



Ready For Growth

ANNUAL REPORT FY 2019







NOTICE OF 12TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 12th Annual General Meeting of **Mixta Real Estate Plc** (the “**Company**”) will be held at The Corporate Lodge, Lakowe Lakes Golf & Country Estate, Ibeju Lekki, Lagos State, Nigeria on **Thursday, August 20, 2020** at **12:00pm**, to transact the following business:

Ordinary Business

1. To receive the Audited Financial Statements for the year ended 31st December, 2019 and the Reports of the Directors and Auditors thereon.
2. To re-elect Directors.
3. To authorise the Directors to fix the Remuneration of the Auditors.
4. To elect members of the Audit Committee.

Special Business

5. To ratify the appointment of Mr. Oladapo Oshinusi as a Director of the Company effective on 29th November, 2019.
6. To ratify the appointment of Mr. Benson Ajayi as a Director of the Company effective on 6th February, 2020.
7. To ratify the appointment of Mr. Sadiq Mohammed as a Director of the Company effective on 5th May, 2020
8. To consider and if thought fit pass the following resolution which shall be proposed as an ordinary resolution:

Subject to obtaining the approval of the relevant regulatory authorities, the Directors of the Company be and are hereby authorized to issue up to 4,054,831,586 (Four Billion, Fifty-Four Million, Eight Hundred and Thirty-One Thousand, Five Hundred and Eighty-Six) ordinary shares of 50 (Fifty) kobo each in the authorized share capital of the Company to identified investor(s), by way of a private placement, at a price per share dependent on the pricing of the Company’s shares in connection with the Company’s contemplated Initial Public Offer, or such other price or pricing mechanics approved by the Securities and Exchange Commission and on such other terms and conditions, and at such time, as the Directors may deem fit.

9. To consider and if thought fit pass the following resolution which shall be proposed as an ordinary resolution:

That the authorized share capital of the Company be and is hereby increased from N8,726,514,000 (Eight Billion, Seven Hundred and Twenty-Six Million, Five Hundred and Fourteen Thousand Naira) divided into 17,136,962,414 (Seventeen Billion, One Hundred and Thirty Six Million, Nine Hundred and Sixty-Two Thousand, Four Hundred and Fourteen) ordinary shares of 50 (Fifty) kobo each and 316,065,586 (Three Hundred and Sixteen Million, Sixty-Five Thousand, Five Hundred and Eighty-Six) convertible preference shares of 50 (Fifty) kobo each to N10,753,932,000 (Ten Billion, Seven Hundred and Fifty Three Million, Nine Hundred and Thirty-Two Thousand Naira) by the creation of:

- a. 4,054,831,586 (Four Billion, Fifty-Four Million, Eight Hundred and Thirty-One Thousand, Five Hundred and Eighty-Six) ordinary shares of 50 (Fifty) kobo each in the capital of the Company; and
 - b. 4,414 (Four Thousand, Four Hundred and Fourteen) convertible preference shares of 50 kobo each in the capital of the Company
10. Having passed the resolution in agenda item 9, to consider and if thought fit pass the following resolution which shall be proposed as a special resolution:

That the Memorandum of Association of the Company be and is hereby amended by deleting Clause F of the Memorandum and substituting it with the following new clause:

“The authorized share capital of the Company is N10,753,932,000 (Ten Billion, Seven Hundred and Fifty Three Million, Nine Hundred and Thirty-Two Thousand Naira) divided into 21,191,794,000 (Twenty One Billion, One Hundred and Ninety One Million, Seven Hundred and Ninety Four Thousand) ordinary shares of 50 (Fifty) kobo each in the capital of the Company and 316,070,000 (Three Hundred and Sixteen Million, Seventy Thousand) convertible preference shares of 50 (Fifty) kobo each, in the capital of the Company. The Company may increase its share capital by the issue of new shares of such amount as it thinks expedient. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively, preferential, deferred or other special rights, privileges, conditions or restrictions”.

11. To consider and if thought fit pass the following resolutions which shall be proposed as special resolutions:

- a. “That the Articles of Association of the Company be and are hereby amended as follows:

- i. *By deleting Article 1 and substituting it with the following new Article 1:*

“In these Articles,

‘The Act’ means the Companies and Allied Matters Act Chapter C20, Laws of the Federation of Nigeria 2004 (as amended, repealed or replaced from time to time);

“Applicable Law” means all applicable constitutions, treaties, statutes, laws, ordinances, regulations, directives, codes, decrees, orders, by-laws and common law or any other rule or requirement having the force of law to which the Company is subject from time to time;

“CREST” means the Certificateless Registry for Electronic Share Transfer in the United Kingdom;

‘Group’ means the Company and its subsidiaries;

‘Record Book’ means a record book of the foreign shareholders which is maintained in a country other than Nigeria; and unless the context otherwise requires, words or expressions contained in these regulations bear the same meanings as in the Act.”



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- ii. By deleting Article 4 and substituting it with the following new Article 4:

“Subject to the provisions of the Investments and Securities Act, the power to allot shares shall be vested in the Company, which may delegate it to the directors, subject to the conditions or directions that may be imposed in these Articles or from to time by the Company in general meeting.”

- iii. By deleting Article 4A and substituting it with the following new Article 4A:

“Subject to the provisions of sections 136 and 137 of the Act, the Company may issue shares in return for payment in cash, for valuable consideration other than cash or payment partly in cash and partly by valuable consideration other than cash.”

- iv. By deleting Article 5 and substituting it with the following new Article 5:

“Unless otherwise directed by the Company in a general meeting, any shares for the time being unissued shall, before they are issued, be offered to all the holders in proportion, as nearly as may be, to the number of shares held by them. In so far as the new shares shall not be applied for by the holders, the same shall be at the disposal of the Directors who may allot, grant options over, or otherwise dispose of them to such persons and such terms as they shall think fit. The Directors may, in like manner, dispose of any such shares as aforesaid which by reason of the proportion borne by them to the number of shares held by the holders entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered in the manner herein before provided.”

- v. By deleting Article 7 and substituting it with the following new Article 7:

“Any person becoming entitled to a share in the consequence of the death or bankruptcy of a member shall upon evidence being produced as may from time to time be required by the directors have the right either to be registered as a member in respect of the share or instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made.”

- vi. By the insertion of a new Article 9 as follows:

“The Company may from time to time, in general meeting, whether all the shares for the time being authorized shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its capital by the creation of new shares, such aggregate increase to be of such

amount and to be divided into shares of such respective amounts as the general meeting resolving upon the creation thereof shall direct. Subject and without prejudice to any rights for the time being attached to the shares of any special class, any share in such increased capital may have attached thereto, such special rights or privileges as the general meeting resolving upon the creation thereof shall by resolution determine and in particular any such shares may be issued with a preferential, deferred or qualified right to dividends or in the distribution of assets and to the extent permitted under the Act with a special right of voting.”

- vii. By the insertion of a new Article 10 as follows:

“Subject to the provisions of the Act, the Company may reduce its share capital, any capital redemption reserve or share premium account.”

- viii. By the insertion of a new Article 11 as follows:

“Subject to the provisions of the Act, the Company may purchase any of its own shares (including any redeemable shares).”

- ix. By the insertion of a new Article 12 as follows:

- a) “Every new share certificate shall be issued under the common seal of the Company (or under a securities seal or, in the case of shares on the Record Book, an official seal for use in the relevant territory), which shall only be affixed with the authority of the directors, except where the transfer or issuance was effected electronically through the Central Securities Clearing System or CREST or other applicable clearing system. The Directors are authorized to make such arrangements as they may think fit in order to enable shares in the Company to be represented by and exchanged for depositary interests which are eligible to be held and transferred in uncertificated form in a computer-based system whether located in the Federal Republic of Nigeria or in any other country. Any such arrangements shall be notified to the shareholders in such manner as the Directors may decide. No provision of these Articles shall apply or have effect to the extent that it limits the holding or transfer of such depositary interests or the shares of the Company they represent.
- b) Provisions of these Articles shall not apply to shares of any class which are in uncertificated form to the extent that such provisions are inconsistent with:
 - (i) the holding of shares of that class in uncertificated form;
 - (ii) the transfer of title to shares of that class by means of a computer-based system; or
 - (iii) any Applicable Law.”

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- x. *By the insertion of a new Article 13 as follows:*
- “All share certificates issued to replace ones that have been worn out, lost or destroyed shall be issued without charge, and where the holder has sold part of his holding, he shall be entitled to a certificate for the balance without charge.”*
- xi. *By deleting Article 11 and substituting it with the following new Article 16:*
- “The Company shall, in each year, hold a general meeting as its annual general meeting. Unless provided otherwise in the Act, not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next and the Company shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and location, as the directors shall appoint.”*
- xii. *By deleting Article 14 and substituting it with the following new Article 19:*
- “The notice required for all types of general meetings shall be at least twenty-one days’ notice in writing. The notice of all annual general meetings must be published in at least two widely read newspapers. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and in the case of special business, the general nature of that business and shall be given in the manner hereinafter mentioned, to such persons as are, under the Act, entitled to receive such notices from the Company; Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these Articles be deemed to have been duly called if it so agreed; in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat and in the case of an extraordinary general meeting by a majority in number of members having a right to attend and vote at the meeting, being a majority holding not less than ninety-five percent (95%) of the nominal value of the shares of the Company.”*
- xiii. *By the insertion of a new Article 20 as follows:*
- “A printed copy and/ or electronic copy of every consolidated and separate statement of financial position (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors’ report, shall not less than twenty-one days before the date of the meeting be delivered or sent by post or electronically to the registered address of every member of the Company.”*
- xiv. *By deleting Article 15 and substituting it with the following new Article 21:*
- “The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice or an error or omission in a notice with respect to the place, date, time or general nature of the business shall not invalidate the proceedings at that meeting.”*
- xv. *By deleting Article 16 and substituting it with the following new Article 22:*
- “All the business that is transacted at an extraordinary general meeting shall be deemed special, and also all business that is transacted at an annual general meeting shall be deemed special with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring, the appointment and fixing of the remuneration of the auditors and the appointment of members of the audit committee which shall be ordinary business.”*
- xvi. *By deleting Article 17 and substituting it with the following Article 23:*
- “No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Quorum at all general meetings shall require the presence of Members or their proxies, who hold at least 25% of the issued ordinary capital of the Company at the start and throughout the duration of such meeting. A Corporation being a Member of the Company shall be deemed for the purposes of this Article to be personally present if represented by a proxy in accordance with the provisions of section 231 of the Act.”*
- xvii. *By deleting Article 29 and substituting it with the following new Article 35:*
- “A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid had been received by the Company’s registrar or by Company at its registered office address before the commencement of the meeting or adjourned meeting at which the proxy is used”.*
- xviii. *By deleting Article 31 and substituting it with the following new Article 37:*
- “The Company shall have at least five Directors and unless and until otherwise determined by the Company in general meeting the number of Directors shall not exceed ten. The Board should comprise of executive and non-executive directors, with at least half the board of directors comprising independent non-executive directors”.*
- xix. *By the insertion of a new Article 39 as follows:*

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“The Company in general meeting shall have power by ordinary resolution to remove any director (including managing director but without prejudice to any claim for damages) in accordance with Section 262 of the Act before the expiration of his term of office.”

- xx. *By deleting Article 33 and substituting it with the following new Article 40:*

“The Directors shall have power to appoint new Directors to fill any casual vacancy arising out of death, resignation, retirement or removal and a person so appointed shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.”

- xxi. *By the insertion of a new Article 43 as follows:*

“Subject to the provisions of the Act, the Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. The meeting and proceedings of each committee shall be governed by its terms of reference.”

- xxii. *By the insertion of a new Article 44 as follows:*

“A Director must declare to the other Directors any situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company.”

- xxiii. *By the insertion of a new Article 45 as follows*

“The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by Applicable Law:

45.1.1 any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);

45.1.2 a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of this Article 45 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises, provided that for this purpose the Director in question and any other interested Director (the “Conflicted

Director”) are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.”

- xxiv. *By the insertion of a new Article 46 as follows:*

“If a matter, or office, employment or position, has been authorised by the Directors in accordance with these Articles then:

46.1 the Conflicted Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;

46.2 the Conflicted Director may absent himself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and

46.3 the Conflicted Director may make such arrangements as such Director thinks fit for board and committee papers to be received and read by a professional adviser on behalf of that Director.”

- xxv. *By the insertion of a new Article 47 as follows:*

“A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors pursuant to these Articles (subject in any such case to any limits or conditions to which such approval was subject).”

- xxvi. *By the insertion of a new Article 48 as follows:*

“A Director who is in any way, directly or indirectly interested in a proposed or existing contract, transaction or arrangement with the Company must forthwith declare the nature and extent of that interest to the other Directors unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.”

- xxvii. *By the insertion of a new Article 49 as follows:*

“Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not

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be counted in the quorum at the meeting in relation to any resolution on which he is debarred from voting.”

xxviii. By the insertion of a new Article 50 as follows:

“Subject to the provisions of these Articles, a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

50.1 the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;

50.2 the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

50.3 any contract or arrangement by a Director to participate in the underwriting or sub-underwriting of any offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription, purchase or exchange;

50.4 any contract or arrangement concerning any other company in which the Director and any persons connected with him do not to his knowledge hold an interest in shares representing ten percent or more of either any class of the equity share capital or the voting rights in such company. For the purpose of this paragraph, there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder;

50.5 any arrangement for the benefit of Directors or employees of the Company or directors or employees of any of its subsidiaries which does not award him any privilege or benefit not generally awarded to the other persons to whom such arrangement relates;

50.6 any proposal concerning any insurance which the Company is empowered to purchase and/or maintain exclusively for or for the benefit of inter alia such Directors of the Company.”

xxix. By the insertion of a new Article 51 as follows:

“Subject to Applicable Laws, where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) or subject to the provisions of the Act, the termination of appointment (including fixing

or varying the terms of such termination) of two or more Directors to or from offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and counted in the quorum) in respect of each resolution except that concerning his own appointment or termination of appointment.”

xxx. By the insertion of a new Article 52 as follows:

“If any question shall arise at any time as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting (or if the Director concerned is the chairman to the other Directors at the meeting) and his or their ruling (as the case may be) shall be final and conclusive except in a case where the nature or extent of the interests of such Director has not been fairly disclosed.”

xxxi. By the insertion of a new Article 53 as follows:

“Subject as otherwise provided in the Applicable Law or in these Articles, a Director may be in any way, directly or indirectly, interested in any contract or arrangement or transaction with the Company and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof. For the avoidance of doubt, the Company shall have no claim arising from, or in consequence of, the Director's interest in any contract or arrangement or transaction within the scope of this Article 53 and Article 44 and the Director shall not breach any of his duties to the Company as a result of having that interest.”

xxxii. By the insertion of a new Article 54 as follows:

“For the purposes of this Article 54 and Article 44 above, an interest of a person who is, connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has.”

xxxiii. By the insertion of a new Article 55 as follows:

“An interest of a Director may be declared at a meeting of Directors, by notice in writing pursuant to Section 277 of the Act and the directors shall at all times comply with the provisions of the Act.”

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xxxiv. By the insertion of a new Article 56 as follows:

“The business of the Company shall be managed by the Directors, who shall act in accordance with the provisions of the Act and these Articles.”

xxxv. By the insertion of a new Article 57 as follows:

“The Board is accountable and responsible for the performance and affairs of the Company and shall oversee the effective performance of the management of the Company. The Board shall ensure that the Company carries out its business in accordance with its Memorandum and Articles of Association and in conformity with all Applicable Laws.”

xxxvi. By deleting Article 36 and substituting it with the following new Article 58:

“There shall be a Board of Directors of the Company constituted by the current directors of the Company at every time. The Directors shall appoint amongst themselves a Chairman who shall preside over the meetings of the Board of Directors but if the Chairman is not present within five minutes after the time appointed for holding the meeting, the Directors may choose one of their number to be Chairman of the meeting. At all times, the position of the Chairman of the Board and the Chief Executive Officer shall be separate and held by different individuals.”

xxxvii. By deleting Article 38 and substituting it with the following new Article 60:

“The Board of Directors shall hold meetings as many times during the year as they deem necessary, provided that such meetings are held not less than four times in a year, once every quarter.”

xxxviii. By deleting Article 39 and substituting it with the following new Article 61:

“Unless and until otherwise determined by the Board of Directors, there shall be given fourteen days’ notice in writing to all directors entitled to receive notice of meeting of directors.”

xxxix. By the insertion of a new Clause 65 as follows:

“All or any of the Directors or any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

Subject to the Act, all business transacted in such manner by the Directors or a committee of the Directors shall be deemed to be validly and effectively transacted at a meeting of the Directors or a committee thereof notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place.”

xl. By deleting Article 44(3) and substituting it with the following new Article 69:

“In addition to the appointment of a Managing Director, the Board of Directors may from time to time, subject to complying with Applicable Law, appoint Executive Directors for a fixed term or subject to regulatory ceiling as to the period for which they are to hold such office, and may from time to time remove any Executive Director from the office and appoint another or others in his or their place or places”

xli. By deleting Article 45.

xlii. By deleting Article 47 and substituting it with the following new Article 71:

“The Board of Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party. Provided that the amount for the time being remaining undischarged of moneys borrowed or secured by or on behalf of the Company and its subsidiaries (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business and exclusive of borrowings owing by one member of the Group to another member of the Group) shall not at any time without the previous sanction of the Company in a general meeting exceed 100 times the aggregate of the amount for the time being paid up on the share capital of the Company and the amount standing to the credit of the Company’s reserves so however that no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit is observed. In exercising the power conferred by this Article 71, the Board of Directors shall be bound to obey the directions and instructions which may from time to time be pronounced by the members in general meeting.”

xliii. By the insertion of a new Article 74 as follows:

“The Board of Directors of the Company shall from time to time determine, by a majority vote, whether to recommend to the Company that dividends should be declared, and the extent of such dividends. Dividends shall be declared by the Company in general meeting, but no dividends shall exceed the amount recommended by the Directors.”

xliv. By the insertion of a new Article 75 as follows:

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“No dividends shall be paid otherwise than out of the profits and the declaration of the Directors as to the amount of profits of the Company shall be conclusive.”

xlvi. *By the insertion of a new Article 76 as follows:*

“Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividends is paid.”

xlvi. *By the insertion of a new Article 77 as follows:*

“In accordance with the provisions of section 382 of the Act, all unclaimed dividends may be invested in an investment outside the Company for the Company’s benefit until claimed, and no interest shall be paid on dividends.”

xlvi. *By the insertion of a new Article 78 as follows:*

“The Company reserves the right to forfeit unclaimed dividends which remain unclaimed for a period of 12 years after the declaration of the dividend. Such unpaid dividend shall be properly reflected on the Company’s account.”

xlvi. *By deleting Article 50 and substituting it with the following new Article 79:*

“(A) The Directors shall cause accounting records to be kept with respect to:

i).

