VITAFOAM NIGERIA PLC

UNAUDITED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2026

VITAFOAM NIGERIA PLC RC NO. 3094
HEAD OFFICE: 140, Oba Akran Avenue, Industrial Estate, P.M.B. 21092, Ikeja, Lagos State.
Tel: +234 (1) 2805070-5, Fax: +234 (1) 2805077. Email: info@vitafoamng.com Website: www.vitafoamng.com

CERTIFICATE ON INTERIM FINANCIAL REPORT FOR THE TWELVE MONTHS ENDED 30 SEPTEMBER, 2026

In relation to the unaudited financial statements of Vitafoam Nigeria Plc for the 12 months ended 30 September 2026, we certify as follows that:

- We have reviewed the financial report for the period under consideration.
- The report does not contain any untrue statement of material fact or have omitted to state any material fact which would have made the report misleading.
- To the best of the knowledge of the directors, the financial statements and other financial information included in the report fairly present, in all material aspects, the financial condition and results of operations of the company as of 30 September, 2026.
- The directors are responsible for establishing and maintain internal controls and have designed such internal controls to ensure that material information relating to the company is made known to such officers by others within the entity during the period under review.
- The effectiveness of the company's internal controls as of 30 September, 2026 has been evaluated within 90days prior to the report and management consider the controls adequate.

We shall disclose to the Auditors of the company and audit committee:

- All significant deficiencies, if any, in the design or operation of the internal controls which could adversely affect the company's ability to record, process, summarize and report financial data and will identify for the company's auditors any material weakness in internal controls.
- All cases of theft or fraud, whether or not material that involves management or other employees who have significant role in the company's internal control.

We confirm that there were no significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of their evaluation.

T. A. ADENIYI
(GROUP MANAGING DIRECTOR/CEO)
FRC/2015/IODN/00000010639

J. O. FAMILOYE
(HEAD, FINANCE AND ACCOUNTS)
FRC/2025/PRO/ICAN/001/395185

DIRECTORS: Mr. Z. M. Sada (Chairman), Mr. T. A. Adeniyi (Managing Director), Mr. B. S. Owoade, Mr. O. Oganfeyitimi, Mr. D. D. Gambo, Mr. A. C. Umunna, Mr. A. A. Bello, Mr. G. Parreira Silva (Brazilian), Dr. (Mrs) A. O. Davies, Mr. A. O. Bolarinde.

VITAFOAM NIGERIA PLC
QUARTER 4 ENDED 30 SEPTEMBER 2026

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 (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 period.

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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 2026
Reporting Period:	September 30th 2026
Share Price at end of reporting period	₦194.00

Description	30-Sep-25		30-Sep-26	
	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	237,280	0.02	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. Dahiru Gambo	153,344	0.01	156,459	0.01
Mr.Olaoluwa Ogunfeyitimi	414,627	0.03	414,627	0.03
Mr. Ademola Bolarinde	100,000	0.01	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	**2,901,111**	**0.23**	**2,904,226**	**0.23**
Other Substantial Shareholdings				
Sanctus Nigeria Limited	50,134,231	4.01	50,134,231	4.01
Total other Substantial Shareholdings	50,134,231	4.01	50,134,231	4.01
Free Float in Units and Percentage	823,763,862	65.86	823,760,747	65.86
Free Float in Value	65,736,356,187.60		159,809,584,918.00	

Declaration:

Vitafoam Nigeria Plc with a free float value of N159,809,584,918.00 (65.86%) as at September 30th, 2026 is compliant with the Nigerian Exchange Limited's free float requirements for companies listed on the Main Board.

'LEKAN SANNI ACIS
COMPANY SECRETARY/LEGAL ADVISER

DIRECTORS: Mr. Z. M. Sada (Chairman), Mr. T. A. Adeniyi (Managing Director), Mr. B. S. Owoade, Mr. O. Ogunfeyitimi, Mr. D. D. Gambo, Mr. A. C. Umunna, Mr. A. A. Bello, Mr. G. Parreira Silva (Brazilian), Dr. (Mrs) A. O. Davies, Mr. A. O. Bolarinde

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Vitafoam Nigeria Plc

Unaudited Consolidated and Separate Interim Financial Statements for the year ended September 30, 2026

