,907,563	10,907,563

The fair value of financial instruments traded in active markets is based on quoted market prices as at each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market prices used for financial assets held by the Group is the current bid price. These instruments are included in level 1. There are no level 3 financial instruments. Financial instruments that are not traded in an active market are carried at cost (unquoted equity).

Quoted market prices were used to value financial at fair value. No level 3 financial instruments are held by the Group

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
5. Categories of financial instruments				
The Group's financial instruments are categorised as follows:				
Financial assets				
Loans and receivables				
Cash and cash equivalents (Note 22)	9,017,055	7,110,133	6,605,284	5,474,936
Trade and other receivables (Note 20)	4,298,889	4,089,713	5,095,912	6,442,365
Fair value through OCI				
Investment in financial assets (Note 18)	21,631	17,450	21,631	17,450
	13,337,575	11,217,296	11,722,827	11,934,751
Financial liabilities				
Borrowings (Note 23)	9,302,679	13,988,098	7,823,032	13,933,884
Trade and other payables (excluding non-financial instruments) (Note 27)	6,652,567	7,295,315	4,909,100	5,960,518
lease Liabilities (Note 43)	139,437	208,610	139,437	208,610
	16,094,683	21,492,023	12,871,569	20,103,012

6. Revenue

The Group derives its revenue from contracts with customers for the transfer of goods at a point in time for the following major product lines; foam products and furnitures/other products. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 Operating Segments (see Note 36).

In presenting information on the basis of geography, segment revenue is based on the geographical location of the customers.

Group analyses its net revenue by the following categories:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Revenue from contracts with customers				
Sale of goods (Foams products)	109,866,702	81,559,313	97,403,303	73,492,246
Furniture/ other products	1,512,636	1,080,575	-	-
	111,379,338	82,639,888	97,403,303	73,492,246
Revenue other than from contracts with customers				
Within Nigeria	106,465,139	79,199,843	97,403,303	73,492,246
Outside Nigeria	4,914,199	3,440,045	-	-
	111,379,338	82,639,888	97,403,303	73,492,246
7. Cost of sales				
Materials	69,098,161	51,087,482	62,900,220	47,334,796
Manufactured goods:				
Employee costs (Note 34)	557,705	281,609	362,746	281,609
Depreciation (Note 40)	508,536	588,005	217,280	208,634
Manufacturing expenses	258,348	376,781	212,490	181,344
	70,422,750	52,333,877	63,692,736	48,006,383

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
8 Other gains/(losses)				
Sale of scrap items	1,134,491	617,737	794,485	534,041
Rental income	11,640	36,259	108,307	108,759
Dividend income (Note 8.2)	66,041	14,104	251,146	193,286
Profit/(loss) on disposal of asset (Note 8.3)	13,570	(64,990)	13,404	(64,990)
Foreign exchange loss (Note 8.1)	(619,374)	(12,723,435)	(403,493)	(12,526,188)
Government grants	167,619	-	167,619	-
	773,987	(12,120,325)	931,468	(11,755,092)

8. Other gains/losses (continued)

8.1 Foreign exchange loss previously presented as a stand only note has been reclassified to other gains and losses in the year to comply with IAS 1.

8.2 Dividend income for the group during the year includes dividend received on quoted investment of N1.81 million (2024: N1.05 million)

8.3 Profit/(loss) on disposal of asset

Proceed from disposal of property, plant and equipment	13,630	6,797	13,404	6,798
Carrying amount	(60)	(71,787)	-	(71,788)
At 30 September	13,570	(64,990)	13,404	(64,990)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
9. Administrative expenses				
AGM expenses	22,959	25,385	20,615	24,334
Advertising	838,149	479,926	755,484	421,232
Auditors remuneration	67,416	53,274	40,400	37,625
Bank charges	353,699	122,260	295,129	87,401
Cleaning	91,526	65,510	54,405	42,560
Professional and Consulting fees	180,942	145,689	105,623	58,786
Depreciation and amortisation (Note 40)	540,495	498,756	308,613	384,181
Donations	20,751	9,557	13,585	8,390
Employee costs* (Note 34)	4,676,011	3,863,264	3,600,594	2,941,274
Entertainment	55,022	39,617	39,828	25,233
Other admin and general expenses (Note 9.1)	53,620	29,909	19,181	12,845
Conference and award expenses	3,145	5,064	2,895	5,064
Impairment of investment in subsidiary	123,900	-	123,900	-
Minimum tax expense (Note 9.2)	-	381,463	-	381,019
Insurance	224,553	182,649	171,498	143,519
Rent and rates	160,854	133,372	32,978	20,930
Fines,levies and penalties	-	15,500	-	15,500
Stationery, newspapers and periodicals	77,650	51,630	48,146	36,033
Electricity and other utilities	1,297,051	958,107	1,089,061	835,815
Postages, telephone and internet	95,429	71,424	62,426	47,860
Protective clothing	6,207	1,869	3,409	873
Repairs and maintenance	832,129	498,480	581,453	405,897
Research and development costs	23,099	39,397	7,946	5,805
Security	91,469	66,322	61,579	46,883
Subscriptions	26,755	26,724	18,289	14,123
Transport and travelling	557,181	411,307	297,470	245,678
	10,420,012	8,176,455	7,754,507	6,248,860

9.1 Other admin and general expenses comprises of sundry expense and employees scholarship scheme expenses respectively

9.2 Minimum tax expense previously presented as a stand alone note has been reclassified to administrative expense during the year to comply with IAS1.

* Employee costs relating to interest on defined benefit obligation and interest on plan assets have been reclassified from finance cost and finance income respectively to administrative expenses for the year ended 30 September 2024 to enhance comparability between the two years presented

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	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
10. Distribution expenses				
Distribution expenses	4,082,909	2,887,785	3,764,271	2,679,742
This represent cost incurred in the delivery of finished products to customers during the financial year.				
11. Finance costs				
Interest on loans and overdraft	5,788,450	6,746,045	5,631,317	6,722,693
Add: Non-cash effect	-	-	-	-
Interest on Lease (Note 43)	22,079	26,894	22,079	26,894
Total finance costs	5,810,529	6,772,939	5,653,396	6,749,587
12. Finance income				
Interest on time deposit	10,910	866,562	10,544	866,332
13. Taxation				
Income tax expense				
Income tax	5,259,539	748,890	4,088,073	-
Education tax	622,555	53,373	540,897	-
Police trust fund levy	995	70	874	-
Deferred tax provision	5,883,089	802,333	4,629,844	-
	1,060,162	(609,199)	1,072,923	(153,300)
Tax expense	6,943,251	193,134	5,702,767	(153,300)

The current tax charge has been computed at the applicable rate of 30% (30 September 2024: 30%) plus education levy of 3% (30 September 2024: 3%) on the profit for the year after adjusting for certain items of expenditure and income which are not deductible or chargeable for tax purposes.

Non-deductible expenses include items such as donations and subscriptions, legal expenses, depreciation, amortisation and certain provisions which are not allowed as a deduction by the tax authorities. Tax exempt income include income such as unrealised exchange difference and profit on disposal of fixed asset which are not taxable.

The average effective tax rate for the Group is 32.32% (2024:17%) while for the Company, the average effective tax rate is 32.6% (2024:14.5%).

Taxation (continued)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting profit/(loss)	21,480,472	1,145,324	17,493,868	(1,059,811)
Tax at the applicable tax rate of 30% (2024: 30%)	6,444,142	343,597	5,248,160	(317,943)
Tax effect of adjustments on taxable income				
Effect of income exempted from taxation	(76,011)	(57,986)	(75,344)	(57,986)
Effect of non-deductible expenses in determining taxable profit	20,424	81,783	3,832	8,046
Effect of tax adjustments (minimum tax, police trust levy, etc)	(41,930)	381,463	874	380,814
Effect of concessions (Research, development and other allowances)	(2,163)	(85)	-	-
Adjustment recognised due to difference in tax rates	14,456	-	(8,452)	(166,231)
Effect of education tax	622,555	53,373	540,897	-
Currency difference	-	(483,192)	-	-
Effect of previously/currently unrecognised tax loss	-	(179,573)	-	-
Adjustment recognized in the current year in relation to the deferred tax of current period	(7,767)	-	(7,200)	-
Effect of eliminated intergroup transactions	(30,455)	53,754	-	-
	6,943,251	193,134	5,702,767	(153,300)
14. Tax Payable				
The movement in tax payable/receivable is as follows:				
At 1 October	912,180	2,650,848	7,510	2,212,314
Company income tax for the year	5,883,089	802,333	4,629,844	-
Payment during the year	(1,002,670)	(2,541,001)	-	(2,204,804)
At 30 September	5,792,599	912,180	4,637,354	7,510

15. Property, plant and equipment

Property, plant and equipment - Group

	Land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles	IT equipment	Total
	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Cost							
At 1 October 2023	438,168	6,060,222	5,431,389	484,324	970,769	98,286	13,483,158
Additions	545	64,528	282,579	31,245	63,978	19,559	462,434
Disposals	-	-	(9,787)	(2,955)	(86,640)	-	(99,382)
Revaluation*	8,959,498	-	-	-	-	-	8,959,498
Effect of exchange differences	-	869,507	159,729	14,414	48,250	2,956	1,094,856
At 30 September 2024	9,398,211	6,994,257	5,863,910	527,028	996,357	120,801	23,900,564
At 1 October 2024	9,398,211	6,994,257	5,863,910	527,028	996,357	120,801	23,900,564
Additions	-	50,756	785,298	68,041	118,671	49,812	1,072,578
Disposals	-	-	(7,605)	(717)	(71,561)	(558)	(80,441)
Reclassifications (Note 15.1)	-	-	60,821	-	-	-	60,821
Effect of exchange differences	-	(181,090)	(33,309)	(3,103)	(10,981)	(616)	(229,099)
At 30 September 2025	9,398,211	6,863,923	6,669,115	591,249	1,032,486	169,439	24,724,423
Depreciation and impairment							
At 1 October 2023	-	1,805,845	3,612,232	377,443	603,799	77,227	6,476,546
Charge for the year	-	221,514	588,004	31,022	200,870	18,491	1,059,901
Disposals	-	-	(1,739)	-	(25,807)	(49)	(27,595)
Effect of exchange differences	-	241,187	156,701	13,293	41,023	2,396	454,600
At 30 September 2024	-	2,268,546	4,355,198	421,758	819,885	98,065	7,963,452
At 1 October 2024	-	2,268,546	4,355,198	421,758	819,885	98,065	7,963,452
Charge for the year	-	215,242	625,957	40,954	124,984	20,249	1,027,386
Disposals	-	-	(7,605)	(657)	(71,561)	(558)	(80,381)
Effect of exchange differences	-	(54,460)	(33,539)	(2,781)	(9,106)	(591)	(100,477)
At 30 September 2025	-	2,429,328	4,940,011	459,274	864,202	117,165	8,809,980
Carrying amount							
At 30 September 2024	9,398,211	4,725,711	1,508,712	105,270	176,472	22,736	15,937,112
At 30 September 2025	9,398,211	4,434,595	1,729,104	131,975	168,284	52,274	15,914,443