Entries from day to day of all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;

ii). All sales and purchases of goods by the Company;

iii). A record of the assets and liabilities of the Company;

iv). Statements of stocks held by the Company at the end of each year;

v).

All statements of stocktaking from which any such statement of stock as is mentioned in (iv) above has been or is to be prepared; and

vi). Except in the case of goods sold by way of ordinary retail trade, statements of all goods sold and purchased, showing the goods and the buyers and sellers in sufficient detail to enable all these to be identified.

(B). Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company’s affairs and to explain its transactions.

(C) A printed copy of every consolidated and separate statement of financial position (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy

of the auditors’ report, shall not less than twenty-one days before the date of the meeting be delivered or sent by post or electronically to the registered address of every member.

xlix. *By the insertion of a new Article 82 as follows:*

“Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act or any applicable regulation for the time being in force.”

l. *By deleting Article 53 and substituting it with the following new Article 83:*

“A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if he has no registered address within Nigeria) to the address, if any, within Nigeria supplied by him to the Company for the giving of notice to him. When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and such notice shall be deemed to be effected, in the case of a notice of meeting, on the seventh day after the day on which the letter containing the same was posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.”

By the insertion of a new Article 85 as follows:

“Every director, managing director, agent, auditor, secretary and any other officer for the time being of the Company, shall be so far as is lawful, indemnified out of the assets of the Company against any liability incurred by him in or about the execution and discharge of the duties of the office.”

By the insertion of a new Article 86 as follows:

A Shareholder, shall to the extent applicable, notify the Company of its percentage holding in compliance with the notification requirement of all Applicable Laws including the rules of any exchange on which the shares of the Company are listed or traded

12. To consider and if thought fit pass the following resolution which shall be proposed as an ordinary resolution:

a. *“That the Company be and is hereby authorized to establish and adopt a management share option scheme pursuant to the Company’s Share Option Policy (the “Policy”) which sets out the option grants, vesting schedule and other terms and conditions of the scheme;*

b. *That the shareholders hereby waive their preemptive rights over the shares and hereby delegate to the directors the power to allot shares from time to time in furtherance of the management share option scheme;*

c. *The total number of shares of the Company that will be held under the Policy or management share option scheme will not exceed ten (10%) percent of the issued share capital of the Company;*

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- d. *That the Board of Directors, management and officers of the Company be and are hereby authorized to perform all such other acts and do all such other things as may be necessary to give effect to the foregoing resolutions.”*

Dated 20th July, 2020 By

Order of the Board



ARM Trustees Limited
 COMPANY SECRETARY

Notes

Compliance With Covid-19 Related Directives And Guidelines

The Federal Government of Nigeria, State Governments, Health Authorities and Regulatory Agencies have issued a number of guidelines and directives aimed at curbing the spread of COVID-19 in Nigeria. Particularly, the Lagos State Government prohibited the gathering of more than 20 people while the Corporate Affairs Commission (CAC) issued Guidelines on Holding AGM of Public Companies by Proxy. The convening and conduct of the Annual General Meeting (AGM) shall be done in compliance with these directives and guidelines.

Attendance By Proxy Only

In view of the Covid-19 pandemic and following the Government's restriction of public gatherings, the CAC has approved that attendance to the AGM shall only be by proxy to ensure public health and safety. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

1. Mr. Kola Ashiru-Balogun
2. Mr. Benson Ajayi
3. Mr. Ugochukwu Ndubuisi
4. Mr. Sadiq Mohammed
5. Mr. Pekun Ozolua
6. Mr. Esan Ogunleye
7. Mr. Ralph Osayameh
8. Ms. Kariba Spiff

All instruments of proxy should be completed and deposited at the office of the Company's Registrars, Africa Prudential Plc, 220B, Ikorodu Road, Palmgrove, Lagos not later than 48 hours before the time of holding the meeting.

A proxy need not be a member of the Company.

Closure of Register & Transfer Books

NOTICE IS HEREBY GIVEN that the Register of Members and Transfer Books of the Company will be closed on Thursday, 13th August, 2020.

Audit Committee

As stipulated in Section 359(5) of the Companies and Allied Matters Act, Cap C20, LFN, 2004, any member may nominate a Shareholder for election to the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

Live Streaming Of AGM

The AGM will be streamed live. This will enable shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the AGM live streaming will be made available on the Company's website at www.mixtanigeria.com.

Audited Financial Statements

Copies of the Audited Financial Statements of the Company shall be available at www.mixtanigeria.com and the under listed locations:

- i. Africa Prudential Plc, 220B, Ikorodu Road, Palmgrove, Lagos;
- ii. ARM Investment Center, 86 Adeniran Ogunsanya, Surulere, Lagos;
- iii. ARM Investment Center, 68C Coker Road, Ilupeju, Lagos;
- iv. ARM Investment Center, 60A Old Market Road, Opposite Broadway Cinema, Onitsha;
- v. Asset & Resource Management Holding Company Limited, 129 Adetokunbo Ademola Crescent Abuja; and
- vi. Asset & Resource Management Holding Company Limited, 12 Circular Road Presidential Estate, GRA Phase II, Port Harcourt.

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**Financial
Statement**



Résidence Cordoba, Tunis, Tunisia

Our Vision

To be Africa's foremost real estate developer.

Our Mission

Creating value for our clients by delivering innovative solutions.

Our Core Values



Our Business Philosophy



Low Cost Land Acquisition



Building Communities



Focus on Residential Real Estate



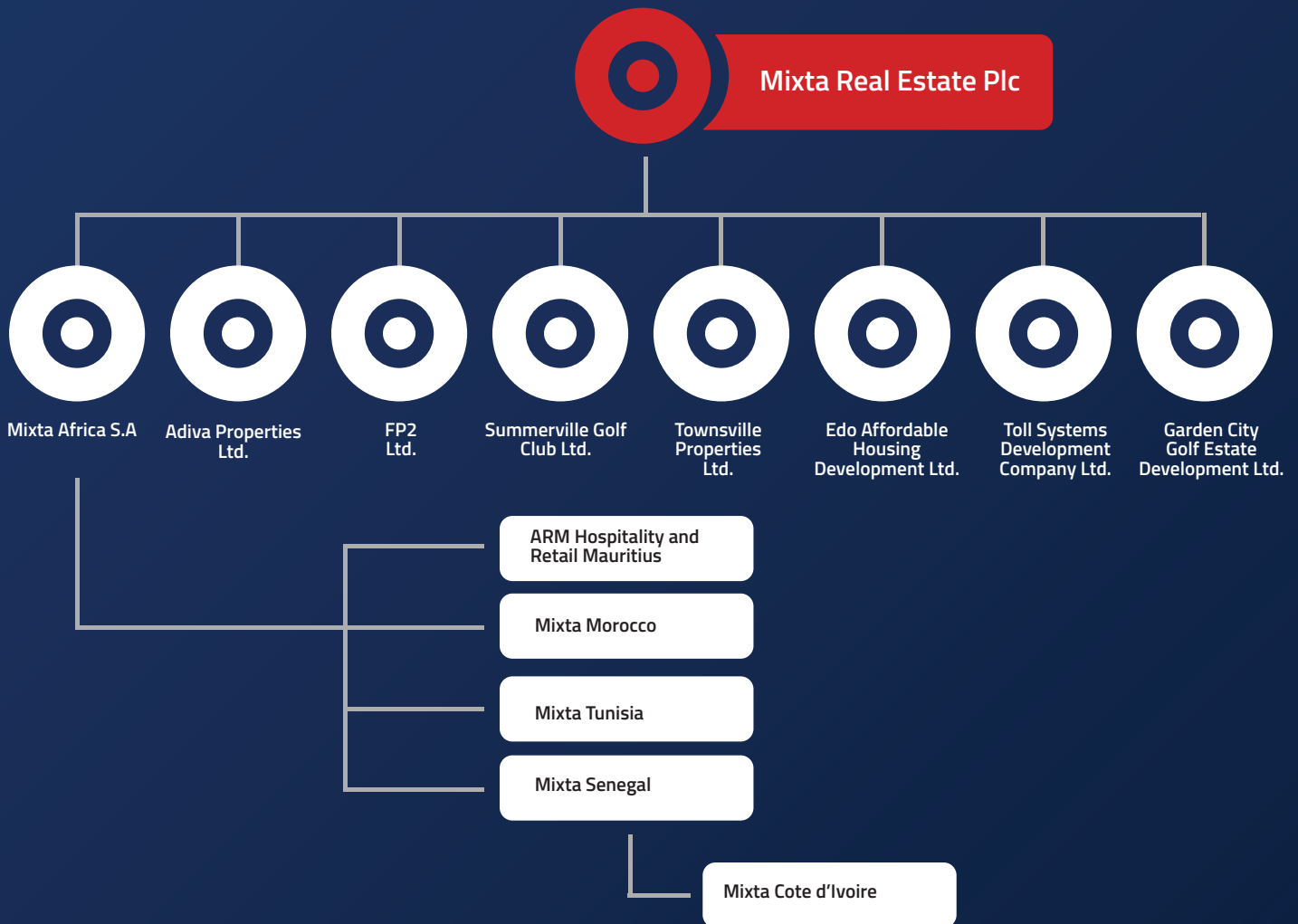
Product Developments Tailored to Market Characteristics



Non-Speculative Developments

HOLDING STRUCTURE

Mixta Africa is a subsidiary of ARM, one of the largest independent non-bank financial services institutions in West Africa.



ABOUT MIXTA AFRICA

Founded in April 2005, Mixta Africa specialises in the development of urban infrastructure and affordable housing.

The Company was established with the objective of responding to the existing housing deficit across the African continent and has a long-term vision of becoming the foremost real estate developer in Africa.

The Company has a differentiated proposition of strong financial profile, scale, a continuous innovative approach and a 20-year track record of successful real estate and infrastructure development by a highly experienced management team.



The Company has successfully built a large land bank, local expertise in each country of operation with a proven track record, and is therefore strongly positioned for growth.

15 million

sqm of development-ready land bank in place

≈ 12,000

housing units successfully completed and delivered to date

23

projects completed

11

projects ongoing

MIXTA'S GEOGRAPHICAL PRESENCE



2019 KEY PERFORMANCE INDICATORS



1,329

Properties Delivered*

*Projects completed were combinations of homes and plots.

92%

Affordable housing Development

Affordable housing remains the company's strategic focus and the mix of properties delivered during the year aligns with this. This trend is expected to continue in the coming years since this segment is one of the largest underserved segments.

5

New Projects Started

The new projects commenced during the year focused on affordable housing where the market is strong.

4%

Land Bank Appreciation



Appreciation in the land bank is driven by sustained investment in infrastructure during the year. In addition, the company has pursued its monetization strategy by developing new housing units & projects on the land bank.



88%

Staff Retention

This is a testament to the company's goal of retaining and investing in the best people and its focus on their development and success.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to welcome you to the 12th Annual General Meeting of your Company, Mixta Real Estate Plc., and to present to you the Annual Report and Financial Statements for the year ended December 31, 2019.

My report to you is in my capacity as acting Chairman, following the unfortunate demise of our erstwhile chairman, Arch. Eddy Eguavoen in January, 2019. I ask that you join the board in wishing him eternal rest.

I would like to start with a review of the operating environment in 2019 and the performance of the real estate industry.

Macro-Economic Review

For most of 2019, the global economy experienced a slowdown; notably, across Europe, China and the United States. Factors such as the sustained U.S.-China trade conflicts, inability to resolve Brexit affairs decisively as well as a decline in global oil prices fueled volatility in the global equity markets, which in turn triggered significant capital outflows from emerging economies. For most

economies across the developed and developing regions, trade growth weakened compared to what prevailed in 2018 and fell well below the recorded average growth rate between 2012 and 2017.

Nigeria's GDP grew by 2.6% year-on-year in the fourth quarter of 2019, bringing overall 2019 growth rate to 2.3%, compared to 1.9% in 2018. The strong fourth quarter 2019 growth rate also represented the highest quarterly growth performance since the 2016



recession, as oil output growth outpaced the previous three years accompanied by increased momentum in the non-oil segment. Notably, the industrial sector delivered the strongest expansion, underpinned by more upbeat manufacturing and construction activities. Generally, business dynamics improved in the fourth quarter supported by increased bank lending during the third quarter while advancement in the manufacturing sector was evident going by the rebound in the Purchasing Managers' Index (PMI) which hit a 17-month high in November. Breaking from the norm, we witnessed an early passage by the Senate of a record budget of ₦10.6 trillion in December 2019 for the 2020 FY. The 2020 FY budget is premised on the government returning to the international capital markets for increased borrowings to finance a portion of its capital expenditure budget, particularly, infrastructure projects. Inflation remained relatively flat for most of 2019, peaking at 11.9% in November as food prices continued to surge amid the country's extended border closures. The exchange rate remained relatively stable.

Nigerian Real Estate Market

According to NBS, the Nigerian real estate sector contracted by 2.4% YoY over 2019, albeit representing an improvement when compared to a 4.7% YoY contraction recorded in 2018. In real terms, the contribution to GDP in Q4 2019 and FY 2019 stood at 3.6%.

The evolving changes in Africa's regulatory environments, the volatility of commodity prices and the increased political and economic tensions adversely impacted the performance of segments of the African real estate markets. Despite these challenges, the underlying structural gap between demand and supply of affordable residential homes has continued to present attractive real estate opportunities for large developers. Clearly, a slower contraction in the real estate GDP in 2019 - compared to 2018 - gives credence to our position that there are still attractive opportunities within

this sector. With a housing deficit estimated at almost 20 million units, Nigeria's property market is projected to require between ₦170 trillion and ₦200 trillion to bridge the housing gap.

Most of this will, however, only represent a potential until affordable acquisition financing is widely available to home buyers. Accordingly, the market is expected to stabilise and grow by only 2.3% YoY in 2020. Looking ahead, the ongoing liberalisation and anticipated reforms of the Nigerian Government geared toward promoting various social investment programmes should improve the attractiveness of a segment of the real estate sector, especially in the area of affordable housing. This will be favourable to large-scale players, such as your Company, that are able to cope with high-level government cooperation and have access to significant funding, factors lacked by most players in a fragmented industry.

Corporate Activities

Shareholders will recall that at the last Annual General Meeting held in 2019, the Board presented a proposal on the corporate reorganisation of Mixta Real Estate Plc for consideration. Following the approval granted by Shareholders, I am pleased to report that your Company is now effectively the 'Ultimate Holding Company' of the Mixta Group with operating subsidiaries in four other African countries. Your Board is confident that this new corporate architecture, along with the operational reorganisation that we are just about completing will provide the platform to strategically deliver sustained returns to Shareholders.

As a result of the corporate reorganization, Shareholders can now benefit from the strong potential in the affordable housing sector in more African countries. The strong brand of Mixta in North Africa and Senegal as well as its track record across 5 countries has already enabled your Company to quickly gain clients' trust that is not typically extended to smaller and underfunded developers. To aid deeper market

penetration, the respective management teams across all subsidiaries are introducing new projects and products with innovative acquisition financing solutions for affordable housing. Our goal for our projects is to make sure they all align with our vision to create sustainable communities wherever they may be located with access to fit-for-purpose infrastructure as well as decent, safe and functional accommodation.

Company Performance

During the year, we delivered more homes in Nigeria at the RDP and in Emotan Gardens projects in Lagos and Benin, respectively. The first phase of Emotan Gardens Estate, which was 100% pre-sold before completion of construction, demonstrated the growing strength of our brand, the security that our clients derive from being a member of the ARM Group and, finally, our credibility as a trusted developer having successfully delivered projects across 3 states in Nigeria.

We recorded over 100 new residents at Adiva Plainfields Estate thus bringing increased footfall to that axis of our development. This also positively impacted the overall visibility of our new Beechwood Park Estate project which is in proximity to Adiva. We also launched operations at the Corporate Lodge which is a meeting and small conference facility within our Lakowe Lakes project. I am glad to report to you that over 2,000 guests used the facility within only a few months of its opening. These guests came from across major industries and we have effectively increased the exposure of the project to a new set of clientele.

Towards our commitment to deliver more affordable housing, we launched a new home financing initiative in Nigeria called 'MixtaFlex'. The program allows qualified buyers to make initial equity deposits for their homes over an extended period of up to 36 months while they process their application with the Federal Mortgage Bank of Nigeria for a single-digit interest rate facility that has a term of up to 25 years. The

program allows for a low initial payment of ₦150,000 while the monthly payments, depending on the chosen scheme, are as low as ₦50,000. We introduced the initiative through our Beechwood Park development in November 2019 and recorded almost 250 units of recorded pre-sales before the end of the year.

We have continued to make significant investment in infrastructure to give greater value to the new communities that we are building across our project sites. In Nigeria, we invested almost ₦500m to commence preliminary construction work on approximately 2.5 kilometres of road network within our Lagos New Town site. We also installed a new 5 MVA Independent Power Project with associated electrical infrastructure to power up to four estates within our township development. At our Fara Park II development site, we constructed over 1.2 kilometres of road network with side drains, completed the dredging of a 10,000 sqm lake and invested in other mechanical and electrical infrastructure within the estate. Finally, partly in consideration of reducing the sub-structure costs of our developments, we dredged a section of Lakowe Lakes Estate. This also enabled us to make this a unique feature of this development.

In other countries, we delivered the Résidence La Rosa development, a social housing project located in the north west of Morocco, in Chefchaouen. The development features 134 apartments with prices below US\$25,000 (that is, under ₦10 million) over a land bank of 5,000 sqm.

Financial Year 2019 Results

The FY2019 represented the last phase of our overriding emphasis on infrastructure investing - to the detriment of home construction - to support the development of communities on our land bank in Nigeria. The priority given to infrastructure investing and the delay in concluding on additional equity funding however impacted our ability to deliver completed homes to our clients, notably, in Nigeria. Consequently, recorded revenues were lower

than planned although we achieved record off-plan sales across all locations in 2019. Your Board also considered the recommendations of Management on the implications of the new IFRS 9 and IFRS 15 standards. In doing so, we took a more conservative approach to revenue recognition (IFRS 15) to avoid adverse consequences relating to provisioning of associated receivables (IFRS 9) in later years.