Statement of Profit or Loss and other Comprehensive Income

	Notes	Group				Company			
		12 Months to 30-Sept-26 N'000	12 Months to 30-Sept-25 N'000	3 Months to 30-Sept-26 N'000	3 Months to 30-Sept-25 N'000	12 months to 30-Sept-26 N'000	12 months to 30-Sept-25 N'000	3 Months to 30-Sept-26 N'000	3 Months to 30-Sept-25 N'000
Revenue	3	117,358,418	111,379,338	28,797,978	29,089,554	101,293,267	97,403,303	22,202,481	22,919,619
Cost of Sales	4	(67,955,046)	(70,422,750)	(12,578,566)	(17,627,878)	(61,028,685)	(63,692,736)	(8,411,413)	(13,714,384)
Gross profit		49,403,372	40,956,588	16,219,412	11,461,676	40,264,582	33,710,567	13,791,068	9,205,235
Other gains and losses	8	1,211,126	826,424	425,357	742,605	1,480,042	944,931	407,996	565,230
Administrative expenses	5	(13,016,868)	(10,420,012)	(3,806,024)	(2,385,138)	(9,336,227)	(7,754,507)	(2,762,670)	(1,533,591)
Distribution expenses	6	(4,446,785)	(4,082,909)	(1,099,491)	(995,579)	(4,017,741)	(3,764,271)	(961,381)	(912,667)
Operating Profit/{loss)		33,150,845	27,280,091	11,739,254	8,823,564	28,390,656	23,136,720	10,475,013	7,324,207
Finance income		300,006	10,910	101,198	76,156	299,746	10,544	101,098	76,010
Finance cost	7	(973,836)	(5,810,529)	(126,510)	(1,536,840)	(766,034)	(5,653,396)	(75,668)	(1,510,286)
Profit/(loss) before taxation		32,477,015	21,480,472	11,713,942	7,362,880	27,924,368	17,493,868	10,500,443	5,889,931
Taxation		(11,162,836)	(6,943,251)	(3,985,125)	(2,396,638)	(9,494,285)	(5,702,767)	(3,570,150)	(1,971,041)
Profit for the year		21,314,179	14,537,221	7,728,817	4,966,242	18,430,083	11,791,101	6,930,293	3,918,890
Remeasurement on net defined liability/asset		-	(402,141)	-	-	-	(402,141)	-	-
(Losses)/gains on property revaluation	7	-	(1,791,900)	-	-	-	(1,791,900)	-	-
Exchange difference on translating foreign operations		(1,303,103)	(165,173)	(5,545)	(14,225)	-	-	-	-
Gain on valuation of investment in equity instruments designated as at FVTOCI		42,313	4,181	36,636	3,599	42,313	4,181	36,636	3,599
Other comprehensive income		(1,260,790)	(2,355,033)	31,091	(10,626)	42,313	(2,189,860)	36,636	3,599
Total comprehensive income for the period		20,053,389	12,182,188	7,759,908	4,955,616	18,472,396	9,601,241	6,966,929	3,922,489
Profit/(loss) attributable to :									
Equity holders of the parent		19,906,392	13,511,380	7,398,428	4,634,285	18,430,083	11,791,101	6,930,293	3,918,890
Non-controlling interests		1,407,787	1,025,841	330,389	331,957	-	-	-	-
		21,314,179	**14,537,221**	**7,728,817**	**4,966,242**	**18,430,083**	**11,791,101**	**6,930,293**	**3,918,890**
Earnings per share for profit from total operations attributable to equity holders of parent									
Basic and diluted per share (kobo)		1,591	1,080	591	370	1,473	943	554	313
Expected earnings per share after allotment of bonus share									
Basic and diluted per share (kobo)		1,326	1,080	493	370	1,228	943	462	313

Consolidated and Separate Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Other reserve	Revaluation reserve	Fair value adjustment assets-available-for-sale reserve	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 01 October 2024	**625,422**	**439,255**	**393,018**	**8,063,548**	**(24,808)**	**14,073,967**	**23,570,402**	**1,459,381**	**25,029,783**
Profit for the year	-	-	-	-	-	13,511,380	13,511,380	1,025,841	14,537,221
Other comprehensive income	-	(165,173)	-	(1,791,900)	4,181	(402,141)	(2,355,033)	-	(2,355,033)
Total comprehensive profit for the year	**-**	**(165,173)**	**-**	**(1,791,900)**	**4,181**	**13,109,239**	**11,156,347**	**1,025,841**	**12,182,188**
	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(1,313,386)	(1,313,386)	(344,124)	(1,657,510)
Balance at 30 September, 2025	**625,422**	**274,082**	**393,018**	**6,271,648**	**(20,627)**	**25,869,820**	**33,413,363**	**2,141,098**	**35,554,461**
Profit for the year	-	-	-	-	-	19,906,392	19,906,392	1,407,787	21,314,179
Other comprehensive income	-	(1,303,103)	-	-	42,313	-	(1,260,790)	-	(1,260,790)
Total comprehensive income for the year	**-**	**(1,303,103)**	**-**	**-**	**42,313**	**19,906,392**	**18,645,602**	**1,407,787**	**20,053,389**
Dividends	-	-	-	-	-	(3,752,532)	(3,752,532)	(517,853)	(4,270,385)
Changes in value of non-controlling interest	-	-	-	-	-	-	-	375,507	375,507
Balance at 30 September 2026	**625,422**	**(1,029,021)**	**393,018**	6,271,648	**21,686**	**42,023,680**	**48,306,433**	**3,406,539**	**51,712,972**

Consolidated and Separate Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Revaluation reserve	Fair value adjustment assets-available-for-sale reserve	Retained income	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000
Company						
Balance at 01 October 2024	**625,422**	**487,418**	**8,063,548**	**(24,808)**	**12,473,290**	**21,624,870**
Profit for the year		-	-	-	11,791,101	11,791,101
Other comprehensive income	-	-	(1,791,900)	4,181	(402,141)	(2,189,860)
Total comprehensive income for the year	**-**	**-**	**(1,791,900)**	**4,181**	**11,388,960**	**9,601,241**
Dividends	-	-	-	-	(1,313,386)	(1,313,386)
Balance at 30 September, 2025	**625,422**	**487,418**	**6,271,648**	**(20,627)**	**22,548,864**	**29,912,725**
Profit for the year	-	-	-	-	18,430,083	18,430,083
Other comprehensive income	-	-	-	42,313	-	42,313
Total comprehensive income for the year	**-**	**-**	**-**	**42,313**	**18,430,083**	**18,472,396**
Dividends	-	-	-	-	(3,752,532)	(3,752,532)
Balance at 30 September 2026	**625,422**	**487,418**	**6,271,648**	**21,686**	**37,226,415**	**44,632,589**

The accounting policies on pages 7 to 15 and the notes on pages 16 to 21 form an integral part of the unaudited consolidated and separate interim financial statements.