Property, plant and equipment - Company

	Land	Buildings	Plant and machinery	Furniture and fixtures	Motor vehicles	IT equipment	Total
	N '000	N '000	N '000	N '000	N '000	N '000	N '000
Cost							
At 1 October 2023	430,558	2,653,664	2,740,371	355,750	794,414	37,639	7,012,396
Additions	545	10,276	108,750	15,983	46,874	6,112	188,540
Disposal	-	-	(9,787)	(2,956)	(84,741)	-	(97,484)
Transfers to investment property	-	(20,304)	-	-	-	-	(20,304)
Revaluation*	8,959,498	-	-	-	-	-	8,959,498
At 30 September 2024	9,390,601	2,643,636	2,839,334	368,777	756,547	43,751	16,042,646
At 1 October 2024	9,390,601	2,643,636	2,839,334	368,777	756,547	43,751	16,042,646
Additions	-	5,235	379,678	48,015	12,818	23,034	468,780
Disposals	-	-	(4,653)	(292)	(71,561)	(558)	(77,064)
Transfers to investment property	-	-	-	-	-	-	-
At 30 September 2025	9,390,601	2,648,871	3,214,359	416,500	697,804	66,227	16,434,362
Accumulated depreciation							
At 1 October 2023	-	822,490	2,201,556	301,336	457,966	28,758	3,812,106
Depreciation	-	79,956	208,634	17,581	183,701	8,262	498,134
Disposals	-	-	(1,739)	(49)	(23,907)	-	(25,695)
Transfers to investment property	-	(8,358)	-	-	-	-	(8,358)
At 30 September 2024	-	894,088	2,408,451	318,868	617,760	37,020	4,276,187
At 1 October 2024	-	894,088	2,408,451	318,868	617,760	37,020	4,276,187
Disposals	-	-	(4,653)	(292)	(71,561)	(558)	(77,064)
Depreciation	-	80,129	217,280	22,536	102,573	11,253	433,771
At 30 September 2025	-	974,217	2,621,078	341,112	648,772	47,715	4,632,894
Carrying amount							
At 30 September 2024	9,390,601	1,749,548	430,883	49,909	138,787	6,731	11,766,459
At 30 September 2025	9,390,601	1,674,654	593,281	75,388	49,032	18,512	11,801,468

Assets pledged- The property , plant and equipment were not used as collateral for loan during the financial year 2025

15.1 Reclassification : Vitafoam Sierra Leone asset items of Plant and Machinery nature were classified as intangible in prior year now represented as plant and machinery in the current year.

*Revaluation: In prior year revaluation exercise was carried out by Jide Taiwo & Co. of the company's landed property resulting in revaluation surplus of N8.96 Billion on land. There was no revaluation of the company's landed property in the current year

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Notes to the Consolidated and Separate Financial Statements (Cont'd)

16. Intangible assets

Intangible assets- Group

	Computer Software N'000
Cost	
At 1 October 2023	177,333
Additions	82,304
Write-off	(38,648)
Effect of foreign exchange difference	3,236
At 30 September 2024	224,225
Additions	1,700
Reclassification (Note 15.1)	(60,821)
Effect of exchange difference	(8,219)
At 30 September 2025	156,885
Amortisation and impairment	
At 1 October 2023	(118,505)
Write-off	38,648
Amortisation	(19,714)
At 30 September 2024	(99,571)
Amortisation	(14,499)
At 30 September 2025	(114,070)
Carrying amount	
At 30 September 2024	124,654
At 30 September 2025	42,815

Intangible assets - Company	Computer Software N'000
Cost	
At 1 October 2023	167,988
Additions	6,988
Write-off	(38,648)
At 30 September 2024	136,328
At 30 September 2025	136,328
Amortisation and impairment	
At 1 October 2023	(113,166)
Write-off	38,648
Charge for the year	(15,256)
At 30 September 2024	(89,774)
Amortisation	(12,698)
At 30 September 2025	(102,472)
Carrying amount	
At 30 September 2024	46,554
At 30 September 2025	33,856

All intangible assets are non-current. All intangible assets of the Group have finite useful life and are amortised over 5 years in line with its accounting policy. The intangible assets represent cost of the Sage ERP package deployed

17. Investment property

Investment property - Company

	Investment property N'000
Cost	
At 1 October 2023	2,364,881
Transfers from property, plant and equipment	20,304
At 30 September 2024	2,385,185
At 30 September 2025	2,385,185
Accumulated depreciation	
At 1 October 2023	(656,895)
Depreciation	(72,278)
Transfers from property, plant and equipment	(8,358)
At 30 September 2024	(737,531)
Transfers from property, plant and equipment (Note 15.1)	-
Depreciation	(72,278)
At 30 September 2025	(809,809)
Carrying amount	
Carrying amount	
At 30 September 2024	1,647,654
At 30 September 2025	1,575,376

The building is depreciated on a straight line basis at a rate of 3% per annum.

The company's investment property is occupied by Subsidiaries. Therefore, there is no investment property recorded for the group upon consolidation.

The investment properties comprises three buildings located in Lagos State and Ogun State. The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. The Company adopted the cost model to subsequently measure its investment properties. Land is not depreciated.

The valuation was performed by Jide Taiwo Estate Surveyors & Valuers, FRC/2012/000000000254 an accredited independent valuer. The valuer arrived at their opinion after adopting the Open Market basis reflecting continuity of existing use, with recourse to 'Depreciated Replacement Cost'. This represents the current cost of reconstructing the existing structure together with improvements in today's market adequately depreciated to reflect its physical wear and tear, age, functional and economic obsolescence plus the site value in its existing use as at the date of inspection.

As at 30 September 2024, the fair value of the investment properties was N5.13 billion. The depreciated replacement cost approach was used to determine the value using the market observable data. Changes in the underlying assumptions can lead to adjustments in the fair value of the investment properties.

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
18. Investment in financial asset				
Investment in equity instrument classified as fair value through OCI include the following:				
Investment in quoted shares	21,631	17,450	21,631	17,450
Fair value movement during the year				
At 1 October	17,450	11,630	17,450	11,630
Gain on fair valuation (Note 39)	4,181	5,820	4,181	5,820
	21,631	17,450	21,631	17,450
19. Inventories				
Finished goods- cost	2,718,808	1,451,313	2,115,943	1,158,780
Raw materials- cost	21,876,901	16,284,616	16,879,018	12,989,162
Work in progress-cost	2,210,817	1,739,800	1,569,281	1,177,350
Spare parts and consumables - cost	1,964,331	1,144,712	1,602,073	963,876
Inventories write-down	28,770,857 (36,410)	20,620,441 (77,363)	22,166,315 (33,448)	16,289,168 (32,869)
	28,734,447	20,543,078	22,132,867	16,256,299

The cost of inventories recognised as an expense during the year for the group N69.1 billion (2024: N51.1 billion) , while in the company it was N62.9 billion (2024: N47.3 billion) .

Inventory pledged- The inventory were not used as security for liabilities during the financial year 2025

Inventory impairment as at 1 October (Write-back)/Charge	77,363 (40,953)	97,040 (19,677)	32,869 579	67,679 (34,810)
At 30 September	36,410	77,363	33,448	32,869
20. Trade and other receivables				
Trade receivables	1,177,133	1,290,739	372,373	420,224
Allowance for doubtful debt receivables	(440,176)	(492,613)	(221,124)	(225,352)
Trade receivables at amortised cost	736,957	798,126	151,249	194,872
Staff Debtors	15,190	7,754	8,281	-
Other receivables (Note 20.1)	3,546,742	3,283,833	3,165,506	2,945,032
Receivables from related parties (Note 35)	-	-	1,770,876	3,302,461
Total trade and other receivables	4,298,889	4,089,713	5,095,912	6,442,365

The average credit period on sales of goods is 30 days. No interest is charged on outstanding trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using the simplified model to derive a historical loss rate with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. This is done by management on a case by case assessment of the debtor. None of the trade receivables that have been written off is subject to enforcement activities.

20. Trade and other receivables (continued)

Exposure to credit risk

The Group uses an allowance matrix to measure the Expected Credit Losses (ECLs) of trade receivables from customers. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - geographic region, age of customer relationship and type of product purchased.

The Group has recognised an allowance for doubtful debts of 100% against all receivables over 360 days because historical experience has been that receivables that are past due beyond 365 days are not recoverable. Allowances for doubtful debts are recognised against trade receivables between 30 and 360 days.

Before accepting a new customer the Group initially trades with the customer on a cash basis to assess the customer's ability and also determine the customer's transaction volumes. This enables a reasonable credit limit to be set. Once these are determined the customer is then allowed to apply for a credit facility from the Company through a rigorous process with several levels of approval. Also certain categories of credit customers provide bank guarantees before being accepted as credit customers of the Group.

Of the trade receivables balance at the end of the year in financial statements, N48.15 million (2024: N59.33 million) are due from the Group's largest trade debtor. There are no other customers, which represent more than 10% of the total balance of trade receivables of the Group after impairment. Credit sales form a small portion of overall sales. The concentration of credit risk is limited due to this fact and the large and unrelated customer base.

The Group has pledged no trade receivables during the year.

Trade receivables are considered to be past due when they exceed the credit period granted.

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Balance at 30 September 2025	Group			Company		
	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime expected credit loss)	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime expected credit loss)
		N'000	N'000		N'000	N'000
<30 days	10 %	304,405	(31,921)	10 %	140,429	(13,470)
<60 days	18 %	151,270	(27,010)	17 %	9,182	(1,571)
<90 days	20 %	85,488	(16,680)	70 %	1,027	(721)
<120 days	20 %	84,055	(16,459)	84 %	847	(708)
<180 days	28 %	90,846	(25,646)	68 %	363	(246)
<270 days	33 %	125,072	(40,991)	45 %	29,282	(13,165)
<360 days	22 %	69,906	(15,378)	- %	-	-
Above 360 days	100 %	266,091	(266,091)	100 %	191,243	(191,243)
Total		1,177,133	(440,176)		372,373	(221,124)

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

20. Trade and other receivables (continued)

Balance at 30 September 2024	Group			Company		
	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime expected credit loss)	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime expected credit loss)
<30 days	13 %	328,279	(41,376)	9 %	179,279	(16,730)
< 60 days	19 %	118,463	(22,419)	15 %	15,467	(2,269)
<90 days	22 %	109,535	(24,240)	39 %	5,132	(1,995)
<120 days	33 %	86,257	(28,584)	22 %	2,426	(1,063)
<180 days	21 %	139,457	(29,821)	50 %	12,241	(6,130)
< 270 days	22 %	99,603	(21,434)	39 %	7,317	(2,826)
<360 days	29 %	119,233	(34,827)	48 %	7,744	(3,721)
Above 360 days	100 %	289,912	(289,912)	100 %	190,618	(190,618)
Total		1,290,739	(492,613)		420,224	(225,352)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Trade and other receivables impaired				
Trade receivable impaired:				
Total impairment	440,176	492,613	221,124	225,352
Reconciliation of provision for impairment of trade and other receivables				
Opening balance	492,613	422,868	225,352	244,624
(Decrease)/increase of impairment charge during the year	(52,437)	69,745	(4,228)	(19,272)
Balance at 30 September	440,176	492,613	221,124	225,352

The maximum exposure to credit risk at the reporting date is the fair value of each class of trade and other receivable mentioned above.