Despite the inclement economic environment that prevailed in 2019, our sales of trading properties reached ₦6.3 billion on the back of 1,329 real estate units delivered to our clients. This result compares with ₦7.0bn of revenues (representing 645 units) in the previous year. We believe this is still a strong achievement given the market and business challenges that we encountered. We also achieved a significant improvement in gross margin, rising to 70.5% (2018: 10.8%), and translating to ₦4.4 billion in gross profit and a 70.6% decline in cost of sales. The marked improvement in margins resulted was largely as a result of over-provision for development costs in prior years which were no longer required.

We also recorded fair value gains of ₦2.5 billion on investment property in 2019. This result is modest when compared to the equivalent of almost ₦8 billion recorded in the previous financial year. While the difference is no doubt significant, it is at the same time demonstrating your Company's resilience to the diminishing contribution of non-cash items to overall earnings. Finance charges for the period rose to ₦6.1 billion (2018: ₦4.4 billion) largely reflecting a net increase of ₦13 billion in the aggregate debt portfolio, albeit at a lower average cost. As a result of the foregoing, your Company recorded a loss of ₦558 million for the year, although the underlying business trends show some strength which I will shortly highlight.

Deferred revenue, which is represented by cash deposits from customers against future home delivery, rose by about 195% to ₦13.0 billion. This represents contractual sales (off-plan sales) in respect of 1,803 units to be delivered to our customers in the future - a further testament to the solidity

of your Company's brand which encourages buyers to make deposits towards the future purchase of their homes.

It also gives me pleasure to report that, resulting from your patience as Shareholders as well as Management's focus on the long term benefits of its decisions, your Company now has a more resilient balance sheet and ended the 2019 financial year - with a stronger asset base of ₦157 billion from ₦44 million in 2006, with a cash and cash equivalents balance of ₦3.2 billion (2018: ₦2.8 billion). The liquidity position is expected to improve once we conclude on the ongoing fundraising exercise. Our disciplined approach and the financial strength of our balance sheet will enable us to achieve market dominance in the affordable housing segment.

While reporting on our 2019 performance, it is important that I draw the attention of Shareholders to the 'Emphasis of Matter' in the Audit Opinion. While your Board has actively engaged Management on these issues, it is noteworthy that the plans being implemented by the Company, which have been comprehensively assessed by the Board, leads us to believe that these observations are transient in nature.

Regrettably, and for some of the reasons highlighted above, your Board is unable to recommend any dividend to Shareholders for the 2019 financial year. It remains the goal of your Board and Management to ensure resumption of dividend payment as soon as possible. Barring a prolonged period of economic slowdown, the Company's plans are geared toward delivering better results in 2020.

Equity Recapitalisation

At the last Annual General Meeting of your Company, a special resolution was passed by Shareholders to enable the Company to proceed with a capital raise exercise. The rationale provided then, and which remains relevant today, was to use part of the proceeds for debt reduction and the remainder for the execution of the revised business plan as approved by your Board.

Further to this, we received a vote of confidence from the Company's international advisers that we could proceed with an international listing of the Company's shares. Unfortunately, market conditions took a turn for the worse thereafter, and several prospective frontier and emerging markets companies, including Mixta Real Estate Plc., had to postpone the timing of transaction launch. This delay forced us to maintain a high debt level throughout the 2019 financial year to sustain our operations.

Correspondingly, our net operating cash flows fell below the level that we planned. We must, therefore, prevent this situation from remaining with the Company for much longer lest it undermines the gains we have made in terms of strong asset value and growth. With the level of apathy for equity investments by institutional fund managers, we have had to seek other avenues to attract private equity capital. The private placement route currently being explored by Management of your Company will require a waiver of the rights of shareholders to enable us to consummate on the few opportunities available in good time. A resolution to this effect will therefore be put before you at this meeting and I ask that you give this the necessary support so that we can take bold steps in actualizing our financial goals.

Outlook

The headwinds experienced globally in 2019 is now likely to be accentuated by further slowdown arising from the global pandemic crisis. This was not a feature of our business plan when your Board initially approved the budget for the 2020 financial year. We had projected economic recovery in 2020, but most of the markets where we operate, including Nigeria, are now expected to remain challenged and many economies are likely to record a GDP contraction in 2020. Generally speaking, such an outlook is not expected to augur well for the real estate sector. Your Board however believes there are unique features of Mixta Real Estate Plc. as well as sector opportunities that would enable your Company to

cope better than many others operating in the real estate industry. Appropriately, the theme for this annual report has been captioned 'Ready for Growth'.

Our strategic objective will be to increase our focus on the affordable housing segment to benefit from economies of scale. We plan to improve our development capabilities by optimising our operations and project management processes. Technology will play a pivotal role in achieving this as well as enabling us to minimise our costs to increase our profitability. In order to ensure that our products remain affordable and accessible, we will continue to encourage homebuyers to consider flexible payment plans ahead of accessing mortgage facilities from Private Mortgage Institutions. We also intend to continue to increase our investment and efforts in building our brand visibility through targeted innovative marketing initiatives.

Finally, reconfiguring our capital base and structure represents the last stage of the corporate restructuring exercise that commenced in 2019. To achieve our financial goals therefore, an early completion of our fundraising efforts has become critical. This will set us on a new trajectory and deliver financial results that I am confident Shareholders will find more attractive.

Together with the rest of the Board and Management as well as the continued support of Shareholders, I look forward to the future with excitement and confidence.

Deji Alli OFR
Acting Chairman

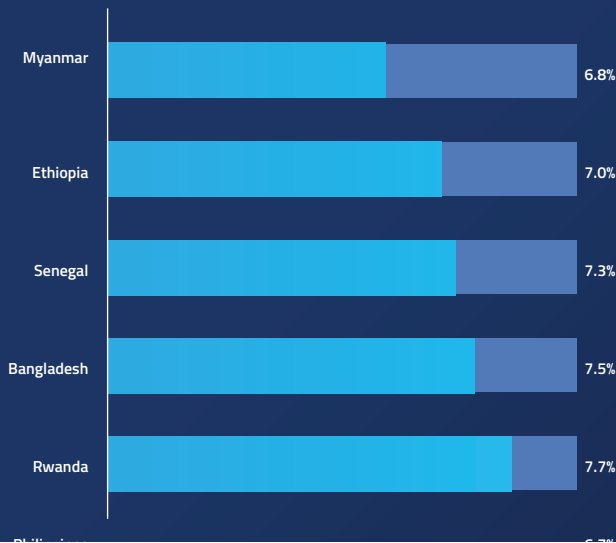


Residence Essafia I-VIII, Morocco

Market Review- The African Real Estate Opportunity

Despite overwhelming negative headlines, there has been seismic progress in quite a few areas such as strengthening of democratic institutions, curtailing of corrupt practices, adoption of market friendly policies

and improving business & operating environment creating the growth story in the continent.



3/5

Fastest growing economies in 2019-2024 are in Africa.

2nd

Fastest growing economy when evaluated as a continent behind South Asia

Investment in affordable housing is a priority area of Government's post-Covid 19 recovery plans.

Top15 ≈ \$2.1trn
Countries GDP

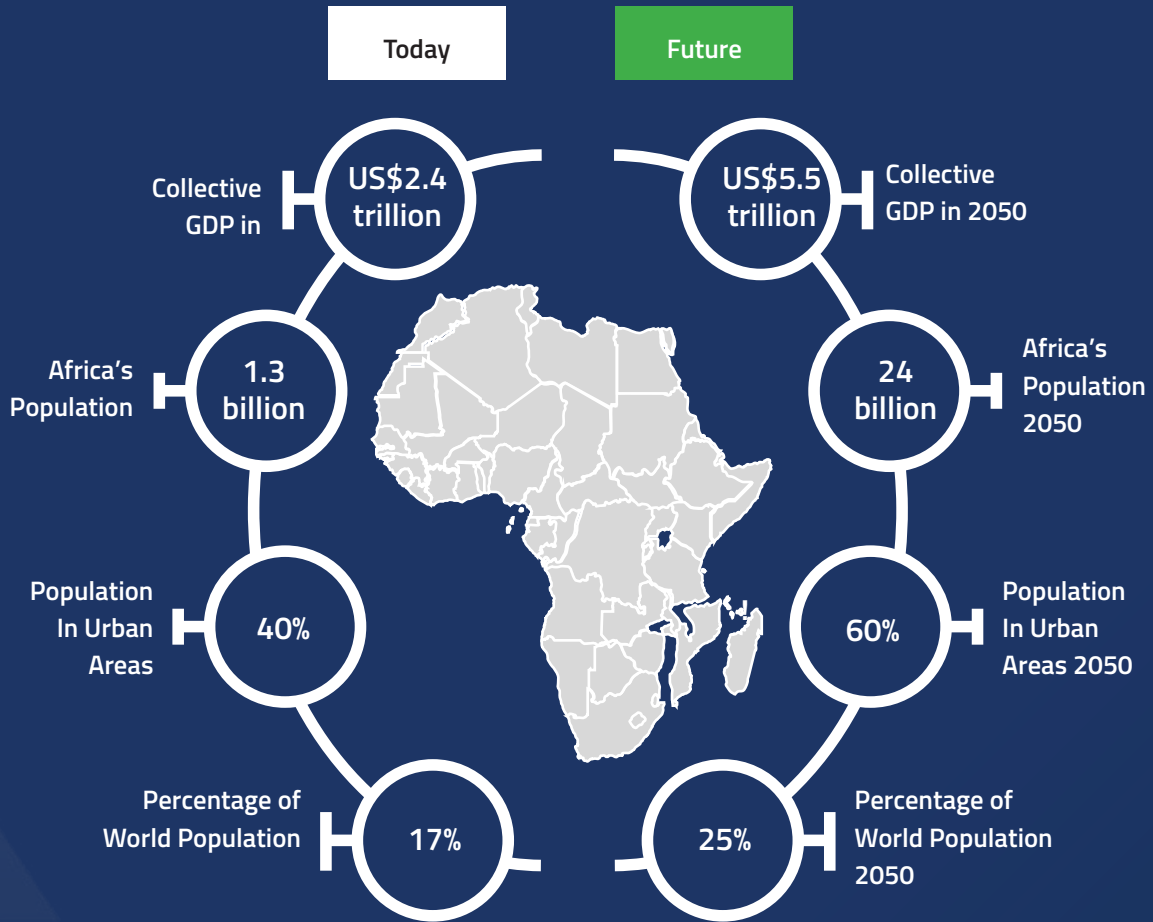
4

Countries account for over 50% of GDP & 30% of population

Nigeria, South Africa, Egypt & Algeria.



Africa's real estate market is poised for continued growth, driven by several enabling factors.



The continent has a high prospect for growth driven by untapped opportunities, population growth, and technology adoption.

Sources: IMF, World Bank, African Economic Outlook, ADB, Organisation for Economic Co-operation and Development, United Nations Development Programme, UNICEF, UN-HABITAT



1

Robust Economic Growth

- > 5% average annual GDP growth over the last decade
- Current population of > 1 billion people
- Expected 42% population growth by 2030
- World's largest population of working age people of 1.1 billion people by 2034
- Significant young population

2

Rapid Urbanization

- Annual urbanization rate of 3.5% over the last 20 years
- 40% of the population live in cities and towns
- By 2025 an extra 187 million Africans will have moved to the cities
- 50% of total population by 2030 expected to be urbanized; as high as 85% in selected countries

3

Increasing Mortgage Penetration

- Rapidly growing mortgage market
- Government-sponsored initiatives to improve access to mortgage loans
- Significant contribution to the African economy expected through improving financial intermediation & access to home ownership

4

Large Housing Shortages

- Significant shortage of housing units coupled with rising demand
- Africa's housing shortage is estimated at 51 million units
- Nigeria alone needs an annual investment in excess of US\$ 10 billion to address housing shortage
- Improvements in infrastructure spending

5

Government Priority & Focus

- African governments are encouraging the production of more affordable housing
- New policies focus on:
 1. fiscal and tax incentives for developers & mortgage assistance for buyers; and,
 2. funding support to home buyers and affordable housing developers

Source: World Bank Indicators, Centre for Affordable Housing Finance. Yearbook, McKinsey & IFC



Résidence de la Paix I-IV , Dakar, Senegal

BOARD OF DIRECTORS

The Board of Mixta is considered a blend of experience and knowledge and is well-diversified. All members are well abreast of their responsibilities and are conversant with the Company's business and its environment, bringing their valued perspectives and expertise to the Board's deliberations. Besides possessing the requisite academic qualifications and experience in Board affairs, Directors are also able to exercise sound judgment on matters relating to the Company's business. The diversity of the Board is considered a significant strategy in achieving the Company's goals as they are responsible for driving the governance structure of the Company.

“Our conviction is that a good corporate governance culture enhances the confidence placed in us by our shareholders, partners, employees and the markets in which we operate.”



Mr. Oladapo Oshinusi

Non-Executive Director (Independent)

Dapo Oshinusi is the Founder, CEO/Managing Director of Mansfield Energy, a leading provider of oil and gas services in West and South Africa. He was President of Reslink for Africa after working with Schlumberger for more than 20 years in Europe, Middle East and Africa. He was Chairman of the Society of Petroleum Engineers (SPE), Lagos section in 1999-2000. He was the Secretary of Petroleum Technology Association of Nigeria (PETAN), an association committed to the development of the Nigerian content with the transfer of technology to Nigerians in the oil and gas sector. He attended Government College Ibadan, University of Ibadan and several executive development programs in various Universities that include; Harvard Business School, USA, Georgetown University, USA, University of Michigan, Ann Arbor, USA, University of Tulsa, USA and Heriot-Watt University, Scotland.

Board of Directors (cont'd)



Mr. Deji Alli OFR

Non-Executive Director

Deji Alli is the Chairman and CEO of Mixta Africa, S.A. Prior to this, he served as the founding CEO of Asset & Resource Management Holding Company Limited (ARM). Deji's career also spans Prudential Portfolio Managers Limited, UK and the African Development Bank. He holds a B.Sc degree in Accounting and a post-graduate degree in Finance from the University of Lagos.



Mrs. Olanike Anani

Non-Executive Director

Olanike Anani has cognate experience in investment management and finance. She is the CEO of CLAD Ltd, a single family office that invests in a range of sectors primarily in Nigeria. Prior to her role at CLAD Ltd, she worked in Deloitte LLP UK and GFI Group. She is a member of the Institute of Chartered Accountants England and Wales and a First Class Economics graduate from University College London, UK. She sits on the boards of several companies.



Mr. Wale Odutola

Non-Executive Director

Wale Odutola is the Managing Director of ARM Pension Managers (PFA) Limited. Prior to this, he served as the Managing Director of ARM Properties Limited, ARM Securities Limited, ARM Hospitality & Retail Fund, and the Head of ARM's Research and Investment Management functions department at various times. Wale holds a B.Sc. in Accounting from the University of Lagos and is an alumnus of the Harvard Business School.

Board of Directors (cont'd)



Mr. Daniel Font

Non-Executive Director

Daniel Font is the Chief Operating Officer and Deputy CEO of Mixta Africa, S.A. Prior to joining the Company in 2008, Daniel held several key positions in Group Diagonal and Bouygues Corp. He holds a Bachelor's Degree in Civil Engineering from the Polytechnic School, an MBA from ESADE Business School and undertook a General Management Program from IESE Business School.



Mr. Kola Ashiru-Balogun

Managing Director

Kola Ashiru-Balogun is the Managing Director of Mixta Nigeria. Kola has worked in various capacities in Harbor Point Limited, Schonbraun McCann Group, Stonehenge Real Estate Group, The Church Pension Group and Goldman Sachs. Kola holds a B.Sc. in Business Administration from the Bernard Baruch College, Zicklin School of Business and MSc Real Estate with Finance Concentration from the New York University.

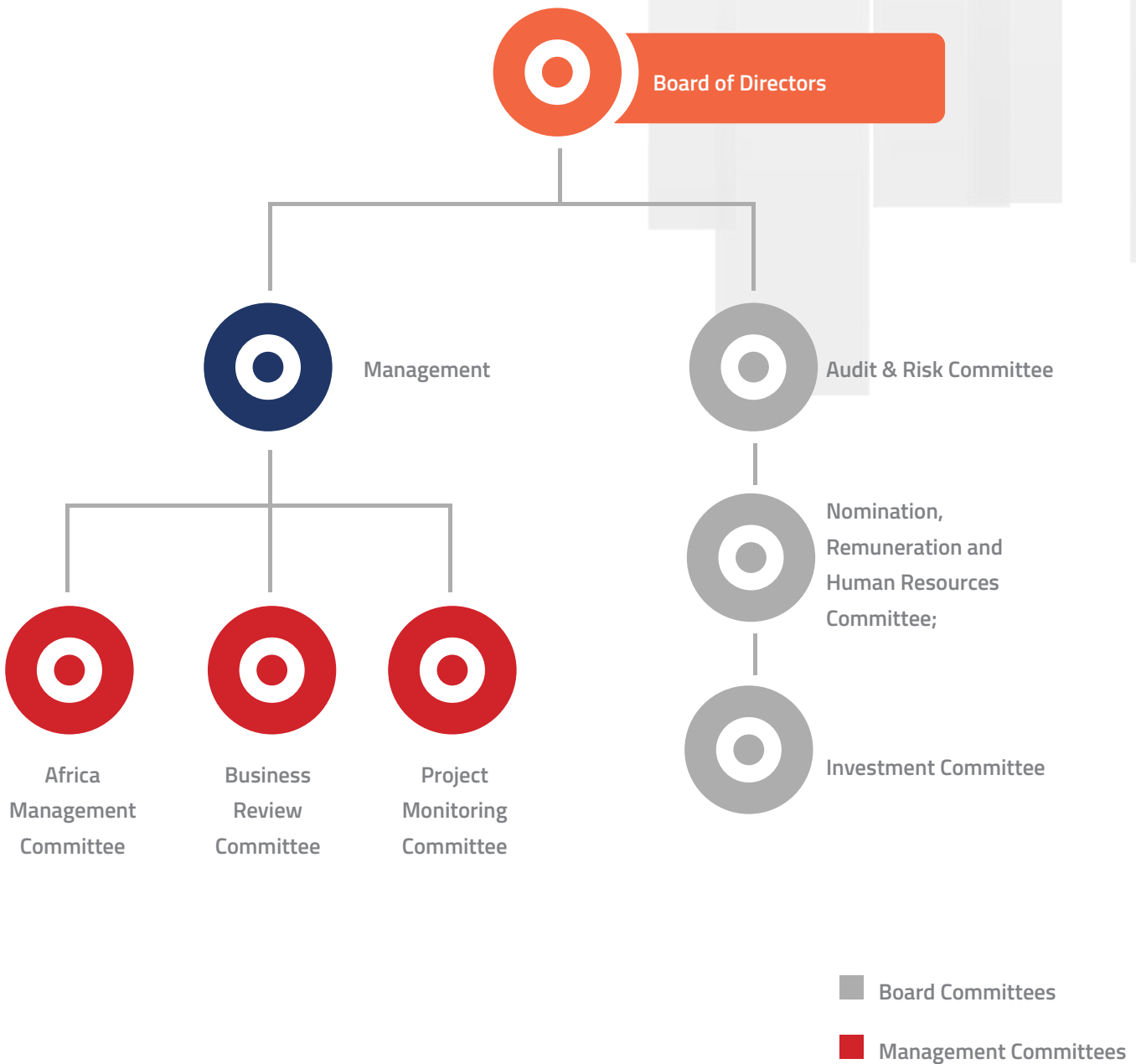


Mr Ugochukwu Ndubuisi

Executive Director, Legal & Corporate Services

Ugochukwu Ndubuisi is the Executive Director in charge of Legal and Corporate Services. Prior to this appointment Ugo Ndubuisi was the Head, Legal and Corporate Services Department of Mixta Nigeria. He has been with the ARM Group for over 10 years working in the capacity of a Senior Counsel within the Group. Ugochukwu holds a First Class Degree in Law from the University of Ibadan and is called to the Nigerian Bar. He also holds a Master's Degree (Distinction) from University College London with specialization in the Law of Banking & Finance.