Statement of Financial Position as at 30 September

	Note(s)	Group 2026 N'000	Group 2025 N'000	Company 2026 N'000	Company 2025 N'000
Assets					
Non-Current Assets					
Property, plant and equipment	9	16,232,751	15,914,443	12,380,636	11,801,468
Intangible assets		42,039	42,815	21,712	33,856
Investment property		-	-	1,503,098	1,575,376
Investments in subsidiaries		-	-	1,835,140	1,584,621
Investment in financial assets	10	63,944	21,631	63,944	21,631
Finance lease receivables		194,010	121,141	194,010	121,141
Right of use assets		169,601	176,747	169,601	176,747
Deferred tax		567,633	899,287	-	-
		17,269,978	**17,176,064**	**16,168,141**	**15,314,840**
Current Assets					
Inventories	11	32,630,477	28,734,447	24,144,400	22,132,867
Other assets	19	5,532,612	6,048,934	4,236,069	5,373,908
Trade and other receivables	12	4,790,513	4,298,889	6,253,186	5,095,912
Cash and cash equivalents	15	20,708,459	9,017,055	17,493,123	6,605,284
		63,662,061	**48,099,325**	**52,126,778**	**39,207,971**
Total Assets		**80,932,039**	**65,275,389**	**68,294,919**	**54,522,811**
Equity and Liabilities					
Equity					
Share capital	16	625,422	625,422	625,422	625,422
Reserves		5,657,331	6,918,121	6,780,751	6,738,439
Retained earnings		42,023,680	25,869,820	37,226,415	22,548,864
		48,306,433	33,413,363	44,632,588	29,912,725
Non-controlling interest		3,406,539	2,141,098	-	-
		51,712,972	**35,554,461**	**44,632,588**	**29,912,725**
Liabilities					
Non-Current Liabilities					
Borrowings	17	549,565	2,386,520	78,021	906,873
Retirement benefit obligation		1,782,056	1,636,926	1,782,056	1,636,926
Lease liabilities		160,073	139,437	160,073	139,437
Deferred income		107,730	223,324	-	138,698
Deferred tax		3,752,513	3,752,513	3,659,591	3,659,591
		6,351,937	**8,138,720**	**5,679,741**	**6,481,525**
Current Liabilities					
Current tax payable	18	11,015,840	5,792,599	9,500,171	4,637,354
Trade and other payables	14	10,092,123	8,659,624	7,357,492	6,407,429
Borrowings	17	1,182,118	6,916,159	1,090,909	6,916,159
Deferred income		577,048	213,826	34,018	167,619
		22,867,129	**21,582,208**	**17,982,590**	**18,128,561**
Total Liabilities		**29,219,066**	**29,720,928**	**23,662,331**	**24,610,086**
Total Equity and Liabilities		**80,932,039**	**65,275,389**	**68,294,919**	**54,522,811**

The unaudited consolidated and separate interim financial statements and the notes on pages 2 to 21, were approved by the board on 27 October, 2026 and were signed on its behalf by:

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

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

The accounting policies on pages 7 to 15 and the notes on pages 16 to 21 form an integral part of the unaudited consolidated and separate interim financial statements.

Statement of Cash Flows

	Note(s)	Group		Company	
		September 30, 2026 N'000	September 30, 2025 N'000	September 30, 2026 N'000	September 30, 2025 N'000
Cash flows from operating activities					
Profit/(loss) before taxation		32,477,015	21,480,472	27,924,368	17,493,868
Adjustments for:					
Depreciation and amortisation		1,170,981	1,049,032	556,693	525,892
(Profit)/loss on disposal of asset		(1,179)	(13,570)	(1,179)	(13,404)
Deferred income - government grant		(115,594)	(167,619)	(133,601)	(167,619)
Net impairment loss on subsidiaries		-	-	-	123,900
Finance income		(300,006)	(10,910)	(299,746)	(10,544)
Finance cost		973,836	5,810,529	766,034	5,653,396
Fair value adjustments		-	-	-	-
Interest on Plan asset		(343,399)	(276,178)	(343,399)	(276,178)
Interest on defined benefit obligation		543,661	416,078	543,661	416,078
Movement in Deferred Tax		331,654	-	-	-
Actuarial losses/(gains) on long service award		-	77,145	-	77,145
Effects of exchange rate movement on cash balance		3,985	15,972	3,985	15,972
Service cost		266,624	206,754	266,624	206,754
Translation effect of foreign subsidiary Profit or loss items		(967,518)	(28,312)	-	-
Changes in working capital:					
Inventories		(3,896,030)	(8,191,369)	(2,011,533)	(5,876,568)
Trade and other receivables		(491,624)	(209,175)	(1,157,274)	1,346,454
Other assets		516,322	(2,793,076)	1,137,839	(3,096,929)
Trade and other payables		1,432,500	(1,454,971)	950,063	(1,836,556)
Deferred income		363,222	-	(138,698)	-
		31,964,450	**15,910,802**	**28,063,837**	**14,581,661**
Tax paid		(5,939,595)	(1,002,670)	(4,631,468)	-
Benefit paid		(62,041)	(51,909)	(62,041)	(51,909)
Contribution to the gratuity fund		(259,715)	(230,940)	(259,715)	(230,940)
Net cash from operating activities		**25,703,099**	**14,625,283**	**23,110,613**	**14,298,812**
Cash flows from investing activities					
Purchase of property, plant and equipment	9	(1,799,731)	(1,072,578)	(1,044,294)	(468,780)
Proceeds from sale of property, plant and equipment	9	1,179	13,630	1,179	13,404
Purchase of intangible assets		(17,220)	(1,700)	-	-
Acquisition of investment in subsidiary		-	-	(250,519)	-
		-	-	-	-
Proceeds from sale of shares in subsidiary		375,506	-	-	-
Finance receipt		80,192	57,012	80,192	57,012
Finance lease payment		(153,061)	(91,801)	(153,061)	(91,801)
Interest received		300,006	10,910	299,746	10,544
Net cash from investing activities		**(1,213,129)**	**(1,084,527)**	**(1,066,757)**	**(479,621)**
Cash flows from financing activities					
Proceeds from borrowings		-	7,630,833	-	5,850,000
Repayment of borrowings		(7,570,996)	(17,499,933)	(6,654,102)	(17,118,233)
Lease liabilities		-	(91,252)	-	(91,252)
Dividends paid		(4,270,385)	(1,657,510)	(3,752,532)	(1,313,386)
Interest paid		(953,200)	-	(745,398)	-
Net cash from financing activities		**(12,794,581)**	**(11,617,862)**	**(11,152,032)**	**(12,672,871)**
Net cash and cash equivalent for the period		**11,695,389**	**1,922,894**	**10,891,824**	**1,146,320**
Cash at the beginning of the period		9,017,055	7,110,133	6,605,284	5,474,936
Effect of exchange rate movement on cash balances		(3,985)	(15,972)	(3,985)	(15,972)
Cash and cash equivalent at the end of the period		**20,708,459**	**9,017,055**	**17,493,123**	**6,605,284**