In determining the recoverability of trade receivables, the Group and Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cashflow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Exposures within each credit risk grade are segmented by geographic region and industry classification and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past five years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The group does not hold any collateral as security other than bank guarantees from certain customers with bank guarantee.

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

20. Trade and other receivables (continued)

Amount (credit)/charged during the year				
Receivable from third party	(52,437)	69,745	(4,228)	(19,272)
Receivable from related party (Note 35.1)	-	-	(9,235)	(2,003)
	(52,437)	69,745	(13,463)	(21,275)

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	Collectively assessed N'000	Group Individually assessed N'000	Total N'000	Collectively assessed N'000	Company Individually assessed N'000	Total N'000
At 1 October 2024	492,613	-	492,613	225,352	-	225,352
(Write-back) during the year	(52,437)	-	(52,437)	(4,228)	-	(4,228)
At 30 September 2025	440,176	-	440,176	221,124	-	221,124

The following explain how significant changes in the loss allowance was determined:

- Customer groupings was done based on their geographical location in accessing the customers shared risk characteristics.
- Loss allowance was determined on intercompany receivables

20.1. Other receivable

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Unclaimed dividends held by Registrar and trust fund	954,455	479,781	954,455	479,781
Withholding tax receivable (Note 20.2)	290,223	274,767	1,337	15,148
Other debtors (Note 20.3)	2,302,064	2,529,285	2,209,714	2,450,103
	3,546,742	3,283,833	3,165,506	2,945,032
20.2. Withholding tax receivable				
The movement on withholding tax receivables during the year was as follows:				
Balance at 1 October	274,767	132,771	15,148	299
Additions during the year	52,609	141,996	-	14,849
Utilizations during the year	(37,153)	-	(13,811)	-
Balance at 30 September	290,223	274,767	1,337	15,148

Payments made by Nigerian customers of the Company are subject to a withholding tax in accordance with the Nigerian tax laws. The amount withheld is available to offset the actual tax liabilities. Based on the current tax laws, these withholding taxes do not expire.

20.3. Other debtors

Other debtors relates to deposit for chemicals with foreign suppliers and deposit for materials with local supplies.

21. Other assets

Other assets represents various forms of prepayments. They are as follows

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Prepaid rent	201,562	151,810	91,608	60,855
Prepaid insurance	59,307	59,720	48,338	51,685
Prepaid subscription	42,918	35,300	41,610	32,197
Advance payment for forex (Note 21.1)	5,460,444	2,622,400	5,009,081	1,887,874
Other prepayments (Note 21.2)	284,703	386,628	183,271	244,368
	6,048,934	3,255,858	5,373,908	2,276,979

21.1. Advance payments for forex represents committed cash no longer available for another purpose other than that for which it has been designated. They represent naira deposits for foreign currencies purchased for funding of letters of credit; all related to settlement of invoices emanating from importation of raw materials, spare parts and machinery, which are in transit at the year end.

21.2. Other prepayment relates to advance payment for health insurance, container deposits and advance for suppliers

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
22. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand	44,720	35,916	23,316	11,587
Bank balances	8,972,335	7,074,217	6,581,968	5,463,349
Cash and bank	9,017,055	7,110,133	6,605,284	5,474,936

The group assessed the cash balances with banks to determine their expected credit losses . Based on this assessment , they identified the expected losses on cash as at 30 September, 2025 and 30 September, 2024 to be insignificant as the loss rate is determined immaterial.

The Group has no restricted cash balance during the year (2024: N147.35 million), company (2024: N147.35 million) which is held as a collateral for credit line utilised for letter of credit and loan repayment reserves which is reported under bank balances.

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

22. Cash and Cash equivalents (continued)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Restricted cash balance				
Zenith Bank Plc	-	147,349	-	147,349
23. Borrowings				
Non-current				
Bank loan	2,386,520	3,513,145	906,873	3,484,148
Current				
Bank Overdraft	-	25,217	-	-
Letter of credit	2,266,081	4,507,773	2,266,081	4,507,773
Bank loan	4,650,078	5,941,963	4,650,078	5,941,963
Total current borrowings	6,916,159	10,474,953	6,916,159	10,449,736
Total borrowings	9,302,679	13,988,098	7,823,032	13,933,884
Split between non-current and current portions				
Non-current liabilities	2,386,520	3,513,145	906,873	3,484,148
Current liabilities	6,916,159	10,474,953	6,916,159	10,449,736
	9,302,679	13,988,098	7,823,032	13,933,884

23.1 Bank Borrowings

The letter of credit obligation is secured by a negative pledge on the parent's fixed and floating assets.

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Reconciliation of borrowings				
Balance as at 1 October	13,988,098	23,338,441	13,933,884	23,257,118
Interest (Note 11)	5,788,450	6,746,045	5,631,317	6,722,693
Effect deferred income (Note 24)	(604,769)	-	(473,936)	-
Additions to borrowings	7,630,833	12,507,040	5,850,000	12,507,040
Repayment of borrowings	(17,499,933)	(28,603,428)	(17,118,233)	(28,552,967)
At 30 September	9,302,679	13,988,098	7,823,032	13,933,884

24. Deferred income

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. This income is deferred upon recognition and recognised as earned over the tenor of the loans.

24. Deferred income (continued)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Non-current liabilities	223,324	-	138,698	-
Current liabilities	213,826	-	167,619	-
	437,150	-	306,317	-
24.1 The changes in deferred income for the year is as follows;				
Reconciliation of deferred income:				
Add : Income deferred in the year	604,769	-	473,936	-
Less: Income released to profit or loss (Note 8)	(167,619)	-	(167,619)	-
At 30 September	437,150	-	306,317	-

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

25. Deferred tax

The following are the major deferred tax assets and liabilities recognised by the Group and movements thereon during the current and prior reporting periods.:

Deferred tax (liability)	(3,752,513)	(1,061,698)	(3,659,591)	(992,837)
Deferred tax asset	899,287	862,485	-	-

Group

30 September 2025 Deferred tax (assets) from Vitafoam Sierra Leone relation to:	At 1 October N'000	P&L (writeback)/ charges N'000	OCI Charges /(writeback) N'000	At 30 September N'000
Property, plant & Equipment	125,606	8,176	-	133,782
Provision	(21,228)	3,554	-	(17,674)
Exchange difference	(966,843)	(48,552)	-	(1,015,395)
	(862,465)	(36,822)	-	(899,287)

Net deferred tax liabilities (excluding Vitafoam Sierra Leone) in relation to:	At 1 October N'000	P&L (Charges)/ writeback N'000	OCI (Charges) /write back N'000	At 30 September N'000
Property, plant & Equipment	1,250,567	20,418	-	1,270,985
Tax losses	(1,068,885)	1,057,286	-	(11,599)
Unutilised tax credits	(171,198)	141,787	-	(29,411)
Fair value adjustment	895,950	-	1,791,900	2,687,850
Provision	(456,800)	(209,056)	(198,069)	(863,925)
Exchange difference	653,808	65,898	-	719,706
Lease liability/ROU	(41,744)	20,651	-	(21,093)
	1,061,698	1,096,984	1,593,831	3,752,513

Group

30 September 2024 Deferred tax (assets) from Vitafoam Sierra Leone in relation to:	At 1 October N'000	P&L (writeback)/ charges N'000	OCI Charges /(writeback) N'000	At 20 September N'000
Property, plant & Equipment	65,156	60,450	-	125,606
Provisions	(4,117)	(17,111)	-	(21,228)
Exchange difference	(425,904)	(540,939)	-	(966,843)
	(364,865)	(497,600)	-	(862,465)

Net deferred tax liabilities (excluding Vitafoam Sierra Leone) in relation to:	At 1 October N'000	P&L (Charges)/ writeback N'000	OCI (Charges) /write back N'000	At 20 September N'000
Property, plant & Equipment	1,248,065	2,502	-	1,250,567
Tax losses	-	(1,068,885)	-	(1,068,885)
Unutilised tax credits	(69,188)	(102,010)	-	(171,198)
Fair value adjustment	-	-	895,950	895,950
Provisions	(521,965)	(121,535)	186,700	(456,800)
Exchange difference	(535,775)	1,189,563	-	653,808
Lease liability/ROU	(30,510)	(11,234)	-	(41,744)
	90,627	(111,599)	1,082,650	1,061,698

Company

30 September 2025 Deferred tax liabilities in relation to:	At 1 October N'000	P&L (writeback)/ charges N'000	OCI Charges /(writeback) N'000	At 30 September N'000
Property, plant & Equipment	1,003,122	(10,024)	-	993,098
Unutilised tax credits	(109,895)	109,895	-	-
Tax losses	(1,065,545)	1,065,545	-	-
Provisions	(392,097)	(83,149)	(198,069)	(673,315)
Exchange difference	703,047	(29,995)	-	673,052
Revaluation surplus-land	895,950	-	1,791,900	2,687,850
Lease liability/ROU	(41,745)	20,651	-	(21,094)
	992,837	1,072,923	1,593,831	3,659,591

25. Deferred tax (continued)

30 September 2024 Deferred tax liabilities in relation to:	At 1 October N'000	P&L (writeback)/ charges N'000	OCI Charges /(writeback) N'000	At 20 September N'000
Property, plant & Equipment	1,084,039	(80,916)	-	1,003,123
Unutilised tax credits	-	(109,895)	-	(109,895)
Tax losses	-	(1,065,545)	-	(1,065,545)
Provisions	(501,070)	(77,727)	186,700	(392,098)
Exchange difference	(488,970)	1,192,017	-	703,047
Fair value adjustment	-	-	895,950	895,950
Lease liability/ROU	(30,511)	(11,234)	-	(41,745)
	63,488	(153,300)	1,082,650	992,837

Deferred tax assets from Sierra Leone was presented separately as the group does not have a legally enforceable right to do so. This correction impacted the prior year presentation to enhance comparability between the two years presented.:

26. Employee benefit obligation

		Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000	2024 N '000
Statement of financial position obligation					
Retirement benefit obligation	1,228,038	604,035	1,228,038	604,035	604,035
Long Service Awards Benefits	408,888	291,730	408,888	291,730	291,730
Liability in the statement of financial position	1,636,926	895,765	1,636,926	895,765	895,765

Defined benefit plan

The Group operates a defined benefit/staff gratuity plan where qualifying employees receive a lump sum payment based on the number of years served after an initial qualifying period on date of retirement. The plan is partly funded and plan assets are managed externally by Nigeria Life and Pensions. Actuarial valuation of staff gratuity reports was carried out by Ernst & Young and signed by Miller Kingsley (FNAS,FSA) (FRC/2012/00000002392). The amounts recognised in the statement of financial position are determined as follows:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Carrying value				
Present value of the defined benefit obligation	(3,522,511)	(2,387,667)	(3,522,511)	(2,387,667)
Fair value of plan assets	1,885,585	1,491,902	1,885,585	1,491,902
	(1,636,926)	(895,765)	(1,636,926)	(895,765)