CORPORATE GOVERNANCE FRAMEWORK



CORPORATE GOVERNANCE REPORT

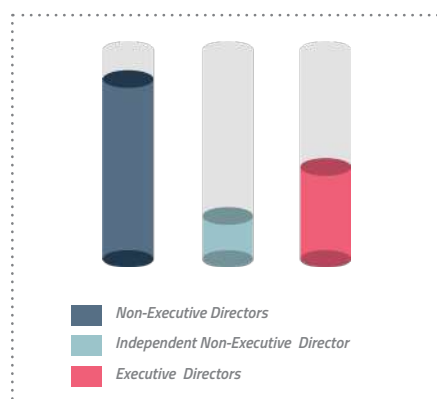
Corporate Governance Statement

Mixta Nigeria is committed to maintaining a high standard of corporate governance and aims to follow and practice the highest level of corporate governance across all business functions. The Company has in place, a Board of astute and consummate individuals with strong professional track records who maintain the fundamental purpose of the creation and delivery of long term value for its shareholders.

In order to deliver greater shareholder value, the Company continues to subject its operations to the highest standards of corporate governance, which is an essential foundation for sustainable corporate success.

We believe that a good corporate governance culture enhances the confidence placed in us by our shareholders, partners, employees and the markets in which we operate. The belief that success is only worth celebrating when achieved the right way through a process supported and sustained with the right values, continues to be one of the Company's

guiding principles.



Board Structure

The Board is currently composed of seven (7) directors, five (5) Non-Executive Directors; one (1) of whom is an Independent Director and two (2) Executive Directors. The Managing Director is responsible for the overall day to day running of the company.

Due to the untimely death of the former chairman Arc. Eddy Eguavoen, Mr. Deji Alli was appointed the Acting Chairman. Furthermore, during the year, Mr. Dafe Akpedeye ceased to be a member of the board as his tenure expired on 18th January, 2019. Though two new Non Executive Directors were appointed to the Board later in the year, the exit of these independent directors early in the year impacted on the structure of the Board during the period.

It should also be noted that following the recently approved corporate restructuring of the Mixta Group by SEC, Mixta Real Estate Plc, which was formerly a subsidiary of Mixta Africa S.A. now becomes the Holding Company while the entities operating in other countries become indirect subsidiaries of Mixta Real Estate Plc through an intermediate sub holding company, Mixta Africa S.A. As a result of this restructuring, the company has reviewed its Governance structure at a Group level and new Board and Management Committees for the Group will be in place from Quarter 1 2020.

The composition of the Board, including the names and responsibilities and other details of each of the Board Directors, during 2019 is set out below.

Membership and Attendance at Board Meetings

The Board met 4 times in 2019. Members of the Board throughout the financial year and attendance at each of its scheduled meetings are set out below.

Table 1 – Board membership and attendance for FY19

| S/N | Names | Designation | May 30, 2019 | July 30, 2019 | Nov 29, 2019 | Dec 17, 2019 | |
|-----|-------------------------|------------------------|--------------|---------------|--------------|--------------|-----|
| 1. | Mr. Deji Alli | Acting Chairman | ✓ | ✓ | ✗ | ✓ | 3/4 |
| 2. | Mr. Daniel Font | Non-Executive Director | ✓ | ✓ | ✓ | ✓ | 4/4 |
| 3. | Mr. Wale Odutola | Non-Executive Director | ✓ | ✗ | ✓ | ✓ | 3/4 |
| 4. | Mrs. Nike Anani | Non-Executive Director | ✗ | ✗ | ✓ | ✓ | 2/4 |
| 5. | Mr. Kola Ashiru-Balogun | Managing Director | ✓ | ✓ | ✓ | ✓ | 4/4 |
| 6. | Mr. Ugochukwu Ndubuisi | Executive Director | ✓ | ✓ | ✓ | ✓ | 4/4 |
| 7. | *Mr. Oladapo Oshinusi | Non-Executive Director | N/A | N/A | N/A | ✗ | 0/1 |

Note:

*Mr. Oladapo Oshinusi was appointed to the Board on 29th November, 2019.

Board Roles and Responsibilities

The Board leads and provides direction for Management by setting strategy and overseeing its implementation and also ensuring that growth is delivered in a sustainable way. The Board seeks to ensure that, while the ultimate focus is long-term growth, Management delivers on short-term objectives, striking the right balance between the two objectives.

Board Responsibilities

- Setting the strategic direction of the Company and approving strategic plan and annual operating budget.
- Approving major capital projects and changes to the nature of business operations.
- Approving major investments and divestments of the Company;
- Approval of company’s financial statements and changes to Company’s accounting policies.
- Appointments to the Board or the Executive Management team.

Induction and Continuous Training



Upon appointment to the Board and to Board Committees, all Directors receive an induction tailored to meet their individual requirements. The induction, which is arranged by the Company Secretary, may include meetings with

senior management staff and key external advisors, to assist Directors in acquiring a detailed understanding of the Company’s operations, its strategic plan, its business environment, the key issues the Company faces, and to introduce Directors to their fiduciary duties and responsibilities. The Company attaches great importance to training its Directors and for this purpose, continuously offers training and education to its Directors, in order to

enhance their performance on the Board and the different committees to which they belong. In 2019, all Board members attended a training on Leveraging Board Assessment for Business growth and Sustained Performance conducted by the Society for Corporate Governance and the newly appointed Director, Mr. Oshinusi was fully inducted on to the Board.

Board and Management Committees

During the year, the Board carried out its oversight functions using Mixta Real Estate’s Board Committees and also Board and Management Committees at Mixta Africa Group level. This made for efficiency and allowed for a deeper attention to specific matters for the

Board. The Committees followed statutory and regulatory requirements, and are consistent with global best practice. The Committees’ roles and responsibilities are set out below. Each of these committees have formal charters that set out the scope of

authority, composition and procedures for reporting to the Board. The Board and Management Committees are as follows:

Board Audit Committee



This Committee provides oversight functions with regard to both the Company’s financial statements and its internal audit and risk management functions. As provided in its charter, the

Committee meets as many times as it is called to, meeting by resolution of the Committee itself or of it’s Chairman, and at least four times a year.

Table 2 - BAC membership and attendance for FY19

| S/N | Names | Designation/ Membership | Feb 5, 2019 | April 18, 2019 | May 30, 2019 | July 29, 2019 | Nov 19, 2019 | |
|-----|-----------------------|-------------------------|-------------|----------------|--------------|---------------|--------------|-----|
| 1. | Mrs. Adenike Ogunlana | Chairperson | ✓ | ✓ | ✓ | ✓ | ✓ | 5/5 |
| 2. | Mr. Daniel Font | Member | ✓ | ✓ | ✓ | ✓ | ✓ | 5/5 |
| 3. | *Mr. Deji Alli | Member | ✗ | ✓ | ✓ | ✓ | N/A | 3/4 |
| 4. | Mr. Ralph Osayameh | Member | ✓ | ✓ | ✓ | ✓ | ✓ | 5/5 |
| 5. | Mr. Esan Ogunleye | Member | ✓ | ✓ | ✓ | ✓ | ✓ | 5/5 |
| 6. | Mr. Wale Odutola | Member | ✗ | ✓ | ✓ | ✓ | ✓ | 4/5 |
| 7. | *Mrs. Olanike Anani | Member | N/A | N/A | N/A | N/A | ✓ | 1/1 |

Note:

By virtue of his position as Acting Chairman of the Board, Mr. Alli was not re-elected to the Board Audit & Risk Committee during the AGM held July 30th 2019.

Mrs Olanike Anani was appointed to the Board Audit Committee during the AGM held July 30th 2019.

Roles and Responsibilities

The roles and responsibilities of the Committee are set out in its Charter, which is reviewed periodically by the Committee taking into account relevant legislation and recommended best practice.

The Committee has oversight over the Audit and Risk Management functions and receives separate reports and updates from each of these functions.

Each quarter, the Committee submits to the Board of Directors a report of activities of the Committee, which considers the activities for the review period, evaluation of the adequacy of its Charter and an assessment of the Committee’s performance; the report is prepared in accordance with its Charter. The Committee’s main responsibilities include:

Oversight of the activities of the Group Internal Audit function including approval of the Internal Audit Plan, review of Internal Audit reports and safeguarding the independence of the Internal Audit function; reviewing the scope, nature and effectiveness of the external and internal audit functions and recommending proposed changes to the Board.

Functions

- To review the company’s accounting policies, the contents of the financial reports, disclosure controls and procedures, management’s approach to internal controls.
- To review the adequacy and scope of the external and internal audit functions.
- To ensure compliance with regulatory and financial reporting requirements.
- To provide assurance to the Board that Executive Management’s control assurance processes are implemented and are complete and effective.
- The Company has a well-established internal control system for identifying, managing and monitoring risks. The Risk and Internal Audit functions have reporting responsibilities to the Audit Committee. Both functions have appropriately trained personnel and undergo training on current business and best practice.

**Committee Key Activities during
2019 Internal Audit Committee
Actions**

- The Committee reviewed and approved the 2019 Internal Audit Plan as well as resourcing, manpower, training and development requests.
- The Committee received revenue recognition policy and made appropriate recommendations to the Board for approval.
- The Committee reviewed the strategic, project, liquidity, operational, and credit risk categories and exposures presented by the Group Head of Audit & Risk and was satisfied with measures put in place to prevent and mitigate risks.
- The committee approved the external auditors year end plan and engaged with them periodically during the year.

Nomination, Remuneration and Human Resources Committee



The purpose of Nomination, Remuneration and Human Resources Committee is to assist the Board

in ensuring that the Board’s size, composition, skill set and experience are relevant and adequate for the needs of the Group and to ensure that proper processes are in place for the nomination, selection, training and evaluation of the Board of Directors and the Group’s senior management. It is also responsible for recommending

to the Board the compensation philosophy of the company as it affects staff and directors, as well as ensuring that appropriate and effective human resource policies, procedures and management are developed and followed by the company. The functions of the committee are listed below:

Functions

- Identify and make recommendations regarding the necessary skills, knowledge, experience and competencies of directors.
- Develop and review the process for the selection, appointment and re-election of directors.
- Fairly and responsibly evaluate, recommend and approve the level and structure of remuneration, compensation and benefits for key management to attract, retain and motivate key management personnel and ensure that they are provided with appropriate incentives to encourage enhanced performance.
- Review and make recommendations regarding the adequacy of the Company’s human resources framework and policies and performance management systems to ensure best practice and alignment to the Company’s wider objectives and strategies.
- Approve policies with regard to pay and conditions of employment for all categories of staff to create a working environment that attracts, retains and motivates high performing employees of good caliber that will enhance the performance of the Company.
- Ensure that the Company has appropriate strategies and plans for people management and establish and implement personal development plans for all levels of staff as well as succession plans for key executives and management personnel.

Investment Committee



The Investment Committee assists in fulfilling Management’s responsibilities

relating to the Company’s investment activities. The Committee has oversight responsibility for the design, approval, and evaluation of the finance and investment strategies, policies and programs of the Company. It approves

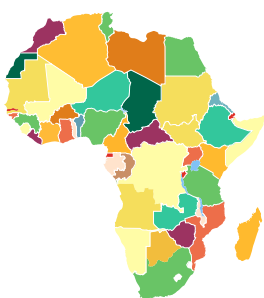
all significant investments and ensures a balance between risks and returns. The functions of the Committee are listed below:

Functions

- Carry out extensive due diligence on significant investment decisions and recommend to the Board.
- Consult with Management when considering important transactions, such as acquiring other businesses, obtaining loans or issuing securities
- Review and approve:
 - Investment strategies, policies and guidelines
 - Investment portfolio performance
 - Performance of investment manager(s)
 - Company’s need for capital and how it is to be allocated
- Assesses the financial viability and execution mode for projects and transactions contemplated by core business units of the Company.



Africa Management Committee



The purpose of the Mixta Africa Group and its subsidiaries, pre-approve Management Committee (AMC) is to provide strategic management and leadership for the Company, govern the day-to-day operations of the

Group and its subsidiaries, pre-approve investment proposals on behalf of the Board Investment Committee and approve payments and contracts within the Committee’s authority limits.

Functions

- Recommend the Groups’ overall business strategy and annual business plan and budget to the Board for approval, and following adoption, ensure adherence to approved budgets and strategic plans.
- Review and approve annual business plans and budgets for all subsidiaries, and review the operational performance of the subsidiaries against the strategy and budget.
- Report to the Board on the business performance of the Group and its subsidiaries, including identifying key issues for the Board’s attention.
- Review the organisational structure of the business and in relation to material

Functions (cont'd)

- changes making recommendations.
- Comprehensively evaluate all major investment proposals and veto or approve for further analysis before submission to Investment Committee.
- Approve payments and contracts above the approval limits of the Country Managing Directors and Procurement Committees.
- Establish and monitor the control and coordination of internal controls and risk management throughout the business.
- Report to the Board on the business performance of the subsidiaries including identifying key issues for the Board’s attention.

Project Monitoring Committee



The purpose of the Mixta Africa Project Monitoring Committee (PMC) is to ensure they adhere to agreed time, budget and quality deliverables, to review and approve annual project work plans, to monitor progress in the execution of all projects across the risks related to project and provide strategic guidance and direction and address stakeholder issues.

Functions

- Take on responsibility for the Group’s business plan, feasibility of all Group projects and achievement of outcomes.
- Review and approve annual project work plan and project deliverables, as well as any changes thereto.
- Ensure Project Managers are provided with all resources necessary to execute the projects.
- Ensure that projects are aligned with the organizational strategy and policies of the Group.
- Review, evaluate and monitor the status of the Company’s projects, specifically construction progress, construction cost and sales progress, in relation to approved plans.
- Provide advice and feedback on scope, schedule, cost and quality concerns, as well as guidance on issues that arise during the planning, design and implementation of the project.

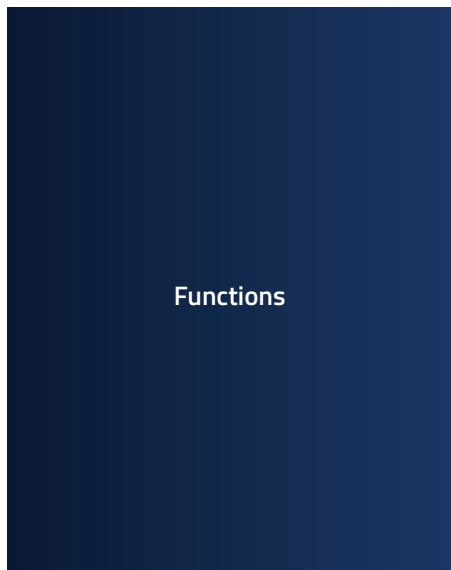
Business Review Committee



The purpose of the Mixta Africa Business Review Committee (BRC) is to drive and

monitor financial performance of the Group and its individual subsidiaries and their projects, drive the realization of business plans, assess and regulate the company's risk position and

ensure efficient treasury and liquidity management. The functions of the Committee are listed below:



- Provide detailed scrutiny of consolidated financial performance of the Company to approved business plans and budgets, and liaise with Management to identify the reason for any divergences.
- Identify key issues with the businesses and projects and develop corrective actions to resolve issues, assigning responsibilities and timelines for their resolution.
- Monitor progress on all outstanding issues.
- Identify and promote opportunities to supplement and enhance income generation.
- Review standard treasury reports to ensure that financial obligations are being met as at when due and that fund use policies are adhered to.

Environmental Safety & Sustainability Policies

The Company as a property development entity is aware that the world's environment is under stress and that uncontrolled human activity threatens the survival of the society. To this effect, the Company has put in place strategic measures to preserve the environmental sustainability of the planet and address potential social risks at all levels of its operations – specifically in its own practices and also as participant in a community of practice. The Company integrates values of sustainable development into all the firm's activities and promotes sound environmental and social practices in its operations through related policy documents and trainings.



Employment And Employees

Equal Employment Opportunity

The Company pursues equal employment opportunities. It does not discriminate on the ground of race, religion, colour or physical disability.

Employment of Physically Disabled Persons

The Company gives same opportunities to applications from physically disabled persons, bearing in mind their respective aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that the appropriate training is arranged.



Relationship With Stakeholders & Shareholder Rights

The Company maintains an effective communication with its stakeholders, which enables them understand our business, financial condition and operating performance and trends. Apart from our annual report and accounts, proxy statements and formal shareholders' meetings, we maintain a rich website that provide information on a wide range of issues for all stakeholders. Also, each share registered entitles the holder to one vote at General Meetings. The General Meeting passes resolutions and elections with the absolute majority of the votes represented at the meeting. Shareholders also have the right to receive dividends and appoint proxies and hold such rights as granted by Nigerian Law. The Managing Director engages with Shareholders as required.

Register of Directors Shareholding as at 31st December, 2019

Table 3 – Register of Directors Shareholding

| S/N | Director | Direct | Indirect |
|-----|-------------------------|--------|---------------|
| 1. | Mr. Oladapo Oshinusi | Nil | Nil |
| 2. | Mr. Deji Alli | 2 | Nil |
| 3. | Mr. Wale Odutola | 2 | Nil |
| 4. | Mr. Daniel Font | Nil | Nil |
| 5. | Mrs. Nike Anani | Nil | 1,957,556,986 |
| 6. | Mr. Kola Ashiru-Balogun | 40,000 | Nil |
| 7. | Mr. Ugochukwu Ndubuisi | Nil | Nil |

Principal Shareholders

Table 4 – Principal Shareholders

| S/N | Name | Percentage(%) holding | Number of Shares held |
|-----|---|-----------------------|-----------------------|
| 1. | Asset & Resource Management Holding Company Limited | 50.86% | 4,998,945,570 |
| 2. | Gairloch Limited | 19.92% | 1,957,556,986 |
| 3. | Watford Properties Limited | 22.81% | 2,242,004,800 |

CSR REPORT

“Enriching lives and helping communities thrive is not just a moral imperative, it is a fundamental part of who we are.”