The accounting policies on pages 7 to 15 and the notes on pages 16 to 21 form an integral part of the unaudited consolidated and separate interim financial statements.

Significant Accounting Policies

1.1 General Information

The consolidated and separate interim financial statements incorporate the financial statements of Vitafoam Nigeria Plc. and entities controlled by Vitafoam Nigeria Plc. (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.

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

The consolidated and separate interim financial statements were authorised for issue by the Board of Directors on 27 October, 2026

1.2 Basis of Preparation and Adoption of IFRS

The consolidated and separate interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) effective for the year ended Seotember 30, 2026

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that these interim consolidated and separate financial statements present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate interim financial statements are disclosed in the note .

The consolidated and separate interim financial statements have been prepared under the going concern assumption and historical cost convention as modified by the valuation of available-for-sale financial assets. The consolidated and separate interim financial statements are presented in Nigeria Naira and all values are rounded to the nearest thousand Naira (NGN'000), except where otherwise indicated.

1.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate interim consolidated and separate interim financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.4 Consolidation

The interim financial statements of the subsidiaries used to prepare the interim consolidated and separate financial statements were prepared as of the parent Company's reporting date.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

They are deconsolidated from the date that control ceases.

The Company's subsidiaries' are listed below:

- Vitafoam Sierra Leone Limited
- Vitapur Nigeria Limited
- Vitablom Nigeria Limited
- Vitavisco Nigeria Limited
- Vono Furniture Products Limited. .
- Vitaparts Nigeria Limited

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed.

If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. Inter-Company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-Company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Significant Accounting Policies

Changes in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for retained interest in as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are re-classified to profit or loss.

1.5 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The interim consolidated and separate financial statements are presented in 'Naira', which is the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income or expenses'.

Foreign operations

Assets and liabilities for each period presented are translated at the closing rate at the date of that period. Income and expenses for each income statement are translated at average exchange rates. Where Group companies have a functional currency different from the Group's presentation currency, the exchange differences arising on translation of these operations are recognized in other comprehensive income, otherwise, in the profit or loss.

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities for each period presented are translated at the closing rate as at the end of that period;

b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

c) all resulting exchange differences are recognised in other comprehensive income and accumulated in a currency translation reserve.

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.

1.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods supplied in the normal course of business, stated net of trade discounts, change to returns, volume rebates, and value added tax.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

The Group bases its estimate of return on historical results, taking into consideration the type of customer,the type of transaction and the specifics of each arrangement.

1.7 Trade receivables

Trade receivables are amounts due from customers for sale of foam products or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. "

1.8 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, cash balances with banks, other short term highly liquid investments with original maturity of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

1.9 Trade payables

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

Significant Accounting Policies

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method (product & packaging materials, work-in-progress,) and the weighted average cost basis. The cost of finished goods and work in progress comprises raw materials, direct labour and other direct costs (based on normal operating capacity). It excludes borrowing costs.

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.

1.11 Provisions

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 has been 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 the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1.12 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. 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 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. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate. 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 lives (years)
•	Buildings	33
•	Plant and machinery	5
•	New Motor vehicle	4
•	Fairly used Motor vehicle	2
•	Furniture, fittings and equipments	5
•	Computer and IT equipments	2

1.13 Impairment of assets

1.13.1 Impairment of non-financial assets

Assets that are subject to amortisation 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.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

1.13.2 Impairment of financial assets

a. Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

• Significant financial difficulty of the issuer or obligor;

• a breach of contract, such as a default or delinquency in interest or principal payments;

Significant Accounting Policies

1.13 Impairment of assets (continued)

• the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;

• it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

• the disappearance of an active market for that financial asset because of financial difficulties; or

• observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

1. Adverse changes in the payment status of borrowers in the portfolio; and

2. National or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

b. Assets carried as available for sale

The Group assesses at the end of each reporting period whether there is an objective evidence that a financial asset is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below cost is also evidence that the asset is impaired.

If such evidence exists for available for sale financial assets, the cumulative loss -measured as the difference between the acquisition cost and the current fair value, less any impairment loss on thatfinancial asset previously recognized in profit or loss-is removed from equity and recognized in profit or loss. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated profit or loss.

1.14 Financial instruments

Classification

The Company classifies its financial assets in the following categories:

Loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Significant Accounting Policies

1.14 Financial instruments (continued)

1.14.1 Financial assets

The Group's financial assets are classified into available for sale (AFS) and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Management determines the classification of financial assets at initial recognition.

i Available-for-sale financial assets (AFS financial assets)

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. The Group's available-for sale assets comprise investments in equity securities . Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from remeasurement are recognized in other comprehensive income .