26. Employee benefit obligation (continued)

Net defined benefit obligation

The movement in the present value of retirement benefits obligation over the year is as follows:

Figures in Naira thousand	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
At 1 October	2,095,937	1,975,895	2,095,937	1,975,895
Current service cost	180,157	174,709	180,157	174,709
Interest cost	366,562	318,543	366,562	318,543
Actuarial losses-change in assumption	226,105	45,194	226,105	45,194
Actuarial losses/(gains)-experience adjustment	467,855	(351,732)	467,855	(351,732)
Benefit paid by the Employer	(15,809)	(7,205)	(15,809)	(7,205)
Benefits paid by the fund	(207,185)	(59,467)	(207,185)	(59,467)
At 30 September	3,113,622	2,095,937	3,113,622	2,095,937
The movement in the fair value of the plan asset over the year is as follows:				
At 1 October	1,491,902	1,075,076	1,491,902	1,075,076
Expected return on plan assets	276,178	181,758	276,178	181,758
Employer contributions	230,940	230,940	230,940	230,940
Benefits paid by fund	(207,185)	(59,467)	(207,185)	(59,467)
Actuarial gain on plan asset	93,750	63,595	93,750	63,595
At 30 September	1,885,585	1,491,902	1,885,585	1,491,902
The amounts recognised in profit or loss and other comprehensive income in respect of defined benefit obligation, plan assets and long service award are as follows				
Service cost (Note 34)	206,754	200,464	206,754	200,464
Interest cost (Note 34)	416,078	359,879	416,078	359,879
Expected return on plan assets	(276,178)	(181,758)	(276,178)	(181,758)
Actuarial losses/(gains) on long service award	77,145	(24,151)	77,145	(24,151)
Remeasurement losses/(gains) (Note 39)	600,210	(370,133)	600,210	(370,133)
	1,024,009	(15,699)	1,024,009	(15,699)

Changes in present value of defined obligation

Group and company

	30 September 2025			30 September 2024		
	N'000 Quoted	N'000 Unquoted	N'000 Total	N'000 Quoted	N'000 Unquoted	N'000 Total
Fund balance b/f 1st October 2024	1,395,560	96,342	1,491,902	-	-	-
Investment with PFA						
Quoted stock (Equities)			-	319,283	-	319,283
Debt Instruments						
Total inflow		631,226	631,226		-	-
Bank Charges		(237,543)	(237,543)		-	-
Money Market (Bank Deposit)			-	555,114	-	555,114
FGN Bonds			-	111,000	-	111,000
FGN Treasury bill			-	410,163	-	410,163
Balance with Brokers	-	-	-	-	50,210	50,210
Call Account	-	-	-	-	22,677	22,677
Dividend Receivable	-	-	-	-	872	872
Interest on TB	-	-	-	-	22,583	22,583
Fund value	1,395,560	490,025	1,885,585	1,395,560	96,342	1,491,902

26. Employee benefit obligation (continued)

Key assumptions used

The principal actuarial assumptions were as follows:

	Group and company	
	2025	2024
Discount rates used (p.a)	18.00 %	18.50 %
Expected rate of return on assets (p.a)	16.50 %	18.50 %
Expected rate of return on reimbursement rights (p.a)	16.50 %	16.00 %
Expected increase in salaries	18.00 %	16.00 %

Other assumptions

Assumptions regarding future mortality experience are based on rates published in the A67/70 Ultimate tables, published jointly by the Institute and Faculty of Actuaries in the UK. These have been rated down by one to more accurately reflect mortality rate in Nigeria thus

Mortality in service	Group and company	
	Number of deaths in year out of 10000	
Sample age	2025	2024
25	7	7
30	7	7
35	9	9
40	14	14
45	26	26

Withdrawal from service	Group and company	
Age Band	Rate (%)	Rate (%)
Less than or equal to 30	10	8
31-39	5	5
40-44	4.0	4.0
45-55	2.5	2.5
56-59	5	4

These tables translate into an average life expectancy in years for a pensioner retiring at age 60.

Long service award

The Group provides employees with a Long service award benefit – a cash award expressed as a proportion of Basic Salary together based on year of service. The group's mandatory retirement age is 60 years for all staff. The Scheme is unfunded.

Liability in the statement of financial position

The movement in the present value of Long service awards obligations over the year for both group and company is as follows:

	Group and Company	
	2025 N'000	2024 N'000
At 1 October	291,730	269,081
Current service cost	26,597	25,755
Interest cost	49,516	41,336
Actuarial losses -change in assumption	497	13,185
Actuarial losses/(gains) - experience adjustment	76,648	(37,336)
Benefits paid from the Employer	(36,100)	(20,291)
At 30 September	408,888	291,730

26. Employee benefit obligation (continued)

Sensitivity analysis

The sensitivities of the retirement benefit obligation to the principal assumptions adopted in the determining the liabilities are as follows:

	Change in assumption	Impact on retirement benefit obligation as at 30 September 2025
		N'000
Base		3,113,622
Discount rate	+1%	2,897,484
	-1%	3,356,842
Salary Increases	+1%	3,372,322
	-1%	2,880,633
Mortality experience	Age rated up by 1 year	3,113,919
	Age rated down by 1 year	3,113,347

The weighted average duration of the defined benefit obligation is 9.79 years.(2024 : 9.79).

Maturity Profile of the defined Obligation	Group and Company	
	2025 N'000	2024 N'000
Gratuity benefit plan		
Within the next 12 months (next annual reporting period)	186,564	229,039
Between 2 and 5 years	1,706,706	1,065,840
Between 5 and 10 years	4,570,368	3,596,735
Beyond 10 years	77,450,290	49,293,421
Total	83,913,928	54,185,035

Maturity Profile of the defined Obligation	Group and Company	
	2025 N'000	2024 N'000
Long service award		
Within the next 12 months (next annual reporting period)	47,672	33,281
Between 2 and 5 years	297,206	233,956
Between 5 and 10 years	631,054	472,688
Beyond 10 years	3,873,365	2,563,885
Total	4,849,297	3,303,810

27. Trade and other payables

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Financial instruments:				
Trade payables	2,505,068	4,412,478	2,127,702	3,846,633
Dealers' security deposit	681,910	359,117	477,493	179,517
Other credit balances	1,404,946	600,933	416,604	230,174
Accrued expenses	275,936	265,762	104,843	81,662
Dividends unclaimed (Note 27.3)	1,784,707	1,657,025	1,782,458	1,622,532
Sub-total Financial instrument	6,652,567	7,295,315	4,909,100	5,960,518
Non-financial instruments:				
Contract liability (Note 27.2)	1,266,696	1,561,522	1,266,696	1,561,522
Withholding tax payable	142,286	149,396	147,040	130,689
Other accounts payable (Note 27.1)	149,608	211,853	59,159	21,052
Minimum tax	-	381,019	-	381,019
Value added tax payable	448,467	515,488	25,434	189,185
	8,659,624	10,114,593	6,407,429	8,243,985

All trade payables are due within twelve (12) month.

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 90 days. No interest is charged by the Group's suppliers on all its outstanding balances. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 3. The Directors consider the carrying amount of trade and other payables to approximate their fair value.

27.1 .Other accounts payable These comprises of sundry creditors and various payroll related obligations due as at 30 September 2025.

Other statutory taxes comprises of payables relating to the following: Pension, Nigeria Social Insurance Trust Fund (NSITF), National Housing Fund (NHF), Industrial Training Fund (IFT), Pay-As-You-Earn (PAYE), Co-operative Union dues and staff gratuity for the subsidiaries (as there was no valuation done for this gratuity).

27.2 Contract liability -Represent customer cash deposit for products.The opening balance was transferred to revenue during the year as performance obligation is usually satisfied within one year . The closing balance represent advance from customer as at 30 September, 2025.

27. Trade and other payables (continued)

27.3 Unclaimed dividend.

Ageing of unclaimed dividend is shown below

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Age (Years)				
<12	62,327	29,649	62,327	29,649
<11	34,014	33,910	34,014	33,910
<10	34,582	34,692	34,582	34,692
<9	19,213	35,298	19,213	35,298
<8	30,932	19,647	30,932	19,647
<7	50,602	31,910	50,602	31,910
<6	98,054	52,191	98,054	52,191
<5	163,244	102,271	163,244	102,271
<4	348,525	173,551	348,525	173,551
<3	354,346	364,414	354,346	364,414
<2	358,120	370,342	358,120	370,342
<1	230,748	409,150	228,499	374,657
	1,784,707	1,657,025	1,782,458	1,622,532

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Balance at 1 October	1,657,025	1,438,098	1,622,532	1,405,472
Dividend declared with respect to prior year	1,888,852	2,445,082	1,313,410	1,951,317
Payments during the year to Registrars	(1,888,852)	(2,487,161)	(1,313,410)	(1,951,317)
Dividend declared with respect to prior year with Registrars	238,546	-	236,297	-
Unclaimed dividend above 15 (fifteen) months receivable from the registrar (see (iii) below)	-	334,581	-	334,581
Statute barred dividend transferred to retained earnings (see (i) below)	-	(7,923)	-	(51,869)
Payments made to Shareholders during the period	(110,864)	(65,652)	(76,371)	(65,652)
Balance at 30 September	1,784,707	1,657,025	1,782,458	1,622,532

(i) Unclaimed dividends received and transferred to retained earnings (statute barred dividends) represent dividends, which have remained unclaimed for over twelve (12) years and are therefore no longer recoverable or actionable by the shareholders in accordance with section 432 of the Companies and Allied Matters Act, 2020.

(ii) In accordance with the Securities and Exchange Commission (SEC) circular published in 2015, all Capital Market Registrars are to return unclaimed dividends, which have been in their custody for fifteen (15) months and above to the paying companies.

(iii) As at 30 September 2025, N954.46 million (2024: N479.78 million) of the total dividend payable is held with the Company's registrar, Meristem Registrars and unclaimed dividend trust fund. The balance at year-end is included in trade and other receivables.

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
28. Share capital				
Issued and fully paid 1,250,844,064 Ordinary shares of 50 kobo each	625,422	625,422	625,422	625,422
28.1 The changes in reserves for the year is as follows;				
Movement in reserves :				
Reported as at 1 October 2024	8,871,013	188,809	8,526,158	456,790
Increase in the fair value of nvestments	4,181	5,820	4,181	5,820
Foreign currency translation difference during the year	(165,173)	612,836	-	-
(Decrease)/increase in revaluation of land arising from difference in capital allowance rate	(1,791,900)	8,063,548	(1,791,900)	8,063,548
	6,918,121	8,871,013	6,738,439	8,526,158

The reserves represent the following.:

- i. Foreign currency translation reserves arising from translation of foreign subsidiary.
- ii. Valuation of investments in quoted shares.
- iii. Revaluation reserves arising from revaluation of land and difference in capital allowance rate

29. Basic and diluted earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

29.1 From continuing operation

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Net profit/(loss) attributable to shareholders (N'000)	13,511,380	359,704	11,791,101	(906,511)
Weighted number of ordinary shares in issue as at year end (000)	1,250,844	1,250,844	1,250,844	1,250,844
Earnings/(loss) per share (Kobo)	1,080	29	943	(72)

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There were no potentially dilutive ordinary shares during the year, hence basic earnings per share and diluted earnings per share have the same values.