At Mixta Africa, we strongly believe that, beyond the immense benefits of our business to society, we have a critical role to play in building a world where everyone, irrespective of their background or economic status, has all the support that they need to reach their full potential. Over the years, this belief has driven our strategic focus and significant investments in Community Development, ICT and Education, areas which we believe are fundamental pillars to building a strong and sustainable society.

This year, we collaborated the Bunmi Adedayo Foundation (BAF) to setup a state-of-the-art ICT center at the Community Primary School, Lakowe, Lagos State. The facility will provide quality and practical ICT education to over 1000 pupils that reside in Lakowe and its cluster communities. In line with the state curriculum, we believe that every child should be equipped with relevant 21st -century digital skills to survive.

Our CSR Pillars



ICT



Community Development



Education



ANNUAL REPORTS & FINANCIAL STATEMENTS

31 December 2019

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CORPORATE INFORMATION

Directors

| | |
|-----------------------|--|
| Arc. Eddy Eguavoen* | Chairman of the Board (Independent) |
| Kola Ashiru-Balogun | Managing Director |
| Ugochukwu Ndubuisi | Executive director |
| Nike Anani | Non-executive director |
| Wale Odutola | Non-executive director |
| Deji Alli | Non-executive director (Acting Chairman) |
| Daniel Font | Non-executive director |
| Dafe Akpedeye (SAN)** | Non-Executive Director (Independent) |
| Oladapo Oshinusi*** | Non-Executive Director (Independent) |

* Deceased on January 11, 2019

** Resigned from the Board effective January 18, 2019

***Appointed to the Board effective November 29, 2019

Registered office

8 Kasumu Ekemode Street
Off Saka Tinubu Street
Victoria Island
(P.O. Box 52290)
Ikoyi
Lagos

Auditors

Deloitte & Touche
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island,
Lagos.

Company Secretary

ARM Trustees Limited
1 Mekunwen Road
Off Oyinkan Abayomi Drive
P.O. Box 52290
Ikoyi
Lagos

Registrars

Africa Prudential Plc
220B Ikorodu Road
Palmgrove
Lagos

Bankers

Access Bank Plc.
Guaranty Trust Bank Plc.
Suntrust Merchant Bank
FBNQuest Merchant Bank Limited
Zenith Bank Plc.
First Bank of Nigeria Plc

RC No.

645036

Directors' Report

The directors have the pleasure of presenting their report on the affairs of Mixta Real Estate Plc formerly "ARM Properties Plc" ("Mixta Real Estate" or "the Company") and its subsidiary companies (together "the Group") together with the financial statements and auditor's report for the year ended 31 December 2019. In December 2019, the Group concluded an internal restructuring exercise to position the Company as the Group Holding Company based on the need to present the most dominant company within the Group as the fund raising vehicle.

The restructuring involved the acquisition of 100% equity stake in Mixta Africa S.A, a Spanish registered company from ARM Holding Company Limited, thereby making the Company the ultimate holding company of the Mixta Group holding interests in the other operating subsidiary companies in the Mixta Africa Group.

The previous and current corporate architectures are presented below:

Diagram 1: Previous Corporate Architecture

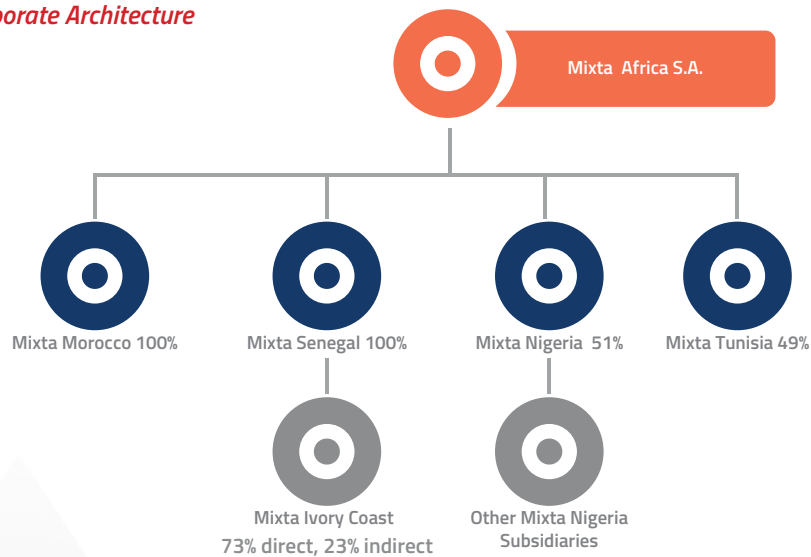
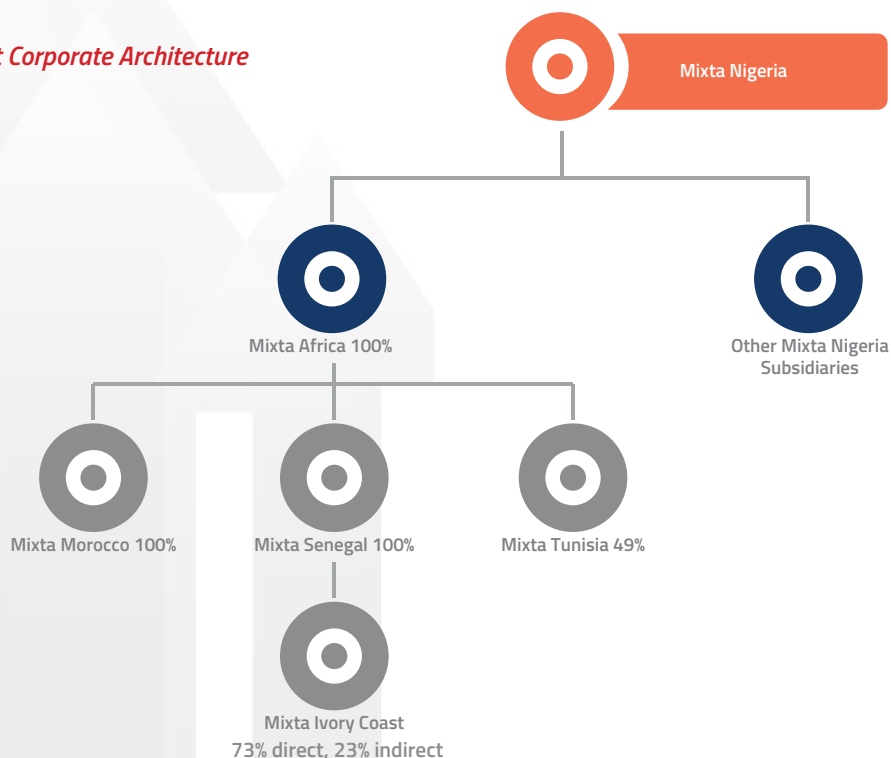


Diagram 2: Present Corporate Architecture



Principal activity

The Group provides property development and investment services in all its markets. The Group undertakes real estate development projects with the aim of outright sale or lease of the properties to meet the needs of individuals and corporate bodies (customers or clients)

The Company also makes equity and debt investments in property development entities as part of its investment strategy. There have been no material changes to the nature of the Group's business from prior periods.

Legal form and business review

Mixta Nigeria was initially incorporated as ARM Real Estate Investment Plc. on 6 February, 2006. Its name was changed to ARM Properties Plc on 21 December, 2007. The name ARM Properties Plc was subsequently changed to Mixta Real Estate Plc on 29 September, 2015.

The Company currently has six (6) subsidiaries in Nigeria; Adiva Properties Limited (99.9%), Toll System Development Company Limited - TSD (70%), Summerville Golf Club Limited (67.9%), Edo Affordable Housing Development Limited (70%), FP2 Limited (100%), Townsville Properties Limited (100%). In addition to the above subsidiaries, in December 2019, the company acquired 100% stake of Mixta Africa SA from ARM Holding Company Limited.

The Company also has joint control and owns 51% of the interest in a joint arrangement, Garden City Golf Estate Development Limited ("Garden City"). Garden City is a Limited Liability Company whose primary business activity is the development of housing and infrastructure with ancillary golf course amenities.

Aside from Nigeria, the Group carries out real estate development activities through Subsidiary companies in Morocco, Tunisia, Cote d'Ivoire, and Senegal.

Operating results

The following is a summary of the Group and the Company's operating results for the year:

| <i>In thousands of naira</i> | Group 31 Dec 2019 | Group 31 Dec 2018 | Company 31 Dec 2019 | Company 31 Dec 2018 |
|---|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Profit/(Loss) before income tax | (2,827,290) | 2,158,966 | (2,878,844) | (1,004,415) |
| Income tax expense | 2,269,286 | (813,654) | (45,252) | (4,059) |
| Profit for the year | (558,003) | 1,345,312 | (2,924,096) | (1,008,474) |
| Non-controlling interest | 18,570 | 223,264 | - | - |
| Profit attributable to shareholders | (576,573) | 1,122,048 | (2,924,096) | (1,008,474) |
| Basic and diluted earnings per share (kobo) | -6k | 11k | -30k | -10k |
| Dividend per share - DPS in kobo | 0k | 0k | 0k | 0k |

As the Group Restructuring completed on the last day of 2019 – December 31, the figures of the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity, cash flows and the notes for the year ended 31st December 2019 and its comparative figures for the period ended 31 December 2018 relate only to Mixta Real Estate Plc's operations, while the Consolidated and Separate Statements of Financial Position relate to the restructured entity. The Consolidated and Separate Statements of Financial Position cannot therefore be considered comparable with the previous year.

Dividends

No dividend was proposed by the directors for the financial year ended 31 December 2019 (December 2018: Nil).

Directors and their interests:

The directors who served during the year were:

| | | |
|---------------------|---|--------------------------------------|
| Kola Ashiru-Balogun | - | Managing Director |
| Oladapo Oshinusi | | Non-executive director (Independent) |
| Nike Anani | - | Non-executive director |
| Wale Odutola | - | Non-executive director |
| Deji Alli | - | Non-executive director |
| Daniel Font | - | Non-executive director |
| Ugochukwu Ndubuisi | - | Executive Director |

The direct interests of Directors in the issued share capital of the Company as recorded in the register of Directors shareholding and for the purposes of section 275 of the Companies and Allied Matters Act are as follows:

| Names | Direct Holding | |
|---------------------|----------------|---------------|
| | December 2019 | December 2018 |
| Kola Ashiru-Balogun | 40,000 | 40,000 |
| Nike Anani | Nil | Nil |
| Wale Odutola | 2 | 2 |
| Deji Alli | 2 | 2 |
| Daniel Font | Nil | Nil |
| Ugochukwu Ndubuisi | Nil | Nil |
| Oladapo Oshinusi | Nil | Nil |

For the purpose of sections 275 and 276 of the Companies and Allied Matters Act of Nigeria, the Directors have declared that they do not have any indirect interest in the shares of the Company, otherwise as stated therein.

Director's interest in contracts

For the purpose of section 277 of the Companies and Allied Matters Act, none of the existing directors had direct or indirect interests in contracts or proposed contracts with the Company during the period.

Substantial interest in shares

According to the register of members as at 31 December 2019, no shareholder held more than 5% of the issued share capital of the Company except the following:

| Shareholders | 31 December 2019 | | 31 December 2018 | |
|--|-----------------------|----------------------------|-----------------------|----------------------------|
| | Number of shares held | Percentage of Shareholding | Number of shares held | Percentage of Shareholding |
| Mixta Africa | - | - | 644,009,407 | 6.55% |
| Asset and Resource Management Holdings Limited | 4,998,945,570 | 50.86% | 4,354,936,163 | 44.31% |
| Gairloch Limited | 1,957,556,986 | 19.90% | 1,957,556,986 | 19.90% |
| Watford Properties | 2,242,004,800 | 22.80% | 2,242,004,800 | 22.80% |

Property and equipment

Information relating to changes in property and equipment is given in note 19 to the financial statements.

Health safety and welfare at work including employment of disabled persons

The Group enforces health and safety rules and practices at the work environment, which are reviewed and tested regularly. The Company retains top-class private hospitals where medical facilities are provided for staff and their immediate families at the Company's expense. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

The Group operates a Group Personal Accident Insurance cover for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2014.

Applications from suitably qualified disabled persons are welcomed by the Group. Where an employee becomes disabled, every effort is made to ensure continued employment. At present, the Group has no employee with physical disability.

Subsequent event

Other than the items disclosed in note 41 and note 42, there were no subsequent events which could have had a material effect on the state of affairs of the Company and Group as at 31 December 2019 or the profit for the year ended on that date, which have not been adequately provided for or disclosed.

Auditors

The Auditors Messrs. Deloitte & Touche (Chartered Accountants) appointed during the year 2018, have indicated their willingness to continue in office in accordance with section 357(2) of the Companies and Allied Matters Act, CAP C20, LFN 2004.

A resolution will be proposed at the Annual General Meeting to authorize the Directors to determine their remuneration.

BY ORDER OF THE BOARD



ARM Trustees Limited

Company Secretary 1, Mekunwen Road,
Off Oyinkan Abayomi Drive, Ikoyi, Lagos.

June 2020

Statement of directors' responsibilities in relation to the financial statements

The Directors of Mixta Real Estate Plc are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the company as at 31 December 2019, 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, the Financial Reporting Council of Nigeria Act, 2011.

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 Company's financial position and financial performance; and
- * Making an assessment of the Company's ability to continue as a going concern

The Directors are responsible for:

- * Designing, implementing, and maintaining an effective and sound system of internal controls throughout the Company;
- * Maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- * Maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- * Taking steps that are reasonably available to them to safeguard the assets of the Company; and
- * Preventing and detecting fraud and other irregularities.

Going Concern

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

The Group made a post-tax loss of NGN558million on Revenue of NGN6.2Billion during the year. While the aggregate working capital and liquidity ratios showed some improvement in 2019, the net operating cash position which showed some improvement over 2018, was negative, with an increase in the aggregate debt level, majority of which are short term in nature. In summary, while the profitability and liquidity ratios appear weak, the company's leverage ratios remain moderate.

The Company outlines below the following plans for dealing with the adverse effects of the conditions and events aforementioned:

- Business Initiatives – The Company's ability to successfully sell homes ahead of construction activity (presales or order book) is highly correlated to future revenue trends. During the fourth quarter of 2019, Mixta Nigeria launched the first phase of its affordable housing project and pre-sold about 250 Units in the last 2 months of the year. The product represents the largest pre-sales ever recorded by the Company on a single project within the time-frame in question. As at the end of the financial year, the Group had a total of 618 units presold in across all projects. The Directors are confident that the growth in the Company's pre-sales book will continue in 2020 and will provide a sound basis for revenue recognition as these homes are delivered to subscribers, especially those that have been pre-approved for mortgage financing through the National Housing Fund in Nigeria. As a marked departure from the past, the Company will therefore be starting the 2020 financial year with a solid order book of homes with estimated value of sales of ₦14.4billion with an average deposit of 31% already made by subscribers. The cash flow impact on the Company is expected to be significant given the financing arrangements from primary mortgage institutions in Nigeria, where hitherto the Company operated instalment payment plans that required home buyers to complete payment within 36 months. Based on this, the Directors are of the view that the Company's business model

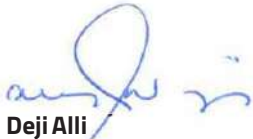
will continue to protect the Company against the impact of low disposable income and cyclical economic dislocation.

- **Fund Raising Initiatives** The Company commenced its initiative in 2019 to raise up to ₦50 billion of which approximately, ₦33.75 billion is expected in the form of additional Equity. Upon completion, this will enable the Company to rebalance its capital structure, reduce overall debt, substitute unsuitable debt in the Company's capital structure and Increase the company's capacity to fund its business plan. The exercise is expected to lead to an overall reduction in the Company's cost of funds and, correspondingly, improve operating margins. As at the time of signing the Financial Statements and the Directors report a substantial progress had been made in this regard and are optimistic about a successful outcome in 2020. In addition, the Company has also reached in-principle agreement with one of its main lenders to extend the maturity of its commercial bank debt to a term of over the next 4 years. As part of its objective to rebalance its debt portfolio, it also paid off the debt owed to Banco Sabadell in Spain thereby eliminating the foreign exchange exposure. The Company has commenced the process converting a portion of its short term Commercial Paper obligations into Medium-Term Bonds while a number of short term maturing obligations were successfully rolled over in 2019 with an extension of the moratorium on principal repayment on debt owed through its principal shareholder ARM. About 28% of the Company's debts fall into this category.

Overall, the Directors are confident about the prospects of the business, and their ability to effectively manage emerging risks relating to the company, the industry and the macro environment that may affect the company's Going Concern.

The financial statements of Mixta Real Estate Plc for the year ended 31 December 2019 were approved by the Board of Directors on 2 June, 2020.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Deji Alli

Acting Chairman

FRC/2013/IODN/00000002752

June, 2020



Kola Ashiru-Balogun

Managing Director

FRC/2016/IODN/00000015616

June, 2020



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Mixta Real Estate Plc

Report on the Audit of the Consolidated and Separate financial statements

Opinion

We have audited the accompanying consolidated and separate financial statements of Mixta Real Estate Plc (the company) and its subsidiaries (together the group) which comprise the Consolidated and separate statement of financial position as at 31 December 2019, the Consolidated and separate statement of profit or loss and other comprehensive income, statement of changes in equity, Consolidated and separate statement of cash flow for the year then ended, and the notes to the Consolidated and separate financial statements including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the Consolidated and Separate financial position of Mixta Real Estate Plc as at 31 December, 2019 and the financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act Cap C20 LFN 2004, and the Financial Reporting Council of Nigeria Act, 2011.

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 Financial Statements section of our report. We are independent of the Group in accordance with the Institute of Chartered Accountants of Nigeria (ICAN) Professional Code of Conduct and Guide for Accountants and other independence requirements applicable to performing audits of financial statements in Nigeria.

We have fulfilled our other ethical responsibilities in accordance with the ICAN Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 43 of the financial statements, which describes the Going concern considerations of the company and Management's plan to address them. The company made losses of N2.9billion and N1billion for 31 December, 2019 and 31 December 2018 respectively; negative net operating Cash flows for both years as well as high finance cost. Our opinion is not qualified in respect of this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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.