When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive income to the statement of comprehensive income and are included in "other gains and losses (net)". Available-for-sale investments are classified as non-current, unless an investment matures within twelve months, or management expects to dispose of it within twelve months. Dividends on available-for-sale equity instruments are recognized in the statement of income as dividend income when the Company's right to receive payment is established.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reasonably estimated are carried at cost.

ii Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group's loans and receivables comprise trade receivables, staff debtors, Intercompany receivables and cash and cash equivalents, and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are carried at amortised cost less any impairment.

1.14.2 Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost. There are no financial liabilities at fair value through profit or loss (FVTPL). Financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, inclusive of directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows:

(a) Financial liabilities at amortised cost

These include trade payables and bank borrowings. Trade payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortised cost using the effective interest method. Bank borrowings are recognised initially at fair value, net of any transaction costs incurred, and subsequently at amortised cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

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 recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derecognition

All financial instruments are initially measured at fair value. Financial assets and liabilities are derecognised when the rights to receive cash flows from the investments or settle obligations have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

1.15 Taxation

Current Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted as at each reporting period end in the countries where the Group operates and generates taxable income.Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at each report period end and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Significant Accounting Policies

1.16 Employee benefits

The Group has both defined benefit and defined contributory schemes.

a) Defined Contributory scheme

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.

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. In Sierra Leone and Ghana.

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.

b) 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 income statement 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.

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.

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.

1.17 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.

1.18 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's consolidated and separate interim 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 385 of the Companies and Allied Matters Acts of Nigeria are written back to retained earnings.

1.19 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

The Group leases certain land and buildings. Leases of land and buildings where the Group has substantially all the risks and rewards of ownership are classified as finance leases otherwise, they are operating leases.

Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. For finance leases, each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other longterm payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant & equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

Significant Accounting Policies

1.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are deferred and credited to the profit or loss on a straight- line basis over the expected useful lives of the related assets.

1.21 Segment Reporting

An Operating segment is a component of an entity

a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

b) whose operating results are regularly reviewed by the entity's chief operating decision maker to maked ecisions about resources to be allocated to the segment and assess its performance; and

c) for which discrete financial information is available. 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.

1.22 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

1.23 Borrowing Costs

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

1.24 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. 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.

1.25 Intangible assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

• it is technically feasible to complete the software product so that it will be available for use;

• management intends to complete the software product and use or sell it;

• there is an ability to use or sell the software product;

• it can be demonstrated how the software product will generate probable future economic benefits;

• adequate technical, financial and other resources to complete the development and to use or sell the software

product are available; and

• the expenditure attributable to the software product during its development can be reliably measured

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.

1.26 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

Where IAS 8 applies, comparative figures have been adjusted to conform to changes in presentation in the current year.

Significant Accounting Policies

1.27 Interests in subsidiaries

Company unaudited consolidated and separate interim financial statements

In the company's separate unaudited consolidated and separate interim financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

2 Critical accounting estimates and judgements

The preparation of consolidated and separate interim financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate interim financial statements are disclosed herein.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

2.1.1 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 actuaries 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 .

2.1.2 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 interim consolidated and separate financial statements will be sustained.

Significant Accounting Policies

2.1.3 Impairment of available-for-sale equity investments

The Group follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

2.1.4 Useful lives and residual values

Useful lives and residual values are reviewed annually in line with IAS 16 requirements.In performing this review,management considers the present conditions of the assets and the scrap values realizable on these assets at the time of disposal. No revisions were made to useful lives and residual values in current period as management deems these estimates appropriate.

2.2 Critical judgements in applying the entity's accounting policy

Key judgements applied to the Group's accounting policies during the periods included in these consolidated and separate interim financial statements.

2.2.1 Impairment of Non-financial assets

IAS 36 requires an assessment of indicators of impairment at least at each period end. Where no indicators exist as at review date, the standard precludes the need for any further impairment testing's. The Directors reviewed all indicators as at each period and conclude that no non-financial assets (e.g. property plant and equipment) were impaired.

2.2.2 Investment in subsidiary - Vitapur Nigeria Limited

Even though Vitafoam holds only 40% of equity shares in Vitapur Nigeria Limited, the Directors believe that Vitafoam has "more than" significant influence and controls the financial and operating policies of Vitapur Nigeria Limited. This key judgement forms the basis for the consolidation of the Vitapur's financial statements.

2.2.3 Functional currency of Vitafoam Sierra Leone

IAS 21 requires that the functional currency of an entity should reflect the underlying transactions, events and conditions that are relevant to the entity. Prior to June 2014, the functional currency of Vitafoam Sierra Leone was the Nigerian Naira.

From July 2014, there was a change in the underlying events and conditions that was relevant to the subsidiary. Following this event, the functional currency changed to the Sierra Leonean 'Leone'. The effect of this change has been reflected retropectively from the date of change in these financial statements in line with IAS 21.

2.2.4 Impairment of financial assets

The Group reviews its impairment of financial assets for possible impairment if there are events or changes in circumstances that indicate that the carrying values of the assets may not be recoverable, or at least at the reporting date, when there is an indication that the asset might be impaired.