30. Dividends paid

Paid dividends in the last 2 years

The following dividend were paid by the Group and company for the respective years indicated:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Dividend paid	1,657,510	2,245,991	1,313,386	1,951,318

Dividends of N1.313 billion (N1.05 per share) was paid by Vitafoam Nigeria Plc(Company) in the year 2025 (2024:N1.951 billion N1.56 per share). Vitablom Nigeria Limited also paid a dividend of N181.691 million (N0.70 per share) , Vitavisco Nigeria Limited paid a dividend of N93.775 million (N1.20 per share) and Vitapur Nigeria Limited paid a dividend of N300 million (N1.50 per share) for the same period.

31. Cash generated from operations

Profit/(loss) before taxation	21,480,472	1,145,324	17,493,868	(1,059,811)
Adjustments for:				
Depreciation and amortisation (Note 40)	1,049,032	1,086,761	525,892	592,815
(Profit)/loss on disposal of asset (Note 8.3)	(13,570)	64,990	(13,404)	64,990
Finance income (Note 12)	(10,910)	(866,562)	(10,544)	(866,332)
Finance costs	5,810,529	6,772,939	5,653,396	6,749,587
Interest on Plan asset	(276,178)	(181,758)	(276,178)	(181,758)
Interest on defined benefit obligation	416,078	359,879	416,078	359,879
Net impairment loss on subsidiaries (Note 38)	-	-	123,900	-
Effects of exchange rate movement on cash balance	15,972	27,783	15,972	27,783
Deferred income - government grant (Note 8)	(167,619)	-	(167,619)	-
Translation effect of foreign subsidiary Profit or loss items	(28,312)	(30,654)	-	-
Service cost (Note 26)	206,754	200,464	206,754	200,464
Actuarial losses/(gains) on long service award (Note 26)	77,145	(24,151)	77,145	(24,151)
Changes in working capital:				
Increase in inventories	(8,191,369)	(6,246,410)	(5,876,568)	(4,521,351)
(Increase)/decrease in trade and other receivables	(209,176)	(2,067,744)	1,346,454	(3,233,040)
(Increase)/decrease in other assets	(2,793,076)	655,354	(3,096,929)	1,356,094
(Decrease)/increase in trade and other payables	(1,454,971)	5,200,500	(1,836,555)	4,633,247
Increase in deferred income	604,768	-	473,935	-
	16,515,569	6,096,715	15,055,597	4,098,416

32. Contingent liabilities

Pending litigations and claims:

In the opinion of the directors and based on independent legal advice on the review of our current pending litigations, the Company is not expected to suffer any material loss arising from any claim. Thus, no provision has been made in these financial statements.

33. Commitments and guarantees

Financial commitments

Capital commitments

- Capital expenditure authorised by the directors but not contracted was Nil (2024: Nil)
- Capital expenditure contracted but not provided for in the financial statements was Nil (2024: Nil)

34. Directors and employees information

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Directors' emoluments				
Remuneration paid to the directors is as follows:				
Basic	194,510	163,543	194,510	163,543
Other emoluments	231,115	236,837	231,115	236,837
	425,625	400,380	425,625	400,380
Directors fee payment made to non-executive directors, Group: N7.19 million (2024: N7.19 million) , Company: N1.850 million (2024: N1.850 million)				
Chairman	24,149	24,149	24,149	24,149
Emoluments of the highest paid director	97,174	72,963	97,174	72,963

The number of directors excluding the chairman whose emoluments were within the following ranges were:

In numbers	Number	Number	Number	Number
N6,000,000 - N12,000,000	6	6	6	6
N12,300,001 and above	4	5	4	5
	10	11	10	11

Employees

The average number of persons employed by the Group and Company during the year were as follows:

In numbers	Number	Number	Number	Number
Management	194	179	115	112
Non-management	487	487	323	321
	681	666	438	433

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

34. Directors and employees information (continued)

The breakdown of employee emoluments are as follows:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Employee cost charged to cost of sales (Note 7)	557,705	281,609	362,746	281,609
Employee cost charged to Administrative expenses (Note 9)	4,676,011	3,863,264	3,600,594	2,941,274
	5,233,716	4,144,873	3,963,340	3,222,883

Employee cost charged to administrative expenses comprise of the following;

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Employee Salary and other emoluments	4,024,427	3,301,115	3,019,011	2,436,441
Service Cost (Note 26)	206,754	200,464	206,754	200,464
Interest on defined benefit obligation (Note 26)	416,078	359,879	416,078	359,879
Interest on plan asset (Note 26)	(276,178)	(181,758)	(276,178)	(181,758)
Actuarial losses/(gains) on long service award (Note 26)	77,145	(24,151)	77,145	(24,151)
Pension contribution	227,785	207,715	157,784	150,399
	4,676,011	3,863,264	3,600,594	2,941,274

Salary band was determined by considering the basic salary pay of employees. The range is as shown below:

N	Number	Number	Number	Number
300,001 - 400,000	8	18	-	-
400,001 - 500,000	-	21	-	-
500,001 - 600,000	37	42	10	9
600,001 - 700,000	27	53	17	35
700,001 - 800,000	27	27	5	9
800,001 - 900,000	51	35	32	30
900,001 - 1,000,000	22	44	8	34
1,000,001 - 1,100,000	16	63	7	56
1,100,001 - 1,200,000	30	68	15	49
1,200,001 - 1,300,000	30	32	27	25
1,300,001 - 1,400,000	34	32	23	28
1,400,001 - 1,500,000	39	26	33	21
1,500,001 - 2,000,000	137	48	122	35
2,000,001 - 2,500,000	53	25	31	12
2,500,001 - 3,000,000	24	17	11	11
3,000,001 - 3,500,000	18	26	12	14
3,500,001 - 4,000,000	11	20	6	13
4,000,001 - 4,500,000	13	17	5	10
4,500,001 - 5,000,000	16	7	10	6
5,000,001 - 5,500,000	13	9	10	7
5,500,001 - 6,500,000	23	7	13	7
6,500,001 - 8,000,000	18	2	18	1
8,000,001 - 9,000,000	4	9	4	7
9,000,001 - 11,000,000	-	1	-	1
Above 11,000,000	30	17	19	13
	681	666	438	433

35. Related parties

Related party balances

The following are the amount due from/(to) subsidiaries:

	Group	Company			
		2025 N '000	2024 N '000	2025 N '000	2024 N '000
Due from/(to) related entities	Nature of relationship				
Vitavisco Nigeria Limited	Subsidiary	-	-	(400,491)	(138,154)
Vitafoam Sierra Leone	Subsidiary	-	-	1,884,330	2,943,102
Vono Furniture Products Limited	Subsidiary	-	-	137,140	125,943
Vitablom Nigeria Limited	Subsidiary	-	-	(477,216)	(90,990)
Vitapur Nigeria Limited	Subsidiary	-	-	46,051	(146,186)
Vitaparts Nigeria Limited	Subsidiary	-	-	606,015	642,934
Gross carrying amount		-	-	1,795,829	3,336,649
Loss allowance (Note 35.1)		-	-	(24,953)	(34,188)
		-	-	1,770,876	3,302,461

The related parties balances are current accounts with the parent.

35.1 Reconciliation of loss allowance for related party receivables movement

Allowance as 1 October	-	-	34,188	36,191
Impairment provision/(write-back) during the year (Note 20)	-	-	(9,235)	(2,003)
Allowance as at 30 September	-	-	24,953	34,188

35.2 Loss allowance on related party receivable balances per staging

	Estimated gross carrying amount at default	2025 Loss allowance (Stage 1 ECL)	Total	Estimated gross carrying amount at default	2024 Loss allowance (Stage 1 ECL)	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Due from related parties	2,698,489	(24,953)	2,673,536	3,599,981	(34,188)	3,565,793
At 30 September	2,698,489	(24,953)	2,673,536	3,599,981	(34,188)	3,565,793

All balance due from related parties are impaired under stage 1 expected credit loss allowance.

35.3 The following table explains changes in loss allowance between the beginning and end of the annual period

Allowance as 1 October	-	-	34,188	36,191
Changes in PDs, EADs and LGDs	-	-	(9,235)	(2,003)
Allowance as at 30 September	-	-	24,953	34,188

Related party transactions

During the year the Company entered into transactions with its related parties. The transactions were in the ordinary course of business. Transactions with subsidiaries were at arm's length. Transactions with subsidiaries are eliminated in the Group consolidated accounts. The following transactions were carried out with related parties.

35. Related parties (continued)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Sales of goods and services				
Vitablom Nigeria Limited	-	-	23,430	20,066
Vono Furniture Products Limited	-	-	368,445	314,746
	-	-	391,875	334,812
Purchases from related parties				
Vitablom Nigeria Limited	-	-	4,194,090	2,770,065
Vitavisco Nigeria Limited	-	-	2,286,062	1,202,804
Vono Furnitures Products Limited	-	-	297,452	365,596
Vitapur Nigeria Limited	-	-	1,348,618	1,350,087
	-	-	8,126,222	5,688,552

Balances arising from sales/purchases of goods and services are revolving balances settled within 30 days after the end of the month. All intercompany trading balances are off-set against one and other and difference in settled in cash.

35.2 Related party transactions

The company controls a number of related parties in which it has controlling interest. This has been detailed in Note 38.

35.3 Key management personnel compensation

Key management includes executive directors, the Company Secretary and Head of departments.

Details of their compensation is shown as follows; No loans were advanced to any key personnel management during the year.

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Short term benefit	-	-	324,210	303,123
Long term benefit	-	-	32,421	30,312
	-	-	356,631	333,435

35.4 Transaction with key management personnel

Mr. Gerson P. Silva (Non-Executive Director) is associated with a company/firm that had total transaction of N434.85 million that relates to purchase of chemicals with Vitafoam Nigeria Plc during the year.

36. Segment information

IFRS 8 'Operating segments requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Managing Director of the parent Company. The Managing Director has the responsibility for planning and controlling the activities of the Group.

36. segment Information (continued)

The Group operating segment information is presented on a product basis. The Chief Operating Decision Maker receives operating and financial information on a monthly basis which is based on the product groupings. The group's has two major product segments -Foam products and Furniture/other products. The foam products include flexible and rigid foam based products, as well as the group's latest innovation- memory foams. Furniture and other products include wood and metal based furnitures, fibres and others. Transactions between segments are at same range of prices available to the group key distributors. All segments have the same accounting policies as the Group.