Other Matters:

A restructuring exercise occurred in the year whereby Mixta Real Estate Nigerian now became the Holding entity instead of Mixta Africa as was the case as at 31 December, 2018. The financial statements of Mixta Africa SA for the year ended 31 December, were audited by another auditors who expressed a qualified opinion on those financial statements. However, an un-qualified opinion was issued for Mixta Real Estate Nigeria Plc (a material affiliate of the group) for the year ended 31 December 2018.

During 2019, the items that contributed to the Qualified Opinion for Mixta Africa SA's (now a Subsidiary of Mixta Real Estate PLC – the Parent) consolidated and separate financial statements for the year ended 31 December, 2018 as listed below, were duly reviewed and conclusively addressed.



Valuation of investment properties - TSD Land bank
Impairment assessment of Garden City investment
Other liabilities completeness testing

Other information

The directors are responsible for the other information. The other information comprises the Corporate Governance Report, Management Commentary, Enterprise Risk Management Report, Directors' Report, Chairman's Statement, result at a glance and MD/CEO's review, which we obtained prior to the date of this auditor's report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express 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 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.

Responsibilities of the directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004, Financial Reporting Council Act, 2011 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 and the Company or to cease operations, or have no realistic alternative but to do so.



| Key Audit Matter | How the matter was addressed in the audit |
|--|---|
| <p>Measurement of trading properties</p> <p>IAS 2 Inventories contains the requirements on how to account for most types of inventory. The standard requires inventories to be measured at the lower of cost and net realisable value (NRV) and outlines acceptable methods of determining cost, including specific identification (in some cases), first-in first-out (FIFO) and weighted average cost.</p> <p>Properties acquired for resale or/and properties under construction for the purpose of sale in the ordinary course of business. Realisable value for properties acquired for resale and properties under construction for the purpose of sale are determined based on current selling price of similar properties and on estimated selling prices for properties under construction.</p> <p>The determination of the net realizable value involves estimation uncertainties and judgment in assessing whether the trading properties were carried at the lower of cost and net realizable value.</p> | <p>Our approach was a combination was a combination of reliance on the operating effectiveness of controls and substantive procedures to obtain comfort in respect of the NRV of properties acquired for resale. These audit procedures include the following:</p> <ol style="list-style-type: none"> 1. Update our understanding of the controls put in place by management to assess the net realizable values of properties. 2. Assessment of the reasonableness of the net realizable value per management with independent market information for similar properties. 3. Assessment of the net realizable value of landed property in trading properties, which was derived from the professional valuation report of similar investment property within the Group's property portfolio 4. Evaluation of qualification of the external expert engaged by management to determine if they are appropriately qualified to carry out the valuation exercise. <p>Based on our review, we concluded that with management estimates and assumptions in determining the net realizable value of property in the Company's financial statement appears reasonable.</p> |
| <p>Valuation of investment property</p> <p>IAS 40 Investment Property applies to the accounting for property (land and/or buildings) held to earn rentals or for capital appreciation (or both). Investment properties are initially measured at cost and, with some exceptions may be subsequently measured using a cost model or fair value model, with changes in the fair value under the fair value model being recognised in profit or loss.</p> <p>The Group has investment in landed property, which is classified as Investment property and is carried at fair value. The determination of the fair value involves management's estimate and exercise of significant judgment, which requires key subjective inputs and assumptions. The level of judgment involved in the determination of the fair value, makes Investment Property an area of significance in our audit.</p> <p>Management engaged Messrs CBRE Excellerate, Estate Surveyors and Valuers (FRC/2014/NIESV/0000006738) for the valuation of the Investment Property as at 31 December, 2019.</p> | <p>We focused our attention on auditing the valuation of investment property, using the following audit procedures:</p> <ol style="list-style-type: none"> 1. Evaluation of the qualification of the external experts engaged by management to ensure that they were qualified to carry out the valuation 2. Assessment of the valuation results by the external expert engaged by management by comparing it to relevant independent property price information 3. Robustly challenged the assumption and re-performed some of the valuation computation to assess for reasonableness 4. Evaluation of the reasonableness of the assumptions made for the valuation of the investment property of the company. <p>Based on our review, we concluded that with management estimates and assumptions in determining the fair value of Investment property in the Company's financial statement appears reasonable.</p> |

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 includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

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

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 Group and company's 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 activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee and the directors 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 the Audit Committee and directors 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 the audit committee and/or the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year 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

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report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits derivable by the public from such communication.

Report on Other legal and Regulatory Requirements

In accordance with the Sixth Schedule of the Companies and Allied Matters Act CAP C20 LFN 2004, we expressly state that:

We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

The Group has kept proper books of account, so far as appears from our examination of those books.

The Group and Company's statement of financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

No evidence of non-compliance with laws and regulations (NOCLAR) was brought to our notice during the audit of the financial statements for the year.

[Signature]
For: Deloitte & Touche
 Chartered Accountants
 Lagos, Nigeria

29 June, 2020



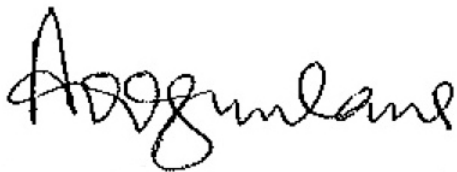
Engagement partner: David Achugamonu, FCA
 FRC/2013/ICAN/00000000840

Audit Committee Report

To the members of Mixta Real Estate Plc

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act, Cap C.20, laws of the Federation of Nigeria, 2004 the members of the Audit Committee of Mixta Real Estate Plc hereby report on the financial statements for the year ended 31 December 2019 as follows:

- We have exercised our statutory functions under Section 359 (6) of the Companies and Allied Matters Act, Cap C.20, laws of the Federation of Nigeria, 2004, and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the Company and Group are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the period ended 31 December 2019 were satisfactory and reinforce the Group's internal control systems.
- We have deliberated on the findings of the external auditors, who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses thereon to the external auditor's recommendations on accounting and internal control.



Mrs. Adenike Ogunlana

Chairperson, Audit Committee

FRC/2015/ICAN/00000011613

June 2020

Members of the audit committee are:

| | | |
|---|-----------------------|------------------------|
| 1 | Mrs. Adenike Ogunlana | Chairman |
| 2 | Mr. Deji Alli | Non-executive director |
| 3 | Mr. Wale Odutola | Non-executive director |
| 4 | Mr. Daniel Font | Member |
| 5 | Mr. Ralph Osayameh | Member |
| 6 | Mr. Esan Ogunleye | Member |

Notes to the Consolidated and Separate Financial Statements

1 Reporting entity

Mixta Real Estate Plc is a Company domiciled in Nigeria. The Company's registered address is 8 Kasumu Ekemode Street, Off Saka Tinubu Street, Victoria Island, Lagos. The consolidated and separate financial statements of the Company as at and for the year ended 31 December 2019 includes the Company and its subsidiaries (together, referred to as the "Group" and individually as "Group entities"). The Group offers real estate services to meet clients' needs. The results on the Statement of Comprehensive Income includes that of Mixta Real Estate Plc, without those of the acquired entity, Mixta Africa S.A which was acquired the end of the reporting period.

Mixta Real Estate Plc is a subsidiary of Asset & Resource Management Holding Company Limited, which is the parent Company. Asset & Resource Management Company Limited is primarily involved in offering wealth creation opportunities through a unique blend of traditional asset management and alternative investment services. The address of Asset & Resource Management Company Limited's registered office is 1 Mekunwen road, off Oyinkan Abayomi drive, Ikoyi, Lagos, Nigeria.

2 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act of Nigeria, Cap C.20, laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

3 Basis of preparation

(a) Functional and presentation currency

These consolidated and separate financial statements are presented in Naira, which is the Group's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousands.

(b) Basis of measurement

These consolidated and separate financial statements are prepared on the historical cost basis except for:

- i) investment property which is measured at fair value
- ii) trading properties measured at the lower of cost and net realizable value.
- loans and receivables and other financial liabilities measured at amortized cost using the effective
- iii) interest rate.

(c) Use of estimates and judgments

The preparation of the consolidated and separate financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the Consolidated and Separate Financial Statements

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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. Judgments made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment are discussed in the note 8 to the account.

(d) New standards and interpretations not yet adopted

A number of new standards, amendment to standards and interpretations are effective for annual periods beginning after 1 January 2019 and earlier application is permitted; however, the Group and Company have not applied the following new or amended standards in preparing these consolidated and separate financial statements. The Group and Company do not plan to early adopt these standards. These will be adopted in the period that they become mandatory unless otherwise indicated:

| <i>New or amended standards and effective date</i> | <i>Summary of the requirements</i> | <i>Possible impact on financial statements</i> |
|---|---|---|
| Amendments to IFRS 3 (Business Combination) | <p>IFRS 3 (Business Combinations) outlines the accounting when an acquirer obtains control of a business (e.g. An acquisition or merger). In October 2018, after the post implementation review of IFRS 3, the IASB issued an amendment to IFRS 3 which centres majorly on the definition of a Business They include:</p> <ul style="list-style-type: none"> ▪ That to be considered a business, an acquired set of activities and assets must include, at minimum, an input and a substantive process that together significantly contribute to the ability to create outputs: ▪ Narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs. ▪ Add guidance and illustrative examples to help entities assess whether a substantive process has been acquired. ▪ Remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs: and ▪ Add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. | The effective date is on or after 1st January 2020. |

Notes to the Consolidated and Separate Financial Statements

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| <p>Amendments to IAS 1 and IAS 8</p> | <p>In October 2018, the IASB issued the definition of 'material'. The amendments are intended to clarify, modify and ensure that the definition of 'material' is consistent across all IFRS. in IAS 1 (Presentation of Financial Statements) and IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors), the revised definition of 'material' is quoted below The amendments laid emphasis on five (5) ways material information can be obscured. These include:</p> <ul style="list-style-type: none"> ▪ If the language regarding a material item, transaction or other event is vague or unclear; ▪ If information regarding a material item, transaction or other event is scattered in different places in the financial statements; ▪ If dissimilar items, transactions or other events are inappropriately aggregated; ▪ If similar items, transactions or other events are inappropriately disaggregated; and ▪ If material information is hidden by immaterial information to the extent that it becomes unclear what information is material | <p>The amendments are effective for annual reporting periods beginning on or after 1st January 2020. The Group has not taken into consideration the new definition in the preparation of its annual account.</p> |
| <p>Amendments to IFRS 10 and IAS 28 (Sept 2014) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</p> | <p>The IAS 28 was amended so that a. The current requirements regarding the partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations</p> | <p>The Group has not assessed the possible impact of the amendment on its financial statement as the IASB has deferred the effective date of the amendments indefinitely.</p> |

Notes to the Consolidated and Separate Financial Statements

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| <p>IFRIC 23 Uncertainty over Income Tax Treatments</p> | <p>IFRIC 23 clarifies the accounting for uncertainties in income taxes.</p> <p>The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.</p> <p>IFRIC 23 is effective for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted.</p> <p>IFRIC 23 clarifies the accounting for uncertainties in income taxes.</p> <p>The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.</p> <p>IFRIC 23 is effective for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted.</p> | <p>The Group has assessed the impact of the interpretation and determined whether uncertain tax positions are assessed separately or as a group; and assessed whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings.</p> |
| <p>Amendments to IFRS 9 (Oct 2017) Prepayment Features with Negative Compensation</p> | <p>The amendments in Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28) are:</p> <ul style="list-style-type: none"> ▪ Paragraph 14A has been added to clarify that an entity applies IFRS 9 including its impairment requirements, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. ▪ Paragraph 41 has been deleted because the Board felt that it merely reiterated requirements in IFRS 9 and had created confusion about the accounting for long-term interests. <p>The amendments are accompanied by an illustrative example.</p> <p>The amendments are effective for periods beginning on or after 1 January 2019. Earlier application is permitted</p> | <p>The entity does not have financial instruments with negative compensation. Hence, this amendment is not applicable to the entity.</p> |
| <p>Annual Improvements to IFRS Standards 2015–2017 Cycle (Dec 2017) IFRS 3, IFRS 11, IAS 12 and IAS 23 Amendments</p> | <p>In December 2017, the IASB published Annual Improvements to IFRS Standards 2015–2017 Cycle, containing the following amendments to IFRSs:</p> <ul style="list-style-type: none"> ▪ IFRS 3 Business Combinations and IFRS 11 Joint Arrangements — The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint | <p>The Group does not consider this to have a significant impact on its consolidated financial statements</p> |

Notes to the Consolidated and Separate Financial Statements

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| | <p>control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.</p> <ul style="list-style-type: none"> ▪ IAS 12 Income Taxes — The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits. ▪ IAS 23 Borrowing Costs — The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. | |
| <p>Amendments to IAS 19) (February 2018) Plan Amendment, Curtailment or Settlement</p> | <p>On 7 February 2018, the IASB published Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) to harmonise accounting practices and to provide more relevant information for decision-making. An entity applies the amendments to plan amendments, curtailments or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 January 2019.</p> | <p>The standard does not have any significant impact on this financial statement.</p> |
| <p>Amendments to References to the Conceptual Framework in IFRS Standards</p> | <p>The Conceptual Framework for Financial Reporting (Conceptual Framework) describes the objective of and concepts for general purpose financial reporting. It is a practical tool that helps the IASB to develop requirements in IFRS® Standards based on consistent concepts. Consideration of these concepts, in turn, should result in the IASB developing IFRS Standards that require entities to provide financial information that is useful to investors, lenders and other creditors.</p> <p>The IASB decided to revise the Conceptual Framework because some important issues were not covered and some guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes:</p> <ul style="list-style-type: none"> ▪ A new chapter on measurement; ▪ Guidance on reporting financial performance; ▪ Improved definitions of an asset and a liability, and | <p>The standard does not have any significant impact on this financial statement.</p> |

Notes to the Consolidated and Separate Financial Statements

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| | <p>guidance supporting these definitions; and</p> <ul style="list-style-type: none"> ▪ Clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. <p>The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.</p> | |
| <p>IFRS 17 Insurance Contracts</p> | <p>IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.</p> <p>IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021.</p> | <p>The standard does not have any significant impact on this financial statement.</p> |
| <p>Amendments to IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - Amendments to IFRS 4</p> | <p>The amendments clarify the following: 1. The optional temporary exemption from IFRS 9 is available to entities whose activities are predominantly connected with insurance. The temporary exemption permits such entities to continue to apply IAS 39 while they defer the application of IFRS 9 until 1 January 2021 at the latest. 2. The overlay approach is an option for entities that adopt IFRS 9 and issue insurance contracts, to adjust profit or loss for eligible financial assets; effectively resulting in IAS 39 accounting for those designated financial assets. The adjustment eliminates accounting volatility that may arise from applying IFRS 9 without the new insurance contracts standard. Under this approach, an entity is permitted to reclassify amounts between profit or loss and other comprehensive income for designated financial assets. An entity must present a separate line item for the amount of the overlay adjustment in profit or loss, as well as a separate line item for the corresponding adjustment in other comprehensive income. The temporary exemption is</p> | <p>The standard does not have any significant impact on this financial statement.</p> |

Notes to the Consolidated and Separate Financial Statements

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| | first applied for reporting periods beginning on or after 1 January 2018. | |
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4 Changes in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies as set out in note 5 below to all periods presented in these financial statements.

The Group has adopted the following new standards and amendments to standard, including any consequential amendments to other standards, with a date of initial application of 1 January 2018.

- IFRS 9: Financial Instruments
- IFRS 15: Revenue from contracts with customers
- IFRS 9: Financial Instruments

Mixta Real Estate Plc has adopted IFRS 9 as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements. The Group did not early adopt IFRS 9 in previous periods.

As permitted by the transitional provisions of IFRS 9, the Group elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves of the current year. Mixta Nigeria does not currently apply hedge accounting.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'.

● IFRS 15: Revenue from contracts with customers

In the current year, the Group has applied IFRS 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. IFRS 15 introduced a 5-step approach to revenue recognition.

- i. Identify a contract
- ii. Identify the performance obligation
- iii. Determine the transaction price
- iv. Allocate price to performance obligations
- v. Recognize revenue when or as entity satisfies performance obligations

Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios.

The Group applied IFRS 15 in accordance with the modified retrospective transitional approach using the practical expedients for completed contracts in IFRS 15:C5(a), and (b), or for modified contracts in IFRS 15:C5(c). The Group's accounting policies for its revenue streams are disclosed in detail in the significant

Notes to the Consolidated and Separate Financial Statements

accounting policies section. Apart from providing more extensive disclosures for the Group's revenue transactions, the application of IFRS 15 has not significant impact on the financial position and/or financial performance of the Group.

5 Significant accounting policies

The Group consistently applied the following accounting policies presented in the financial statements.

(a) Basis of consolidation

(i) Subsidiaries

The group consolidates the annual financial statements of investees which it controls. The group controls an investee when:

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

The annual financial statements of the investee are consolidated from the date on which the group acquires control up to the date that control ceases. Control is assessed on a continuous basis.

The proportion of comprehensive income and changes in equity allocated to the group and non-controlling interests are determined on the basis of the group's present ownership interest in the subsidiary.

Investments in subsidiaries are accounted for at cost less accumulated impairment losses (where applicable) in the separate financial statements. The carrying amounts of these investments are reviewed annually and impaired when necessary.

(ii) Business combinations

The Group applies IFRS 3 *Business Combinations* in accounting for business combinations. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognized in profit or loss immediately.

Notes to the Consolidated and Separate Financial Statements

The Group measures goodwill at the acquisition date as the total of:

- the fair value of the consideration transferred, which is generally measured at fair value; plus
- the recognized amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

In the separate financial statements of the Company, investments in subsidiaries are accounted for at cost.

(iii) **Transactions eliminated on consolidation**

Intra-group transactions, balances and any unrealized incomes and expenses on transactions between companies within the Group (except for foreign currency transactions gains or losses) are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) **Transactions with non-controlling interests**

Transactions with non-controlling interests that do not result in the gain or loss of control, are accounted for as transactions with equity holders of the group. For purchases of additional interests from non-controlling interests, the difference between the purchase consideration and the group's proportionate share of the subsidiary's additional net asset value acquired is accounted for directly in equity.

Gains or losses on the partial disposal (where control is not lost) of the group's interest in a subsidiary to non-controlling interests are also accounted for directly in equity.

(v) **Common control transactions**

Common control transactions, in which the Company is the ultimate parent entity both before and after the transaction, are accounted for at book value.