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	12 Months to 30-Sept-26 N'000	12 Months to 30-Sept-25 N'000	3 Months to 30-Sept-26 N'000	3 Months to 30-Sept-25 N'000	12 months to 30-Sept-26 N'000	12 Months to 30-Sept-25 N'000	3 Months to 30-Sept-26 N'000	3 Months to 30-Sept-25 N'000
3. Revenue								
Local	113,233,100	106,465,139	27,864,324	28,032,534	101,293,267	97,403,303	22,202,481	22,919,619
Vitafoam Sierra leone	4,125,318	4,914,199	933,654	1,057,020	-	-	-	-
	117,358,418	**111,379,338**	**28,797,978**	**29,089,554**	**101,293,267**	**97,403,303**	**22,202,481**	**22,919,619**

The company's primary geographical segment is Nigeria, The Company's products have identical risks and returns. No further business or geographical segment information is therefore reported.

4. Cost of sales								
Raw materials and consumables	66,277,344	69,356,509	12,180,220	17,220,160	59,805,637	63,112,710	8,125,486	13,442,601
Depreciation and impairment	706,945	508,536	175,698	162,974	252,291	217,280	63,279	57,643
Labour Cost	970,757	932,918	222,648	219,522	970,757	932,918	222,648	219,522
	67,955,046	**70,422,750**	**12,578,566**	**17,627,878**	**61,028,685**	**63,692,736**	**8,411,413**	**13,714,384**

5. Administrative expenses								
AGM expense	24,784	22,959	-	-	22,446	20,615	-	544
Conference & award expense	2,743	3,145	480	156	2,743	2,895	480	181
Advertising	1,049,320	838,149	361,287	272,621	949,702	755,484	328,928	259,612
Audit fees	61,998	67,416	16,636	17,633	40,400	40,400	10,100	10,981
Impairment allowance on trade and other debtiors	52,544	-	-	-	27,956	-	-	-
Bank charges	213,778	353,699	53,404	104,510	171,517	295,129	39,341	80,314
Cleaning	111,196	91,526	31,105	27,451	63,148	54,405	18,257	16,272
Consulting and professional fees	300,146	180,942	123,892	66,203	161,681	105,623	64,620	32,364
Depreciation and amortisation	470,501	540,495	134,373	63,706	304,401	308,613	87,027	66,954
Donations	84,612	20,751	32,279	6,849	80,196	13,585	30,979	918
Employee costs*	6,244,514	4,431,120	1,883,223	690,384	4,510,673	3,420,378	1,385,844	368,823
Entertainment	62,554	55,022	20,455	15,941	42,511	39,828	13,308	10,428
Other expenses	9,599	53,620	(17,885)	26,907	7,715	19,181	1,209	120
Gratuity Expenses	359,519	244,891	91,541	71,215	266,624	180,216	66,654	34,304
Impairment of investment in subsidiary	-	123,900	-	-	-	123,900	-	-
Insurance	371,365	224,553	103,860	67,668	306,342	171,498	88,647	56,667
Rent and rates	248,958	160,854	89,932	82,932	53,533	32,978	13,173	6,997
Stationery,newspaper and periodicals	81,719	77,650	24,022	28,401	50,197	48,146	14,096	13,825
Postage, telecommunication and internet*	93,959	95,429	25,244	24,960	66,881	62,426	17,533	18,277
Uniform and protective clothing	13,545	6,207	2,774	1,642	2,028	3,409	996	695
Repairs and maintenance	1,046,270	832,129	297,933	360,830	607,332	581,453	168,379	240,740
Research and development costs (Note 5.1)	34,343	23,099	21,163	12,074	19,632	7,946	14,964	3,446
Security	113,968	91,469	31,100	23,142	74,471	61,579	19,091	15,819
Subscriptions*	54,005	26,755	8,497	946	24,594	18,289	696	2,337
Impairment of property,plant and equipment	-	-	-	6,498	-	-	-	-
Transport and traveling	572,061	557,181	136,584	164,932	326,612	297,470	85,764	92,571
Electricity and other utilities	1,338,867	1,297,051	334,125	247,537	1,152,892	1,089,061	292,584	200,402
	13,016,868	**10,420,012**	**3,806,024**	**2,385,138**	**9,336,227**	**7,754,507**	**2,762,670**	**1,533,591**

5.1 This represent cost incured with respect to new product development.

6. Distribution cost								
Distribution cost	4,446,785	4,082,909	1,099,491	995,579	4,017,741	3,764,271	961,381	912,667

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	12 Months to 30-Sept-26 N'000	12 Months to 30-Sept-25 N'000	3 Months to 30-Sept-26 N'000	3 Months to 30-Sept-25 N'000	12 months to 30-Sept-26 N'000	12 Months to 30-Sept-25 N'000	3 Months to 30-Sept-26 N'000	3 Months to 30-Sept-25 N'000
7. Finance cost								
Interest on loans and overdraft	953,170	5,788,450	121,082	442,366	745,368	5,631,317	70,239	415,812
Interest on overdraft	29	-	-	1,089,745	29	-	-	1,089,745
Finance leases	20,637	22,079	5,429	4,729	20,637	22,079	5,429	4,729
	973,836	**5,810,529**	**126,510**	**1,536,840**	**766,034**	**5,653,396**	**75,668**	**1,510,286**
8. Other gains and losses								
Profit on disposal of assets	1,179	13,570	577	707	1,179	13,404	577	540
Investment income	580,864	66,041	243,790	10,189	870,956	251,146	243,790	10,189
Sale of scrap items	902,614	1,134,491	148,380	436,098	682,553	794,485	95,659	190,620
Interest refund	286,251	-	-	-	286,251	-	-	-
Rental income	31,689	11,640	36,120	27,742	128,356	108,307	36,119	27,742
Provision no longer required	24,032	52,437	71,444	11,834	-	13,463	54,895	8,284
Government grants	145,939	167,619	22,654	8,898	145,939	167,619	20,225	41,905
Exchange gain / (losses) (Note 8.1)	(761,442)	(619,374)	(97,608)	247,137	(635,192)	(403,493)	(43,269)	285,950
	1,211,126	**826,424**	**425,357**	**742,605**	**1,480,042**	**944,931**	**407,996**	**565,230**