The Managing Director assesses the performance of the operating segments based on operating profits. No information on segment assets or liabilities is reviewed by the CODM, therefore information on segment assets and liabilities have been disclosed.

	Group	
Operating profits	2025 N'000	2024 N'000
Foam products	27,192,610	7,562,915
Furniture/other products	87,481	48,370
	27,280,091	7,611,285
Revenue is generated from local and international sales. An analysis based on customer location is set out below:		
Within Nigeria	106,465,139	79,199,843
Outside Nigeria (Sierra Leone)	4,914,199	3,440,045
Total revenue	111,379,338	82,639,888
The following is an analysis of the Group revenue from continuing operations from its major products:		
Foam products	109,866,702	81,559,313
Furniture/other products	1,512,636	1,080,575
Total revenue	111,379,338	82,639,888
36.1 Segment total assets and liabilities		
Total assets which for the purpose of segment disclosures include property plant and equipment, investment property, intangible assets and equity investments excluding deferred tax assets are allocated between geographical areas as follows		
Total assets		
Within Nigeria	58,696,756	45,742,371
Outside Nigeria (Vitafoam Sierra Leone)	5,679,346	5,605,871
Total	64,376,102	51,348,242
Total liabilities		
Within Nigeria	28,019,113	23,390,088
Outside Nigeria (Vitafoam Sierra Leone)	1,701,815	3,790,856
Total	29,720,928	27,180,944

The following is an analysis of the total segment assets and liabilities by product line:

36. segment Information (continued)

Foam products	63,845,195	50,851,195
Furniture/other products	530,907	497,047
Total segment assets	64,376,102	51,348,242
From products	29,198,816	26,638,553
Furniture/other products	522,112	542,391
Total segment liabilities	29,720,928	27,180,944

For the purposes of monitoring segment performance and allocating resources between segments the CODM monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of investments in subsidiaries, other financial assets (except for trade and other receivables) (see Note 20) and tax assets

36.2 Revenues from major products and services

The Group's revenues from its major products and services are disclosed in Note 6.

36.3 Information about major customers

No single external customer either within or outside Nigeria contributed up to 10% of the revenue for the year. Therefore, information on major customers is not presented.

37. Events after the reporting period

On December 19, 2025, the Board of Directors approved a dividend payment in respect of the year ended 30 September 2025 of N3 per share amounting to a total dividend of N3.753 billion is proposed by Vitafoam Nigeria Plc while a dividend of N1 per share amounting to N259.559 million is proposed by Vitablom Nigeria Limited, a dividend of N2 per share amounting to N156.292 million is proposed by Vitavisco Nigeria Limited and a dividend of N2.25 per share amounting to N450 million is proposed by Vitapur Nigeria Limited. There were no other post-balance sheet events that could have material effect on the state of affairs of the Group as at 30 September 2025.

38. Investment in subsidiaries (at cost)

All subsidiaries have the same year end as the parent. The investments represent cost of shares in subsidiaries. They exclude loans to subsidiaries as these are to be repaid and do not represent an increase in the parent's net investment in the subsidiaries

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Notes to the Consolidated and Separate Financial Statements (Cont'd)

Company

	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares directly held by parent 2025	Proportion of ordinary shares directly held by parent 2024	Carrying amount 2025 N'000	Carrying amount 2024 N'000
Vitafoam Sierra Leone Limited	Sierra Leone	Manufacture of foam and allied products	91.28 %	91.28 %	1,316,909	1,316,909
Vitapur Nigeria Limited	Nigeria	Manufacturing of Insulation Products	40.08 %	40.08 %	132,225	132,225
Vitablom Nigeria Limited	Nigeria	Fibre processing and soft furnishing company	40.64 %	40.64 %	103,066	103,066
Vitavisco Nigeria Limited	Nigeria	Production and sales of Visco elastic foam and latex products	40.00 %	40.00 %	32,421	32,421
Vono Furnitures Products Limited	Nigeria	Manufacture of furniture products	100.00 %	100.00 %	134,864	134,863
Vitaparts Nigeria Limited	Nigeria	Manufacture of motor vehicle oil filters	52.95 %	52.95 %	123,900	123,900
Impairment of investment in subsidiary					1,843,385 (258,764)	1,843,384 (134,863)
					1,584,621	1,708,521
Impairment						
At October 1 impairment			-	-	134,863	134,863
			-	-	123,901	-
At September 30			-	-	258,764	134,863

All subsidiary undertakings are consolidated in these financial statements. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held and there are no restriction on the company ability to control the subsidiaries.

38. Investment in subsidiaries (at cost) (continued)

Summarised financial information on subsidiaries

Set out below are the summarised financial information for major subsidiaries of the group

	Vitaparts Nigeria Ltd	Vitafoam Sierra Leone Limited	Vitapur Nigeria Limited	Vitablom Nigeria Limited	Vitavisco Nigeria Limited	Vono Furnitures
30 September 2025						
Current assets	178,900	4,526,448	3,802,267	1,856,000	1,102,224	471,607
Non-current assets	150,194	1,955,155	389,801	448,536	385,188	87,389
Current liabilities	(597,632)	(2,738,501)	(1,862,323)	(1,037,081)	(456,266)	(517,351)
Non-current liabilities	(42,449)	-	(723,876)	(75,147)	(255,220)	-
Equity	(310,988)	(3,743,103)	(1,605,869)	(1,192,308)	(778,925)	(41,644)
Profit or loss items						
Revenue	179,474	4,914,199	7,220,638	5,325,660	3,385,424	1,512,636
Cost of sales	(118,665)	(2,217,049)	(5,478,521)	(4,171,613)	(2,294,019)	(1,099,839)
Expenses	(196,424)	(889,223)	(684,728)	(553,565)	(486,376)	(326,926)
Retained income/ (loss)	(116,828)	1,431,573	759,371	398,451	418,702	86,989
30 September, 2024						
Current assets	249,461	4,411,385	1,862,170	934,967	579,894	401,101
Non-current assets	267,251	2,118,919	327,153	500,299	147,019	108,341
Current liabilities	(665,168)	(3,849,574)	(1,056,115)	(419,886)	(210,632)	(554,978)
Non-current liabilities	-	-	(104,675)	(67,805)	(69,212)	-
Equity	148,456	(1,425,757)	(1,028,233)	(947,575)	(447,070)	45,539
Profit or loss items						
Revenue	88,352	3,440,045	5,054,658	3,646,639	1,860,738	1,080,575
Cost of sales	(50,953)	(1,656,107)	(3,563,078)	(2,947,856)	(1,206,300)	(778,879)
Expenses	(168,990)	(1,048,127)	(1,026,253)	(373,245)	(439,835)	(275,489)
Retained income /(loss)	(131,096)	803,580	465,327	217,434	214,603	26,207

39. Other comprehensive income

Components of other comprehensive income - Group - 2025

Items that will not be reclassified to profit	Gross N'000	Tax N'000	Net N'000
Remeasurements on net defined benefit liability/asset Remeasurements on net defined benefit liability/asset	(600,210)	198,069	(402,141)
Movements on valuation of equity investments Gains on valuation	4,181	-	4,181
Movements on revaluation Gains on property revaluation	-	(1,791,900)	(1,791,900)
Total items that will not be reclassified to profit/(loss)	(596,029)	(1,593,831)	(2,189,860)
Items that may be reclassified to profit			
Exchange differences on translating foreign operations Exchange differences arising during the year	(165,173)	-	(165,173)
Total	(761,202)	(1,593,831)	(2,355,033)

Components of other comprehensive income - Group - 2024

Items that will not be reclassified to profit/(loss)	Gross N'000	Tax N'000	Net N'000
Remeasurements on net defined benefit liability/asset Remeasurements on net defined benefit liability/asset	370,133	(186,700)	183,433
Movements on valuation of equity investments Gains on valuation	5,820	-	5,820
Movements on revaluation Gains on property revaluation	8,959,498	(895,950)	8,063,548
Total items that will not be reclassified to profit (loss)	9,335,451	(1,082,650)	8,252,801
Items that may be reclassified to profit/(loss)			
Exchange differences on translating foreign operations Exchange differences arising during the year	612,836	-	612,836
Total	9,948,287	(1,082,650)	8,865,637

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Components of other comprehensive income - Company - 2025

Items that will not be reclassified to profit/(loss)	Gross N'000	Tax N'000	Net N'000
Remeasurements on net defined benefit liability/asset Remeasurements on net defined benefit liability/asset	(600,210)	198,069	(402,141)
Movements on valuation of equity investments Gains on valuation	4,181	-	4,181
Movements on revaluation Gains/(losses) on property revaluation	-	(1,791,900)	(1,791,900)
Total items that will not be reclassified to profit/(loss)	(596,029)	(1,593,831)	(2,189,860)

Components of other comprehensive income - Company - 2024

Items that will not be reclassified to profit/(loss)	Gross N'000	Tax N'000	Net N'000
Remeasurements on net defined benefit liability/asset Remeasurements on net defined benefit liability/asset	370,133	(186,700)	183,433
Movements on valuation of equity investments Gains on valuation	5,820	-	5,820
Movements on revaluation Gains (losses) on property revaluation	8,959,498	(895,950)	8,063,548
Total items that will not be reclassified to profit	9,335,451	(1,082,650)	8,252,801

40. Depreciation and amortisation

The following items are included within depreciation and amortisation in the statement of profit or loss:

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
Depreciation				
Property, plant and equipment	1,027,386	1,059,901	433,771	498,135
Right-of-use assets	7,146	7,146	7,146	7,146
Investment property	-	-	72,278	72,278
	1,034,532	1,067,047	513,195	577,559
Amortisation				
Intangible assets	14,499	19,714	12,698	15,256
Total depreciation and amortisation				
Depreciation	1,034,532	1,067,047	513,195	577,559
Amortisation	14,499	19,714	12,698	15,256
	1,049,031	1,086,761	525,893	592,815
Cost of sales	508,536	588,005	217,280	208,634
Admin	540,495	498,756	308,613	384,181
	1,049,031	1,086,761	525,893	592,815

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Notes to the Consolidated and Separate Financial Statements (Cont'd)

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
41. Finance lease receivables				
Gross investment in the lease due in second to fifth year inclusive	86,352	55,211	86,352	55,211
-Additions	91,801	83,006	91,801	83,006
- repayment	(57,012)	(51,865)	(57,012)	(51,865)
Net investment in the lease	121,141	86,352	121,141	86,352
Non-current assets	121,141	86,352	121,141	86,352
Current assets	-	-	-	-
	121,141	86,352	121,141	86,352

The group entered into finance leasing arrangements for its dealers to own their truck after full payment of the lease rental .

The average lease terms are 2 years and the average effective lending rate was 30 % (2024: 30.00%).