Notes to the Consolidated and Separate Financial Statements

The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognized directly in a capital reserve account in equity called common control acquisition deficit.

(vi) *Non-controlling interests (NCI)*

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

NCI is subsequently measured at the initial recognised amount plus the share of profit and other comprehensive income attributable to the non-controlling shareholders.

(vii) *Loss of control*

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as an available for sale financial asset depending on the level of influence retained.

(viii) *Joint ventures*

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control for strategic financial and operating decisions. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The income statement reflects the Group's share of the results of operations of the joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the joint ventures, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint ventures are eliminated to the extent of the interest in the joint ventures.

The financial statements of the joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Notes to the Consolidated and Separate Financial Statements

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint ventures and its carrying value, then recognizes the loss in the profit or loss. Investments in joint venture is carried at cost in the separate financial statements

(b) Foreign currency transactions

Transactions denominated in foreign currencies are recorded in Naira at the rate of exchange ruling at the date of each transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the statement of profit/(loss).

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from translation of available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss) are recognised in OCI.

(c) Interest income and expense

Interest Income is made up of interest income on loans to related entities and cash and cash equivalent while interest expense is made up of interest on borrowings. Interest income and expense are recognized in the statement of comprehensive income using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and points paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

(d) Borrowing costs

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

Interest is capitalized as from the commencement of the development work until the date of practical completion, i.e., when substantially all of the development work is completed. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted.

Notes to the Consolidated and Separate Financial Statements

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(e) Revenue Recognition

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

Sale of trading properties

The Group sells developed sites and plots of land to individuals and corporate organizations after a formal (written) agreement is signed. The agreements are designed to ensure revenue is recognised at a point in time when:

- * The Group has a present right to payment
- * The customer has legal title to the asset.
- * The Group has transferred physical possession of the asset
- * The customer has the significant risk and rewards
- * The customer has accepted the asset/is satisfied with the service

Rental income

Rental income from property leased out under a lease is recognized in the profit or loss on a straight-line basis over the term of the lease.

Services fees

Revenue from services rendered (such as project and development management) is recognized in the profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

Dividends

Income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other income

Other income represents income generated from sources other than rental income, sale of trading properties, services fees and dividend. It includes income realized from agency fees charged by the Group on the sale of real estate products to third party customers. Income is recognized when the right to receive cash is established.

(f) Income tax expense

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

Notes to the Consolidated and Separate Financial Statements

Current tax

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

The current taxes include: Company Income Tax at 30% of taxable profit; Tertiary education tax at 2% of assessable profit; Capital Gain Tax at 10% of chargeable gains, Nigerian Police Levy at 0.005% of net profit.

The Group is subject to the Companies Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Group income tax (based on taxable income (or loss) for the year; and Minimum tax (determined based on 0.5% of Gross Revenue in accordance with the Finance Act, 2019). Taxes based on taxable profit for the period are treated as current income tax in line with IAS 12; whereas taxes which is based on gross amounts is outside the scope of IAS 12 and therefore are not treated as current income tax.

Where the minimum tax is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognized in the income tax expense line in the profit or loss and the excess amount is presented above income tax line as minimum tax.

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

Deferred tax

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

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

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

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment property held for sale that are measured using the fair value model, the carrying amount of such properties are presumed to be recovered entirely through the sale unless the presumption is rebutted. The presumption is rebutted when the investment property held for sale is depreciable and is held within

Notes to the Consolidated and Separate Financial Statements

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.

Management has reviewed the Group's investment property held for sale portfolio and concluded that none of the Group's investment property held for sale are held under 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. Management has also determined that the 'sale' presumption set out in the amendments to IAS 12 is not rebutted. The Group has elected to recognize deferred tax on changes in fair value of the investment property held for sale as the Group is subject to capital gains taxes on disposal of its investment property.

(g) Financial assets and liabilities

All financial assets and liabilities – which include derivative financial instruments – have to be recognized in the statement of financial position and measured in accordance with their assigned category.

(i) Initial recognition and measurement

Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

(ii) Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at fair value or amortised cost depending on their classification.

(iii) Classification and related measurement

Subsequent to initial measurement, financial instruments are measured either at amortized cost or fair value depending on their classification category.

Financial assets

Subsequent to initial recognition, all financial assets within the Group are measured at:

Amortized cost

Fair value through comprehensive income (FVOCI); or Fair value through profit or loss (FVTPL)

Debt instruments at amortised cost or at FVTOCI

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Group's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Notes to the Consolidated and Separate Financial Statements

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how group of financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group has more than one business model for managing its financial instruments which reflect how the Group manages its financial assets in order to generate cash flows. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group considers all relevant information available when making the business model assessment. However, this assessment is not performed on the basis of scenarios that the Group does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Group takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Group has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

As at 31 December 2018, the Group does not hold any debt instrument measured at fair value through other comprehensive income (FVOCI). Debt instruments are fair valued through profit or loss

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Financial assets at FVTPL are:

Assets with contractual cash flows that are not SPPI; or/and assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains/losses arising on re-measurement recognised on profit or loss.

Offsetting financial instruments

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

Impairment

The Group recognises loss allowances for expected credit losses (ECLs) on the following financial instruments measured at amortized cost:

Debt investment securities;
Other receivables;

ECLs are required to be measured through a loss allowance at an amount equal to:

12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

The Group measures ECL on an individual basis, or on a collective basis for debt instruments that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Significant increase in credit risk

The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather

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than 12-month ECL. The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the Group monitors all financial assets that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment including forward-looking Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

As a back-stop when an asset becomes 30 days past due, the Group considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Group considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then;

A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference

Notes to the Consolidated and Separate Financial Statements

between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised paramount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

The Group derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to 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/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI 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. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

Notes to the Consolidated and Separate Financial Statements

Write-off

Debt securities and other receivables are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve;

Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

(h) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as at FVTPL.

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A financial liability is classified as held for trading if:

It has been incurred principally for the purpose of repurchasing 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 a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if: such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Grouping is provided internally on that basis; or it forms part of a contract

Financial liabilities at FVTPL are stated at fair value, with any gains/losses arising on remeasurement recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'net income from other financial instruments at FVTPL' line item in the profit or loss account.

The Group does not have any financial liabilities at fair value through profit or loss at the reporting

Other financial liabilities

Other financial liabilities, including borrowings, is initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss. When the Group exchanges with the existing lender one debt instrument into another one with 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.

Notes to the Consolidated and Separate Financial Statements

(i) Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by accounting standards, or for gains and losses arising from a group of similar transactions.

(j) Cash and cash equivalents

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

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

(k) Property and equipment

i Recognition and measurement

Items of property and equipment are carried at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

ii Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

iii Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

The estimated useful lives for the current and comparative period are as follows:

| | |
|-------------------------------|-------------------------------|
| Leasehold land | Over the unexpired lease term |
| Building | 50 years |
| Golf course improvements | 50 years |
| Motor vehicles | 4 years |
| Plant & Machinery | 5 years |
| Furniture & fittings | 5 years |
| Computer and office equipment | 5 years |
| Leasehold Improvements | 5 years |

Notes to the Consolidated and Separate Financial Statements

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

iv ***De-recognition***

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

v ***Other requirements***

Construction cost and improvements in respect of offices is carried as capital work-in-progress. On completion of construction or improvements, the related amounts are transferred to the appropriate category of property and equipment. Payments in advance for items of property and equipment are included as prepayments in "other assets" and upon delivery and availability for use, are classified as additions in the appropriate category of property and equipment.

(I) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable.

Investment property under construction for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections.

Valuations are performed as of the reporting date by professional valuers who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements.

Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Notes to the Consolidated and Separate Financial Statements

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Changes in fair values are recognized in profit or loss. Investment property are derecognized when they have been disposed.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

(m) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, deferred tax assets and trading property) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment losses are recognized in profit or loss.

(n) Leases

Group is the lessee

While the IAS does not create any difference between the classification of a lease by the lessor and the lessee, the IFRS provides for a different basis for lessee accounting. For all leases (except leases with a duration of less than 12 months or leases for low-value assets i.e. assets whose value is

- (i) Recognise a Right Of Use (ROU) asset and a corresponding liability equal to the present value
- (ii) Recognise a depreciation expense and an interest expense separately in the income
- (iii) Separate the total amount of cash paid into a principal portion (presented under financing

Notes to the Consolidated and Separate Financial Statements

The impact of the above is that a substantial amount of off-balance sheet leases will now be recognised in the balance sheet of the lessee.

Also, the group's policy will be the Modified Retrospective Approach where the group will apply IFRS 16 from the beginning of the current reporting period. The group will not restate the financial information for the prior comparative year. The group will also leave the prior year under older rules of IAS 17.

The adjustment to bring group's leases under the new rules of IFRS 16 is recognized in equity as of the beginning of the current reporting period (not the earliest presented as under the full approach). Also, the group will not present some disclosures as under the full retrospective approach.

The group's overall disclosure will be:

- to disclose quantitative information about its ROU assets and expenses and cash flows related to leases
- to disclose any additional information that is necessary to satisfy the overall disclosure objective, and to supplement this requirement with a list of user information needs that any additional disclosures should address

(o) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for. A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

(p) Contingent liability

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 entity; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefit is remote. A provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable is recognized, except in the extremely rare circumstances where no reliable estimate can be made.

Notes to the Consolidated and Separate Financial Statements

Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

(q) Share capital and reserves**(i) Share issue costs**

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments. All other non-attributable costs are expensed.

(ii) Dividend on ordinary shares

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

(iii) Share premium

The excess of the issue price proceeds over the nominal par value from the issue of shares are reported in share premium reserve.

(iv) Retained earnings

Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

(v) Common control acquisition deficit

This represents the difference between the consideration paid and the capital of the company acquired under common control acquisitions whereby the Company and the investee entity remain under control of the ultimate parent entity both before and after the transaction.

(vi) Treasury shares

Where the Company or any member of the Group purchases the Company's shares, the consideration paid is deducted from the shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

(vii) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(r) Trading properties

Inventories include assets held for sale in the ordinary course of business (land and homes), assets (land, homes and infrastructure, including amenities) in the production process for sale in the ordinary

Notes to the Consolidated and Separate Financial Statements

course of business (work in process), and materials and supplies that are consumed in production (raw materials)

Inventories are stated at the lower of cost and net realisable value (NRV). Cost include:

- Historical cost (or fair valuation) of land
- Other costs of purchase (including taxes, transport – where applicable, handling, agency etc)
- net of discounts received
- Costs of production or conversion to homes, infrastructure & amenities (including fixed and variable construction overheads and the cost of services and consultants involved in the production process, projects management costs – including cost of supervision and internal projects management) and
- Other costs incurred in bringing the inventories to their present location and condition
- Capitalised borrowing costs in relation to qualifying assets

Any write-down to NRV is recognised as an expense in the period in which the write-down occurs. Any reversal is recognised in the income statement in the period in which the reversal occurs

Expense recognition

When inventories are sold and revenue is recognised, the carrying amount of those inventories is recognised as an expense in cost of sales. Any write-down to NRV and any inventory losses are also recognised as an expense when they occur

Classification

Land – in Inventory – is classified as Current assets as they are the stock in trade of Mixta. In addition, being a real estate development company, Mixta Real Estate’s development cycle for any project could span over multiple accounting periods. In this regard, items of inventory (and by implication – current assets) could cross multiple accounting periods. The key distinction is that Inventory items are held for sale and not for Investment or as fixed assets.

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as trading property (inventories).

Where there is a change in use of investment property evidenced by the commencement of development with a view to sale, a reclassification is made to trading properties at their deemed cost which is the fair value at the date of reclassification. This would normally comprise expenditure incurred in acquiring the properties, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Trading properties acquired or being constructed for sale are initially recognised at cost. Trading properties are subsequently measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of trading property recognized in profit or loss on disposal is determined with reference to the carrying amount of such property at the date of disposal.

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(s) Employee benefits**(i) Short-term benefits**

Short-term benefits consist of salaries, accumulated leave allowances, profit share, bonuses and any non-monetary benefits.

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related services are provided.

A liability is recognized for the amount expected to be paid under short-term cash benefits such as accumulated leave and leave allowances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be measured reliably.

(ii) Post-employment benefits

The Group has a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group 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 the employee service in the current and prior periods. For defined contribution plans, the Group makes contributions on behalf of its employees to a mandatory scheme under the provisions of the Pension Reform Act. The Group has no further obligations once the contributions have been paid.

The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or deduction in the future payment is available. For entities operating in Nigeria, the contribution by employees and the employing entities are 8% and 10% respectively of the employee's basic salary, housing, and transport allowances. Entities operating outside Nigeria contribute in line with the relevant pension laws in their jurisdictions.

(iii) Termination benefits

The Group recognizes termination benefits as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal dedicated plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Group settles termination benefits within twelve months and are accounted for as short-term benefits.

(t) Operating expense

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Expenses are recognized on an accrual bases regardless of the time of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably.

Expenses are measured at historical cost except for fair value changes which represents the movement in fair value of investment property. Assets are recorded at the amount of cash or cash equivalents paid or their fair value of consideration given. Liabilities are recorded at the amount of proceeds received in exchange for the obligation. Only the portion of cost of a previous period that is

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related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statement as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned.

(u) Related party transactions

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

Transactions between the Group and its subsidiaries meet the definition of related party transactions. These transactions are eliminated on consolidation and not disclosed in the consolidated financial statements.

In general, transactions with related parties are accounted for in accordance with the standards applicable to such transactions.

6 Financial risk management

(a) Introduction

Mixta Real Estate Plc continues to transform its business model to align with the changing real estate development landscape, while positioning itself to best take advantage of future opportunities, as it seeks to attain a leadership role within the industry.

As the African continent continues to experience socio-political advancement, Mixta Real Estate Plc, in the financial year ended December 2015, became a part of a property development Group with footprints in some African countries. Having become part of a Group that has positioned itself as an African player, seeking to bridge the housing gap that exists within Nigeria and across a number of other African countries, Mixta Real Estate Plc seeks to act as a growth catalyst in the Nigerian housing development landscape.

As we evolve towards attaining a leadership position within the Nigerian and, as a Group, the African real estate development landscape, we recognize that a variety of business risks is introduced into our operations. Therefore, we have built our business around sound risk management practices, so that as we actively seek opportunities to create value for our clients and stakeholders, we equally take a deliberate, concerted effort to preserve value.

A culture of risk management permeates all that we do and is applied across all business functions. A disciplined approach to risk taking ensures that we seek to understand our products and markets before taking investment decisions. Therefore, business decisions go through defined approval processes, including a thorough assessment of the risk-return trade-off.

With a strong risk management culture, we are building an enduring business model. One that will serve our ambition of delivering housing and other commercial real estate needs to Nigeria, while delivering optimal value to our shareholders.

(b) Objectives of Risk Management

In line with global quest for a value-driven risk management function, Risk Management at ARM Properties adopts an all-encompassing approach that focuses on building a sustainable business where risk taking is consistently aligned with risk appetite, and threats to business objectives are adequately mitigated. The primary objective of risk management is to ensure efficient risk/return decision-making, reduce volatility in operating performance, and improve operational efficiency as well as the quality of service delivery while also ensuring that the Company's risk profile is transparent to senior management, the Board of Directors and other relevant stakeholders. In addition, the importance of risk management is stressed through a zero-tolerance for violations of risk management guidelines.

Risk Management practices at Mixta Nigeria centre around building a sustainable business where acceptable risk profile is maintained. Therefore, our approach is driven by the following key objectives.

Business Sustainability: This represents resiliency over time. It involves our organisation's ability to survive significant internal and external shocks.

Notes to the Consolidated and Separate Financial Statements

Accountability: This represents our organisation’s and business manager’s obligations to account for our activities, accept responsibility for them, and to disclose the results in a transparent manner..

Operational Efficiency: This represents our ability to deliver services in the most cost-effective manner possible while maintaining the highest feasible quality standards.

Risk/Reward Alignment: This is an optimization concept that seeks to achieve maximum possible return for each unit of risk taken.

(c) Key & Emerging Risk Factors

Below are some risks that could adversely affect the Group. The Group has employed different measures in addressing these risks; however, this summary should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties.

- 1 The Group actively pursues development opportunities; hence, unsuccessful developments or a slowdown in development activities could adversely impact the Group’s reputation, revenue growth and profitability.
- 2 Inadequate market demand for the Group’s products – commercial and residential real estate – would result in higher inventory of home units; and would impact the Group’s revenues and profitability.
- 3 The challenge of securing long-term borrowing that could match investment in medium to long-term projects and assets remains, as we continue to see shortage of long-term liquidity and minimal financing participation from local banks..
- 4 Difficulties in obtaining long-term funding would negatively impact corporate growth, speed of project execution, could result in increased cost of funds, and ultimately reduced profitability.
- 5 As deposit for home purchases is a key financing source, the inability or unwillingness of property buyers to meet their instalmental payment obligations for properties they have committed to purchase could significantly impact completion timelines, project cost and quality, corporate revenues, and ultimately profitability.
- 6 As a result of significant holdings in a number of strategic, long-term assets, the Group carries a liquidity gap in its books.
- 7 Adverse changes in regulatory or government policies could significantly affect the Group’s businesses
- 8 In the light of current macro-economic uncertainties, we expect that demand for luxury homes would remain subdued, thereby, impacting the Firm’s high-end real estate product offering..
- 9 Due to the illiquid nature of real estate investments, the Group could be unable to alter the investment portfolio at an acceptable return in response to changes in economic conditions.
- 10 The value of the Group’s real estate asset could be impacted by factors that could drive property prices within locations where these assets exist.
- 11 Loss of talents could result in an inability to operate efficiently and to deliver the required level of service that is promised to our clients. The Group continues to adopt different strategies to attract and retain quality personnel.
- 12 Given that we are a real estate development company, there is the risk that inadequacies or failures of project contractors would adversely impact project completion timelines, project cost and project quality.

Notes to the Consolidated and Separate Financial Statements

- 13 The Group is exposed to various operational risks such as failed or inadequate processes, controls, systems, and the risk that its staff, vendors or other third party business partners may deliberately seek to breach established controls or to act in ways that are inconsistent with the Group’s guidelines. In the event that any of the major risks should crystallize, it could adversely impact the Group’s reputation and, hence, customer loyalty.

The Group reviews its strategic business risks on a continuous basis. The key risks are monitored and presented to Management and the Board Audit & Risk Committee from time to time. This process assists business managers in understanding the possible impact of each risk event and in defining mitigating actions relevant to each. In assessing possible impact, the Group considers both quantitative and qualitative outcome of a risk event, including possible reputational damage.