8.1 Unrealised exchange loss comprise N578.8 million on receivable from Vitafoam Sierra leone and N182.6 million (Company: N56.7 million) dollar denominated cash and bank balances as at September 30, 2026

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

9. Property, plant and equipment

Group

	Freehold Land N'000	Buildings N'000	Plant and machinery N'000	Furniture and Fixtures N'000	Motor Vehicle N'000	IT Equipment '000	Total N'000
Cost							
Balance at 01 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)
Reclassification	-	-	60,821	-	-	-	60,821
Effect of exchange differences	-	(181,090)	(33,309)	(3,103)	(10,981)	(616)	(229,099)
Balance at Sept. 30, 2025	9,398,211	6,863,923	6,669,115	591,249	1,032,486	169,439	24,724,423
Balance at 01 October 2025	9,398,211	6,863,923	6,669,115	591,249	1,032,486	169,439	24,724,423
Addition	-	181,833	1,102,784	112,646	351,879	50,589	1,799,731
Disposal	-	-	(606)	-	(29,556)	-	(30,162)
Reclassification	-	(3,237)	-	3,237	-	-	-
Write off	-	-	(34,796)	(68,832)	(3,901)	(69,307)	(176,837)
Effect of exchange differences	-	(428,263)	(103,128)	(5,460)	(44,068)	(7,777)	(588,696)
Balance at 30 September 2026	9,398,211	6,614,256	7,633,369	632,840	1,306,840	142,944	25,728,460

	Freehold Land N'000	Buildings N'000	Plant and machinery N'000	Furniture and Fixtures N'000	Motor Vehicle N'000	IT Equipment N'000	Total N'000
Accumulated depreciation							
Balance at 01 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
Disposal	-	-	(7,605)	(657)	(71,561)	(558)	(80,381)
Effect of exchange differences	-	(54,460)	(33,539)	(2,781)	(9,106)	(591)	(100,477)
Transfer from disposal group	-	-	-	-	-	-	-
Balance at Sept. 30, 2025	-	2,429,328	4,940,011	459,274	864,202	117,165	8,809,980
Balance at 01 October 2025	-	2,429,328	4,940,011	459,274	864,202	117,165	8,809,980
Charge for the period	-	208,241	705,918	53,720	134,223	45,325	1,147,427
Disposal	-	-	(606)	-	(29,556)	-	(30,162)
Write off	-	-	(34,796)	(68,832)	(3,901)	(69,307)	(176,837)
Effect of exchange differences	-	(139,150)	(83,164)	(3,935)	(23,854)	(4,598)	(254,701)
Balance at 30 September 2026	-	2,498,419	5,527,363	440,227	941,114	88,585	9,495,708
Carrying amount							
Balance as at 30 September 2026	9,398,211	4,115,837	2,106,006	192,613	365,726	54,359	16,232,751
Balance at September 30, 2025	9,398,211	4,434,595	1,729,104	131,975	168,284	52,274	15,914,443

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

Company

	Freehold Land	Buildings	Plant and machinery	Furniture and fixtures	Motor Vehicle	IT Equipment	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost							
Balance at 01 October 2024	9,390,601	2,643,636	2,839,334	368,777	756,547	43,751	16,042,646
Addition	-	5,235	379,678	48,015	12,818	23,034	468,780
Disposal	-	-	(4,653)	(292)	(71,561)	(558)	(77,064)
Balance at 30th September, 2025	9,390,601	2,648,871	3,214,359	416,500	697,804	66,227	16,434,362
Balance at 01 October 2025	9,390,601	2,648,871	3,214,359	416,500	697,804	66,227	16,434,362
Addition	-	142,971	564,093	91,492	218	27,667	1,044,294
Disposal	-	-	(606)	-	(22,974)	-	(23,580)
Write off	-	-	(34,796)	(138,139)	(3,901)	-	(176,836)
Balance at 30 September 2026	9,390,601	2,791,842	3,743,050	369,853	889,000	93,894	17,278,240
Accumulated depreciation							
Balance at 01 October 2024	-	894,088	2,408,451	318,868	617,760	37,020	4,276,187
Charge for the year	-	80,129	217,280	22,536	102,573	11,253	433,771
Disposal	-	-	(4,653)	(292)	(71,561)	(558)	(77,064)
Balance at 30 September, 2025	-	974,217	2,621,078	341,112	648,772	47,715	4,632,894
Balance at 01 October 2025	-	974,217	2,621,078	341,112	648,772	47,715	4,632,894
Charge for the period	-	80,563	252,291	33,525	77,143	20,998	464,520
Disposal	-	-	-	-	(22,974)	-	(22,974)
Write off	-	-	(34,796)	(138,139)	(3,901)	-	(176,836)
Balance at 30 September 2026	-	1,054,780	2,838,573	236,498	699,040	68,713	4,897,604
Carrying amount							
Balance as at 30 September 2026	9,390,601	1,737,062	904,477	133,355	189,960	25,181	12,380,636
Balance as at 30 September 2025	9,390,601	1,674,655	593,281	75,387	49,032	18,512	11,801,468

10. Available for-sale financial assets

Investment in Financial assets				
Quoted Security	63,944	21,631	63,944	21,631
	63,944	**21,631**	**63,944**	**21,631**

The Group has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

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Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	Group		Company	
	30-Sept-26 N'000	30 Sept 2025 N'000	30-Sept-26 N'000	30 Sept 2025 N'000