42. Right of use assets

Group

Cost	Buildings N '000	Total N '000
At 1 October 2023	229,909	229,909
At 30 September 2024	229,909	229,909
At 1 October 2024	229,909	229,909
At 30 September 2025	229,909	229,909
Depreciation and impairment		
At 1 October 2023	38,871	38,871
Depreciation	7,146	7,146
At 30 September 2024	46,017	46,017
At 1 October 2024	46,017	46,017
Charge for the year	7,146	7,146
At 30 September 2025	53,163	53,163
Carrying amount		
At 30 September 2024	183,892	183,892
At 30 September 2025	176,747	176,747

Company

	Buildings N '000	Total N '000
Cost		
At 1 October 2023	229,909	229,909
At 30 September 2024	229,909	229,909
At 1 October 2024	229,909	229,909
At 30 September 2025	229,909	229,909
Depreciation and impairment		
At 1 October 2023	38,871	38,871
Depreciation	7,146	7,146
At 30 September 2024	46,017	46,017
At 1 October 2024	46,017	46,017
Charge for the year	7,146	7,146
At 30 September 2025	53,163	53,163
Carrying amount		
At 30 September 2024	183,892	183,892
At 30 September 2025	176,747	176,747

The Group leases warehouse and factory facilities. The leases typically run for a period of 2 to 15 years, with an option to renew the lease after that date. Lease payments are renegotiated at the end of the lease term in order to reflect market rentals. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The warehouse and factory leases were entered into in the prior year as a lease of just buildings.

42. Right of use assets (continued)

The Group also has leases of other warehouses with contract terms of less than one year. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The amounts recognised in profit/(loss) in relation to leases has been presented in Note 42.1 and the extension options for the leases has been presented in Note 42.2

The maturity analysis of lease liabilities is presented in Note 43.

42.1. Amounts recognised in profit/(loss) for leases

	2025 N'000	2024 N'000
Interest expense on lease liabilities (included in finance cost)	22,079	26,894
Expenses relating to leases of low-value assets (included in administrative expenses)	32,978	20,930
Depreciation expense on right-of-use assets (included in administrative expenses)	7,145	6,550
	62,202	54,374

42.2. Extension options for leases

One of the property leases contains an extension option exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

43. Lease liabilities

	Group		Company	
	2025 N '000	2024 N '000	2025 N '000	2024 N '000
At 1 October	208,610	181,716	208,610	181,716
Payments made during the year	(91,252)	-	(91,252)	-
Interest on lease liabilities	22,079	26,894	22,079	26,894
At 30 September	139,437	208,610	139,437	208,610

44. Non-audit services

- i.No non-audit service has been rendered by Pricewaterhousecoopers to the Group.
- ii.Non-audit and other forms of assurance service has been rendered on the financial statements.

The details of the professional firms are disclosed below:

Name of Signer	FRC Number	Firm's FRC Number	Name of Firm	Services Rendered
Miller Kingsley(FINAS,FSA)	FRC/2012/00000002392	FRC/2023/COY/209403	Ernst & Young	Actuarial Valuation Services
Ogunbamowo Olukunle	FRC/2013/ICAN/00000000818	FRC/2022/COY/091021	Deloitte & Touche	Tax Services
Jide Taiwo	FRC/2012/000000000254	FRC/2012/000000002540	Jide Taiwo Estate Surveyors & Valuers	Property Valuation

Value Added Statement

	2025 N '000	2025 %	2024 N '000	2024 %
Group				
Value Added				
Revenue	111,379,338		82,639,888	
Interest received	10,910		866,562	
Other gains and losses	773,987		603,110	
- Local	(15,836,045)		(26,912,672)	
- Foreign	(62,806,876)		(43,595,777)	
Total Value Added	33,521,314	100	13,601,111	100
Value Distributed				
To Pay Employees				
Salaries, wages, medical and other benefits	5,233,716		4,144,873	
	5,233,716	16	4,144,873	30
To Pay Providers of Capital				
Finance costs	5,810,529		6,772,939	
Share of profit to non-controlling interest	1,025,841		592,486	
	6,836,370	20	7,365,425	54
To Pay Government				
Income tax	5,259,539		748,890	
Minimum tax	-		381,463	
Police Trust Fund levy	995		70	
Education tax	622,555		53,373	
	5,883,089	18	1,183,796	9
To be retained in the business for expansion and future wealth creation:				
Depreciation and amortisation	996,594		1,156,506	
Deferred tax	1,060,163		(609,199)	
	2,056,757	6	547,307	4
Value retained				
Retained profit	13,511,382		359,710	
	13,511,382	40	359,710	3
Total Value Distributed	33,521,314	100	13,601,111	100

Value added represents the additional wealth which the group has been able to create by its own and employees efforts.

This statement shows the allocation of that wealth among employees, government, capital providers and that retained in the business for expansion and future creation of more wealth.

Value Added Statement

	2025 N '000	2025 %	2024 N '000	2024 %
Company				
Value Added				
Revenue	97,403,303		73,492,246	
Interest received	10,544		866,332	
Other gains and losses	931,468		771,096	
- Local	(13,594,732)		(20,548,557)	
- Foreign	(57,127,549)		(44,715,899)	
Total Value Added	27,623,034	100	9,865,218	100
Value Distributed				
To Pay Employees				
Salaries, wages, medical and other benefits	3,963,340		3,222,883	
	3,963,340	14	3,222,883	33
To Pay Providers of Capital				
Finance costs	5,653,396		6,749,587	
	5,653,396	20	6,749,587	68
To Pay Government				
Income tax	4,088,073		-	
Police levy	874		-	
Education tax	540,897		-	
Minimum tax	-		381,019	
	4,629,844	17	381,019	4
To be retained in the business for expansion and future wealth creation:				
Depreciation and amortisation	512,430		571,540	
Deferred tax	1,072,923		(153,300)	
Retained profit/(loss)	11,791,101		(906,511)	
	13,376,454	48	(488,271)	(5)
Value retained				
Retained profit/(loss)	11,791,101		(906,511)	
	-	-	-	-
Total Value Distributed	27,623,034	100	9,865,218	100

Value added represents the additional wealth which the company has been able to create by its own and employees efforts.

This statement shows the allocation of that wealth among employees, government, capital providers and that retained in the business for expansion and future creation of more wealth.

Five-year Financial Summary

	2025 N '000	2024 N '000	2023 N '000	2022 N '000	2021 N '000
Group					
Statement of Financial Position					
Assets					
Non-current assets	17,176,064	17,211,945	7,597,557	6,590,523	6,803,882
Net-current assets	26,517,117	13,497,056	11,211,473	10,875,221	8,536,970
Total assets	43,693,181	30,709,001	18,809,030	17,465,744	15,340,852
Liabilities					
Non-current liabilities	(8,138,720)	(5,679,218)	(1,402,952)	(1,797,226)	(2,405,171)
Net assets	35,554,461	25,029,783	17,406,078	15,668,518	12,935,681
Equity					
Share capital	625,422	625,422	625,422	625,422	625,422
Reserves	6,918,121	8,871,013	188,809	286,218	195,827
Retained earnings	25,869,820	14,073,967	15,430,279	13,750,771	11,333,365
Non-controlling interest	2,141,098	1,459,381	1,161,568	1,006,107	781,067
Total equity	35,554,461	25,029,783	17,406,078	15,668,518	12,935,681
Consolidated and separate statement of Profit and loss and Other Comprehensive income					
Revenue	111,379,338	82,639,888	52,986,466	46,310,015	35,404,072
Profit before taxation	21,480,472	1,145,324	6,004,112	7,214,360	7,341,723
Taxation	(6,943,251)	(193,134)	(1,630,155)	(2,692,082)	(2,744,677)
Profit from continued operations	14,537,221	952,190	4,373,957	4,522,278	4,597,046
Profit for the year	14,537,221	952,190	4,373,957	4,522,278	4,597,046
Non-controlling interest	(1,025,841)	(592,486)	(434,518)	(298,797)	(359,739)
Profit attributable to owners of the parent retained	13,511,380	359,704	3,939,439	4,223,481	4,237,307
Per share data					
Earnings per share (Basic & diluted)	1,080	29	315	338	339
Net assets per share	2,842	2,001	1,392	1,253	1,034

Earnings per share are based on profit/(loss) after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share is based on net assets and the number of issued and fully paid ordinary shares at the end of each financial year.

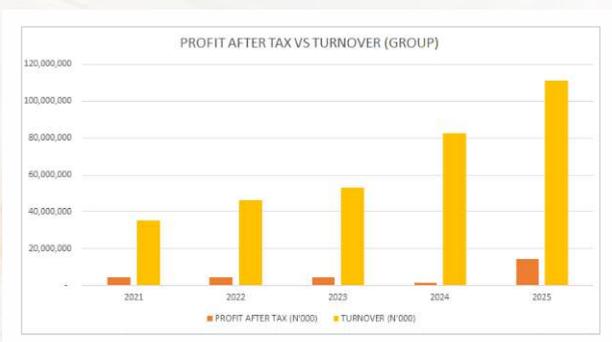
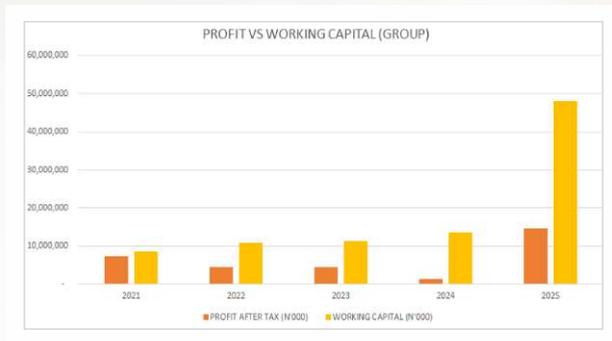
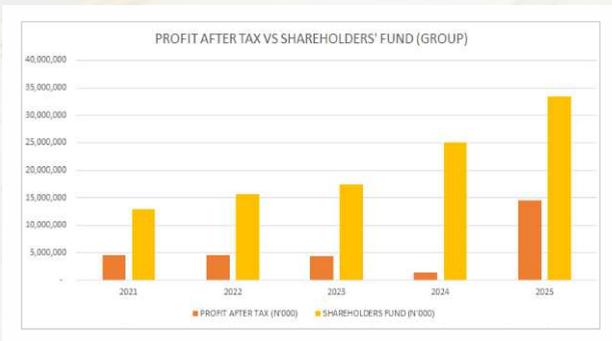
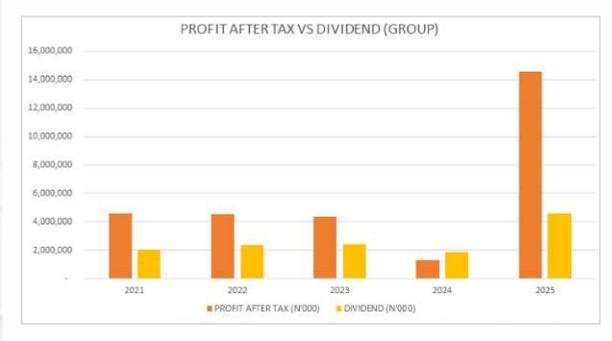
Five-year Financial Summary

	2025 N '000	2024 N '000	2023 N '000	2022 N '000	2021 N '000
Company					
Statement of Financial Position					
Assets					
Non-current assets	15,314,840	15,456,882	6,929,497	6,127,217	5,886,882
Net current assets	21,079,410	11,749,351	10,663,638	10,572,774	8,571,937
Total assets	36,394,250	27,206,233	17,593,135	16,699,991	14,458,819
Liabilities					
Non-current liabilities	(6,481,525)	(5,581,360)	(1,415,103)	(1,686,918)	(2,057,697)
Net assets	29,912,725	21,624,873	16,178,032	15,013,073	12,401,122
Equity					
Share capital	625,422	625,422	625,422	625,422	625,422
Reserves	6,738,439	8,526,158	456,790	450,892	443,977
Retained earnings	22,548,864	12,473,293	15,095,820	13,936,759	11,331,723
Total equity	29,912,725	21,624,873	16,178,032	15,013,073	12,401,122
Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income					
Revenue	97,403,303	73,492,246	47,723,375	42,128,595	32,007,979
profit/(loss) before taxation	17,493,868	(1,059,811)	4,929,600	6,748,246	6,779,894
Taxation	(5,702,767)	153,300	(1,510,608)	(2,337,135)	(2,395,035)
Profit/(loss) after tax	11,791,101	(906,511)	3,418,992	4,411,111	4,384,859
Profit/(loss) for the year	11,791,101	(906,511)	3,418,992	4,411,111	4,384,859
Retained income/(loss) for the year	11,791,101	(906,511)	3,418,992	4,411,111	4,384,859
Per share data					
Earnings per share (Basic & diluted)	943	(72)	273	353	351
Net assets per share	2,391	1,729	1,293	1,200	991

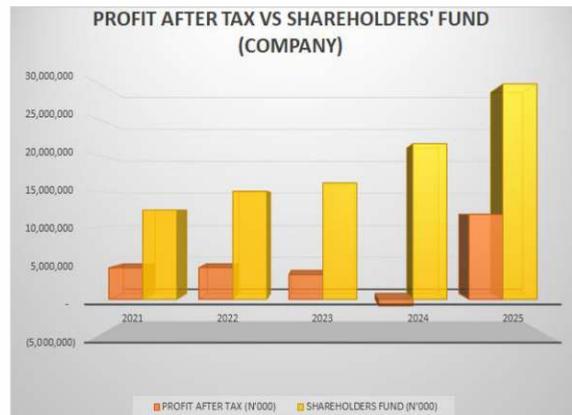
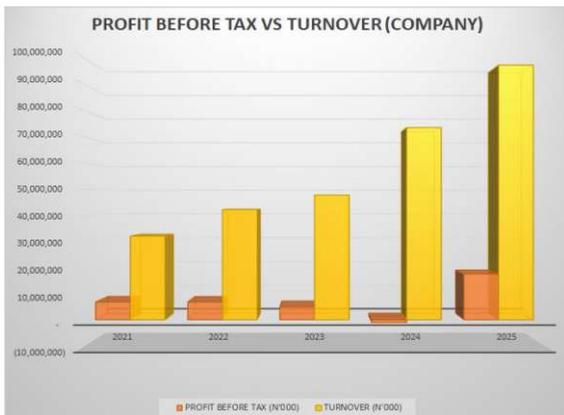
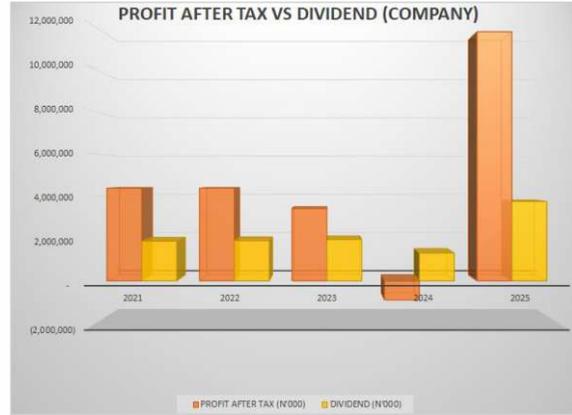
Earnings per share are based on profit/(loss) after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

Net assets per share is based on the net assets total and the number of issued and fully paid ordinary shares at the end of each financial year.

Consolidated and Separate Financial Statements for the year ended 30 September 2025
Performance Indicator 2025 (Group)



Performance Indicator 2025 (Company)



Vitafoam Dividend History

DIVIDEND NUMBER	DIVIDEND TYPE	AMOUNT OF DIVIDEND DECLARED	DIVIDEND RATE DECLARED (KOBO)	DATE OF PAYMENT	UNCLAIMED DIVIDEND AMOUNT	STATUE BARRED?
31	FINAL	204,750,054.56	25	3/21/2008	-	YES
32	FINAL	245,700,000.00	30	3/20/2009	-	YES
33	FINAL	204,750,053.33	25	3/19/2010	-	YES
34	FINAL	245,700,000.00	30	3/4/2011	-	YES
35	FINAL	245,700,000.00	30	3/8/2012	-	YES
36	FINAL	245,700,000.00	30	3/8/2013	29,649,237.03	NO
37	FINAL	245,700,000.00	30	3/10/2014	33,909,652.62	NO
38	FINAL	245,700,000.00	30	6/9/2015	34,692,397.47	NO
39	FINAL	245,700,000.00	25	3/14/2016	35,297,762.95	NO
40	FINAL	125,084,406.36	12	3/9/2017	19,647,305.71	NO
41	FINAL	156,355,507.95	15	3/9/2018	31,910,041.35	NO
42	FINAL	260,592,513.25	25	3/8/2019	52,191,049.76	NO
43	FINAL	525,354,506.88	42	3/5/2021	102,271,256.83	NO
44	FINAL	875,590,844.80	70	3/5/2021	173,551,360.08	NO
45	FINAL	1,876,266,096.00	1.5	4/3/2022	364,413,944.70	NO
46	FINAL	1,901,282,977.28	1.52	2/3/2023	370,341,711.04	NO
47	FINAL	1,951,316,739.84	1.56	7/3/2024	374,656,492.13	NO
48	FINAL	1,313,386,267.20	1.05	3/6/2025	228,498,969.52	NO

SHARE CAPITALISATION HISTORY

Date	Authorized (N)		Issued (N)		No. of Shares	Consideration	Share Ratio
	Increase	Cumulative	Increase	Cumulative			
1978	-	5,480,000	-	5,480,000	10,960,000	-	-
1978 20 June	8,170,000	13,650,000	8,170,000	13,650,000	27,300,000	Cash	-
1978 30 March	4,550,000	18,200,000	4,550,000	18,200,000	36,400,000	Bonus	-
1991 11 April	18,200,000	36,400,000	18,200,000	36,400,000	72,800,000	Bonus	1:1
1995 9 March	113,600,000	150,000,000	36,400,000	72,800,000	145,600,000	Bonus	1:1
1998 26 Feb.	-	150,000,000	72,800,000	145,600,000	291,200,000	Bonus	1:1
1999 25 Feb.	450,000,000	600,000,000	-	145,600,000	291,200,000	-	-
2000 24 Feb.	-	600,000,000	72,800,000	218,400,000	436,800,000	Bonus	1:2
2003 6 March	-	600,000,000	109,200,000	327,600,000	655,200,000	Bonus	1:2
2006 2 March	-	600,000,000	81,900,000	409,500,000	819,000,000	Bonus	1:4
2010 4 March	-	1,200,000,000	-	409,500,000	819,000,000	-	-
2015 4 June	-	1,200,000,000	81,900,000	491,400,000	982,800,000	Bonus	1:5
2016 7 March	-	1,200,000,000	59,570,053	521,185,026	1,042,370,053	Scheme of merger with Vono	1:5
2019 7 March	-	1,200,000,000	104,207,000	625,422,531	1,250,844,064	Bonus	1:5



VITAFOAM NIGERIA PLC RC 3094

Annual General Meeting to be held at NECA Auditorium, Hakeem Balogun Street, Central Business District, Alausa, Ikeja, Lagos State on Thursday, 5th March, 2026 at 10.00 a.m.

PROXY FORM

I / We being a member/members of VITAFOAM NIGERIA PLC, hereby appoint* or failing him, the Chairman of the meeting as my/our proxy to vote for me/us or on my/our behalf at the Annual General Meeting of the Company to be held on 5th March, 2026 and at any and every adjournment thereof.
 Dated this day of 2026.
 Shareholder's signature

IF YOU ARE UNABLE TO ATTEND THE MEETING

A Member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by Proxy. The above proxy form has been prepared to enable you exercise your right to vote if you cannot personally attend.

Provision has been made on this form for the Chairman of the meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked x) the name of any person, whether a member of the company or not, who will attend and vote on your behalf instead of the Chairman of the meeting.

Please sign the above and post it so as to reach the address shown overleaf not later than 48 hours before the time of holding the meeting. If executed by a corporation, the proxy form should be sealed with the common seal. The proxy must produce the Admission Card sent with the Notice of the Meeting to obtain entrance to the Meeting.

RESOLUTION	VOTES	
	For	Against
To declare a Dividend		
To re-elect Mr. Ademola Bolarinde as a Director		
To re-elect Mr. Achike C. Umunna as a Director		
To authorize the Directors to fix the remuneration of the Auditor		
To disclose the remuneration of managers in compliance with the Companies and Allied Matters Act 2020.		
To elect members of the Audit Committee		
To approve the Directors' fee		
To approve the renewal of general mandate for related party transactions		
To authorize increase in share capital		
To approve amendment of Memorandum and Articles of Association		
To authorize the capitalization of N125,084,406 by way of bonus issue of one new for five existing ordinary shares		
To approve a review of severance compensation to Directors and renewal of the enabling policy.		

Please indicate with 'X' in the appropriate space how you wish your votes to be cast on the resolutions referred to above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion

Before posting the above card, tear off this part and retain it.

ADMISSION CARD

Please admit to the Annual General Meeting of VITAFOAM NIGERIA PLC which will be held at NECA Auditorium, Hakeem Balogun Street, Central Business District, Alausa, Ikeja, Lagos State on the 5th March, 2026.

Shareholder's Signature.....

Proxy's Signature

NOTE: Shareholders and/ or their proxies are requested to complete, sign, tear off and produce this form in order to gain entrance to the meeting.



SECOND FOLD HERE AND INSERT

PLEASE AFIX
POSTAGE STAMP

THE MANAGING DIRECTOR
MERISTEM REGISTRARS & PROBATE SERVICES LIMITED
213, HERBERT MACAULAY WAY,
ADEKUNLE, YABA,
P.O.BOX 51585 FALOMO, IKOYI,
LAGOS.

SECOND FOLD HERE

FIRST FOLD



VITAFOAM HEAD OFFICE

140, Oba Akran Avenue, Industrial Estate,
PMB 21092, Ikeja, Lagos.

RESPONSE CENTRE

Tel: +234 812 998 2143, 0800VITAFOAM

Email: response.centre@vitafoam.com.ng

info@vitafoam.com.ng

Website: www.vitafoamng.com

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