11. Inventories

Finished goods - cost	5,232,754	2,718,808	3,945,771	2,115,943
Raw materials - cost	24,245,296	21,876,901	18,152,028	16,879,018
Work in progress - cost	1,015,988	2,210,817	691,708	1,569,281
Spare parts and consumables - cost	2,234,898	1,964,331	1,450,391	1,602,073
	32,728,936	28,770,857	24,239,898	22,166,315
Inventories (write-downs)	(98,460)	(36,410)	(95,497)	(33,448)
	32,630,476	**28,734,447**	**24,144,401**	**22,132,867**

11.1 Spares and consumables : This class of inventory represents spares, stock of Diesel, PMS, stationeries and promotional items

12. Trade and other receivables

Trade receivables	2,356,300	1,177,133	517,909	372,373
Allowance for doubtful debt receivables	(438,569)	(440,176)	(247,378)	(221,124)
Other receivables (Note 12.1)	2,867,974	3,546,742	2,422,660	3,165,506
Staff Debtors	4,808	15,190	1,872	8,281
Receivables from related parties (Note 13)	-	-	3,558,123	1,770,876
	-	-	-	-
	4,790,513	**4,298,889**	**6,253,186**	**5,095,912**

12.1 Other receivable comprise of unclaimed dividends held by meristem registrar and unclaimed dividend trust fund Company:N1,410 million, deposit for chemicals with foreign suppliers N800 million (Company: N800 million), withholding tax receivables N290 million (Company: N20 million) and other debtors N380 million (company: N190 million)

13. Related parties

Due from/to related entities				
Vitapur Nigeria Limited	-	-	549,013	46,051
Vitablom Nigeria Limited	-	-	101,878	(477,216)
Vono Furniture Products Ltd.	-	-	233,782	137,140
Vitafoam Sierra -Leone	-	-	1,409,789	1,884,330
Vitavisco Nig. Ltd	-	-	605,043	(400,491)
Vitaparts	-	-	685,737	606,015
Allowance for Impairment	-	-	(27,120)	(24,953)
	-	**-**	**3,558,122**	**1,770,876**

14. Trade and other payables

Trade payables	2,842,302	2,505,068	1,301,182	2,127,702
Dealers Securities' Deposit	584,309	681,910	503,365	477,493
Dividends Unclaimed	2,394,191	1,784,707	2,331,271	1,782,458
Value added tax payable	413,082	448,467	55,342	25,434
Other credit balances	909,251	1,404,946	596,619	416,604
Accrued expenses (Note 14.1)	865,196	275,936	604,043	104,843
Witholding tax payable	140,917	142,286	165,145	147,040
Other accounts payable	148,970	149,608	6,620	59,159
Contract liability	1,793,905	1,266,696	1,793,905	1,266,696
	10,092,123	**8,659,624**	**7,357,492**	**6,407,429**

14.1 Accruals comprise, allowance for Customer incentive payable at year end of N24.01 million, freight expense N457.8 million(Company: N446.5 million), accrued Audit fee of N49.14 million (Company: N37.37 million), accrued property rent expense by subsidiaries of N94.69 million and accrual others N233.56 million (Company: N74.34 million)

15. Cash and bank balances

Cash and cash equivalents consist of:

Cash	67,240	44,720	23,797	23,316
Bank Balances	14,391,212	8,972,335	11,219,319	6,581,968
Fixed deposits	6,250,007	-	6,250,007	-
	20,708,459	**9,017,055**	**17,493,123**	**6,605,284**

Notes to the Unaudited Consolidated and Separate Interim Financial Statements

	Group		Company	
	30-Sept-26 N'000	30 Sept 2025 N'000	30-Sept-26 N'000	30 Sept 2025 N'000
16. Share capital				
Authorised				
1,250,844,064 Ordinary shares of 50 kobo each	625,422	625,422	625,422	625,422
Issued				
Ordinary shares1,250,844,064 of 50 kobo each	625,423	625,422	625,422	625,422
17. Borrowings				
Non Current				
	-	-	-	-
	-	-	-	-
Bank loan	549,565	2,386,520	78,021	906,873
Total	**549,565**	**2,386,520**	**78,021**	**906,873**
Current				
Letter of credit	-	2,266,081	-	2,266,081
Bank loan	1,182,118	4,650,078	1,090,909	4,650,078
Total current borrowings	**1,182,118**	**6,916,159**	**1,090,909**	**6,916,159**
Total borrowings	**1,731,683**	**9,302,679**	**1,168,930**	**7,823,032**
18. Current tax Payable				
The movement in current tax payable is as follows:				
	-	-	-	-
At 1 October	5,792,599	912,180	4,637,354	7,510
Company income tax	11,162,836	5,883,089	9,494,285	4,629,844
Payment during the year	(5,939,595)	(1,002,670)	(4,631,468)	-
At 30 September 2026	**11,015,840**	**5,792,599**	**9,500,171**	**4,637,354**
19. Other assets				
Prepaid rent	293,134	201,562	177,671	91,608
Prepaid insurance	106,628	59,307	95,638	48,338
Prepaid subscription	63,624	42,918	62,754	41,610
Letter of credit cash back (Note 19.1)	4,557,592	5,460,444	3,773,785	5,009,081
Other prepayment (Note 19.2)	511,634	284,703	126,221	183,271
- -	**5,532,612**	**6,048,934**	**4,236,069**	**5,373,908**

19.1 Letter of credit cash back represent committed cash no longer available for another purpose other than that for which it has been designated. represent naira deposit for foreign currencies purchased for funding of letter of credit**.**

19.2 Other prepayment relates to advance payment for health insurance, container deposits and interest expense amortised over repayment period of the term loans.