(d) Risk Management Framework

The Group’s risk management framework is built around core components such as Governance, Strategy and Policies, on the one hand, and Systems, Tools and People, on the other. The framework allows for the Group’s risk exposure to be proactively managed through a continuous process of identification, evaluation, monitoring and reporting.

Our governance structure defines the responsibilities for managing, monitoring and reporting risks. An independent Risk Management function, which monitors risk exposures across the Group, works closely with business managers in identifying and addressing risks in a timely manner and within acceptable corporate risk profile.

In order to sufficiently capture the interrelationships among the various risk exposures, our risk management approach fits in an encompassing Enterprise Risk Management (ERM) framework which addresses the risks we assume while conducting our business, in broad risk categories as summarized below:

| Risk Type | Risk Description | Loss Characteristics |
|--------------------------|---|--|
| Market & Investment Risk | The risk of loss due to unfavourable movements in the value of assets. | This could result in loss of value to the Company’s property investment holdings |
| Project Risk | The risk of a negative impact on project quality, cost and/or completion timelines arising from failed or inadequate pre-defined scope, unexpected changes in project schedule or inadequate project resources. | This could result in significant project cost overruns; thereby resulting in eroded profit margins on such projects |
| Liquidity Risk | The risk that the Firm will not be able to meet its financial obligations as they fall due. | This could result in significant business disruption, delays in project completion or could hinder normal operations of the Firm |

Notes to the Consolidated and Separate Financial Statements

| | | |
|------------------|---|--|
| Operational Risk | The risk of loss arising from inadequate or failed internal processes, people, systems and external events. | This could result in business disruption, litigation costs and/or regulatory penalties |
|------------------|---|--|

| Risk Type | Risk Description | Loss Characteristics |
|-------------------|--|---|
| Compliance Risk | The risk of loss arising from violations of, or non-conformance with laws & regulations | This could result in adverse reputational impact, significant financial losses arising from regulatory penalties; and in severe cases, loss of business licence |
| Credit Risk | The risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Group. | This could result in impairment in the Group's credit assets and could invariably affect its short to long-run liquidity needs. |
| Strategic Risk | The risk of loss due to adverse or improper implementation of business decisions, or lack of responsiveness to industry changes. | This could result in a significant loss of market share. |
| Reputational Risk | The risk of brand damage due to the failure to meet stakeholders' expectations with respect to the Firm's performance and behaviour. | This could result in a significant loss of market share; loss of key employees and costly litigation. |

6.1 Market Risk and Investment Risk

Market risk is the risk of loss from unfavourable changes in the fair values of financial instruments caused by adverse moves in market variables, such as foreign exchange rates, interest rates, equity prices, commodity prices, credit spreads and implied volatilities of the market rates.

The Group is exposed to Market and investment risk due to possible fluctuations in factors such as foreign exchange rates and interest rates, and in changes in property value.

The objective of market risk management is to ensure that exposures are kept within acceptable limits, while optimizing returns. The Group's market and investment risk management practice seeks to achieve this through identifying the appropriate balance between risk and return in its investment decisions.

Therefore, investment decisions go through different levels of authorization before execution, and only after enhanced risk assessments and due diligence exercises.

Notes to the Consolidated and Separate Financial Statements

6.1.1 Interest rate risk

Interest rate risk is the risk of loss to Net Interest Income (NII) arising from changes in market interest rates on rate sensitive assets and liabilities. The Group carries some interest rate sensitive assets and liabilities which are priced with fixed rates, but reprice at varying frequencies.

The analysis below describes reasonably possible movements in interest rates with all other variables held constant, showing likely impact of the gap between interest sensitive assets and liability:

Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

Notes to the Consolidated and Separate Financial Statements

(a) Repricing period of financial assets and liabilities

The table below analyses the Group's interest rate risk exposure on financial assets and liabilities. The financial assets and liabilities are included at carrying amount and categorized by the earlier of contractual repricing or maturity dates.

Group

(i) As at Dec 31, 2019

| <i>In thousands of naira</i> | Note | Interest bearing instruments | | | | | Non-interest bearing instruments |
|------------------------------|------|------------------------------|----------------|------------|--------------|----------------|----------------------------------|
| | | Carrying Amount | Up to 3 months | 4-6 months | 7-12 months | Over 12 months | |
| Cash and cash equivalents | 26 | 3,182,034 | 1,603,94 | - | 755,321 | - | 822,770 |
| Loans to related entities | 23 | 4,833,365 | - | - | 287,864 | (342,624) | 4,888,125 |
| | | 8,015,399 | 1,603,94 | - | 1,043,185 | (342,624) | 5,710,895 |
| Borrowings | 29 | 55,612,976 | 1,661,17 | - | 24,536,939 | 29,414,861 | - |
| Gap | | (47,597,577) | (57,233) | - | (23,493,754) | (29,757,485) | 5,710,895 |
| Cumulative Gap | | | (57,233) | (57,233) | (23,550,986) | (53,308,471) | |

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 1% - 2% per cent increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Interest Rate Shock

| | | | | |
|-----|---------|---------|-----------|-------------|
| 1% | (572) | (572) | (235,510) | (533,085) |
| 2% | (1,145) | (1,145) | (471,020) | (1,066,169) |
| -1% | 572 | 572 | 235,510 | 533,085 |
| -2% | 1,145 | 1,145 | 471,020 | 1,066,169 |

(ii) As at Dec 31, 2018

| <i>In thousands of naira</i> | Note | Interest bearing instruments | | | | | Non-interest bearing instruments |
|------------------------------|------|------------------------------|----------------|------------|--------------|----------------|----------------------------------|
| | | Carrying Amount | Up to 3 months | 4-6 months | 7-12 months | Over 12 months | |
| Cash and cash equivalents | 26 | 2,792,908 | 1,102,301 | 1,690,607 | - | - | - |
| Loans to related entities | 23 | 9,326,530 | - | - | 1,186,878 | 8,139,652 | - |
| | | 12,119,438 | 1,102,301 | 1,690,607 | 1,186,878 | 8,139,652 | - |
| Borrowings | 29 | 43,028,832 | - | - | 26,405,285 | 16,623,547 | - |
| Gap | | (30,909,394) | 1,102,301 | 1,690,607 | (25,218,407) | (8,483,895) | - |
| Cumulative Gap | | | 1,102,301 | 2,792,908 | (22,425,499) | (30,909,394) | |

Interest Rate Shock

| | | | | |
|-----|----------|----------|-----------|-----------|
| 1% | 11,023 | 27,929 | (224,255) | (309,094) |
| 2% | 22,046 | 55,858 | (448,510) | (618,188) |
| -1% | (11,023) | (27,929) | 224,255 | 309,094 |
| -2% | (22,046) | (55,858) | 448,510 | 618,188 |

Notes to the Consolidated and Separate Financial Statements
Company
(iii) As at Dec 31, 2019

| <i>In thousands of naira</i> | Note | Interest bearing instruments | | | | | Non-interest bearing instruments |
|------------------------------|------|------------------------------|----------------|--------------|--------------|----------------|----------------------------------|
| | | Carrying Amount | Up to 3 months | 4-6 months | 7-12 months | Over 12 months | |
| Cash and cash equivalents | 26 | 1,560,447 | 1,560,447 | - | - | - | - |
| Loans to related entities | 23 | 25,781,706 | - | - | 580,641 | 21,848,028 | 4,888,125 |
| | | 27,342,153 | 1,560,447 | - | 580,641 | 21,848,028 | 4,888,125 |
| Borrowings | 29 | 31,377,582 | 1,250,305 | 20,508,019 | 177,376 | 9,441,882 | - |
| Gap | | (4,035,429) | 310,142 | (20,508,019) | 403,265 | 12,406,146 | 4,888,125 |
| Cumulative Gap | | | 310,142 | (20,197,877) | (19,794,612) | (7,388,466) | |

Interest Rate Shock

| | | | | |
|-----|---------|-----------|-----------|-----------|
| 1% | 3,101 | (201,979) | (197,946) | (73,885) |
| 2% | 6,203 | (403,958) | (395,892) | (147,769) |
| -1% | (3,101) | 201,979 | 197,946 | 73,885 |
| -2% | (6,203) | 403,958 | 395,892 | 147,769 |

(iv) As at Dec 31, 2018

| <i>In thousands of naira</i> | Note | Interest bearing instruments | | | | | Non-interest bearing instruments |
|------------------------------|------|------------------------------|----------------|------------|-------------|----------------|----------------------------------|
| | | Carrying Amount | Up to 3 months | 4-6 months | 7-12 months | Over 12 months | |
| Cash and cash equivalents | 26 | 2,449,820 | - | 818,118 | 1,631,702 | - | - |
| Loans to related entities | 23 | 23,387,157 | - | - | 15,130,818 | 8,256,339 | - |
| | | 25,836,977 | - | 818,118 | 16,762,520 | 8,256,339 | - |
| Borrowings | 29 | 24,690,738 | - | - | 11,381,922 | 13,308,816 | - |
| Gap | | 1,146,239 | - | 818,118 | 5,380,598 | (5,052,477) | - |
| Cumulative Gap | | | - | 818,118 | 6,198,716 | 1,146,239 | - |

Interest Rate Shock

| | | | | |
|-----|---|----------|-----------|----------|
| 1% | - | 16,362 | 123,974 | 22,925 |
| 2% | - | (8,181) | (61,987) | (11,462) |
| -1% | - | (16,362) | (123,974) | (22,925) |
| -2% | - | - | - | - |

6.1.2 Foreign exchange risk:

Foreign exchange risk is the risk of loss due to adverse movements in the exchange rates applicable to foreign currency denominated assets and liabilities. These are assets and liabilities which are denominated in a currency other than the Group's functional currency, Naira.

An adverse movement in applicable exchange rate would result in losses in foreign currency denominated assets, and increased exposures in unmatched foreign currency denominated liabilities. In addition, a foreign exchange liquidity mismatch could arise as a result of a mismatch in the maturity profile or liquidation timing of obligations or assets denominated in a foreign currency.

The Group's exposure to foreign exchange risk arises from its debt obligations denominated in US Dollars (Note 29(e) (vi & xii)). Foreign exchange risk exposure also arises from foreign currency obligations due to project contractors, consultants and other vendors from time to time.

- Foreign Currency Concentration Risk

The table below shows the Group's and Company's structural foreign currency exposures for the year.

Group
As at Dec 31, 2019

| <i>In thousands of naira</i> | Naira | USD | GBP | Euro | Total |
|--|------------|--------|-----|---------|------------|
| Cash and cash equivalents | 1,577,374 | 27,933 | 972 | (6,883) | 1,599,396 |
| Loans to related entities | 4,833,365 | - | - | - | 4,833,365 |
| Debtors and receivables (excluding prepayments) | 15,253,467 | - | - | 993,134 | 16,246,601 |
| | 21,664,206 | 27,933 | 972 | 986,251 | 22,679,362 |

Notes to the Consolidated and Separate Financial Statements

| <i>In thousands of naira</i> | Naira | USD | GBP | Euro | Total |
|------------------------------|--------------|------------|------------|-------------|--------------|
| Deposit for shares | - | - | - | - | - |
| Borrowings | 49,735,063 | 1,704,393 | - | 4,173,521 | 55,612,976 |
| Other liabilities | 11,509,251 | - | - | 2,932,312 | 14,441,563 |
| | 61,244,314 | 1,704,393 | - | - | 70,054,539 |

| | | | | | |
|--------------------------|---------------------|--------------------|------------|----------------|---------------------|
| Net open position | (39,580,108) | (1,676,460) | 972 | 986,251 | (47,375,177) |
|--------------------------|---------------------|--------------------|------------|----------------|---------------------|

Sensitivity analysis: Foreign Exchange

| | | | | |
|------|---|-----------|-------|--------|
| 10% | - | (167,646) | 97 | 98,625 |
| 20% | - | (335,292) | 194 | - |
| -10% | - | 167,646 | (97) | - |
| -20% | - | 335,292 | (194) | - |

As at Dec 31, 2018

| <i>In thousands of naira</i> | Naira | USD | GBP | Euro | Total |
|------------------------------|--------------|------------|------------|-------------|--------------|
| Cash and cash equivalents | 1,141,465 | 1,154,943 | 4,500 | 492,000 | 2,792,908 |
| Loans to related entities | 9,326,530 | - | - | - | 9,326,530 |
| Debtors and receivables | 12,772,320 | - | - | - | 12,772,320 |
| | 23,240,315 | 1,154,943 | 4,500 | 492,000 | 24,891,758 |

| | | | | | |
|--------------------|------------|-----------|---|---|------------|
| Deposit for shares | 253,746 | - | - | - | 253,746 |
| Borrowings | 41,143,810 | 1,885,022 | - | - | 43,028,832 |
| Other liabilities | 15,310,991 | - | - | - | 15,310,991 |
| | 56,708,547 | 1,885,022 | - | - | 58,593,569 |

| | | | | | |
|--------------------------|---------------------|------------------|--------------|----------------|---------------------|
| Net open position | (33,468,232) | (730,079) | 4,500 | 492,000 | (33,701,811) |
|--------------------------|---------------------|------------------|--------------|----------------|---------------------|

Sensitivity analysis: Foreign Exchange

| | | | | |
|------|---|-----------|-------|--------|
| 10% | - | (73,008) | 450 | 49,200 |
| 20% | - | (146,016) | 900 | - |
| -10% | - | 73,008 | (450) | - |
| -20% | - | 146,016 | (900) | - |

Company

As at Dec 31, 2019

| <i>In thousands of naira</i> | Naira | USD | GBP | Euro | Total |
|---|--------------|------------|------------|-------------|--------------|
| Cash and cash equivalents | 699,288 | 27,933 | 972 | (6,980) | 721,213 |
| Loans to related entities | 27,316,794 | - | - | - | 27,316,794 |
| Debtors and receivables (excluding prepayments) | 18,060,933 | - | - | - | 18,060,933 |
| | 46,077,015 | 27,933 | 972 | (6,980) | 46,098,940 |

| | | | | | |
|--------------------|------------|---|---|---|------------|
| Deposit for shares | - | - | - | - | - |
| Borrowings | 31,377,582 | - | - | - | 31,377,582 |
| Other liabilities | 17,595,215 | - | - | - | 17,595,215 |
| | 48,972,797 | - | - | - | 48,972,797 |

| | | | | | |
|--------------------------|--------------------|---------------|------------|----------------|--------------------|
| Net open position | (2,895,782) | 27,933 | 972 | (6,980) | (2,873,857) |
|--------------------------|--------------------|---------------|------------|----------------|--------------------|

Sensitivity analysis: Foreign Exchange

| | | | | |
|------|---|---------|-------|-------|
| 10% | - | 2,793 | 97 | (698) |
| 20% | - | 5,587 | 194 | - |
| -10% | - | (2,793) | (97) | - |
| -20% | - | (5,587) | (194) | - |

Notes to the Consolidated and Separate Financial Statements

As at Dec 31, 2018

| <i>In thousands of naira</i> | Naira | USD | GBP | Euro | Total |
|------------------------------|-------------------|------------|--------------|----------------|-------------------|
| Cash and cash equivalents | 1,953,320 | - | 4,500 | 492,000 | 2,449,820 |
| Loans to related entities | 23,839,570 | - | - | - | 23,839,570 |
| Debtors and receivables | 17,682,158 | - | - | - | 17,682,158 |
| | 43,475,048 | - | 4,500 | 492,000 | 43,971,548 |
| Deposit for shares | - | - | - | - | - |
| Borrowings | 24,690,738 | - | - | - | 24,690,738 |
| Other liabilities | 17,536,842 | - | - | - | 17,536,842 |
| | 42,227,580 | - | - | - | 42,227,580 |
| Net open position | 1,247,468 | - | 4,500 | 492,000 | 1,743,968 |

Sensitivity analysis: Foreign Exchange

| | | | | |
|------|---|---|-------|--------|
| 10% | - | - | 450 | 49,200 |
| 20% | - | - | 900 | - |
| -10% | - | - | (450) | - |
| -20% | - | - | (900) | - |

Notes to the Consolidated and Separate Financial Statements

6.2 Credit Risk

Credit Risk is the risk of loss arising from a counterparty's inability or unwillingness to fulfill contractual obligations to the Group. The Group is exposed to credit risk in transactions involving cash and cash equivalents, deposits and placement with banks and other financial institutions as well as loans to related entities and receivables.

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's Counterparty policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group's maximum exposure to credit risk is provided below:

| <i>In thousands of Naira</i> | Cash and cash equivalents | | Loans to related entities | | Other receivables (excluding Prepayment) | |
|---------------------------------------|---------------------------|-----------|---------------------------|-----------|---|-------------|
| | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 |
| Carrying amount | 3,182,034 | 2,792,908 | 4,833,365 | 9,326,530 | 16,246,601 | 12,772,320 |
| Assets at amortised cost | | | | | | |
| Neither past due nor impaired | 3,182,034 | 2,792,908 | 4,833,365 | 9,326,530 | 16,246,601 | 12,772,320 |
| Impaired | 2,283 | - | 1,577,509 | 490,865 | 4,474,603 | 3,257,247 |
| Gross amount | 3,184,317 | 2,792,908 | 6,410,874 | 9,817,395 | 20,721,205 | 16,029,567 |
| Allowance for impairment (individual) | (2,283) | - | (1,577,509) | (490,865) | (4,474,603) | (3,257,247) |
| Carrying amount | 3,182,034 | 2,792,908 | 4,833,365 | 9,326,530 | 16,246,601 | 12,772,320 |

The maximum exposure to credit risk the Company has is as follows:

| <i>In thousands of Naira</i> | Cash and cash equivalents | | Loans to related entities | | Other receivables (excluding Prepayment) | |
|---------------------------------------|---------------------------|-----------|---------------------------|-----------|---|-------------|
| | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 |
| Carrying amount | 721,213 | 2,449,820 | 27,316,79 | 23,387,15 | 18,060,933 | 17,682,158 |
| Assets at amortised cost | | | | | | |
| Neither past due nor impaired | 721,213 | 2,449,820 | 27,316,79 | 23,387,15 | 18,060,933 | 17,682,158 |
| Impaired | - | - | (1,535,088) | - | (2,092,283) | (1,582,261) |
| Gross amount | 721,213 | 2,449,820 | 25,781,70 | 23,387,15 | 15,968,650 | 16,099,897 |
| Allowance for impairment (individual) | - | - | 1,535,088 | - | 2,092,283 | 1,582,261 |
| Carrying amount | 721,213 | 2,449,820 | 27,316,79 | 23,387,15 | 18,060,933 | 17,682,158 |

Management believes that the neither past due nor impaired amounts are still collectible in full based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

2.1 Credit Concentration

The table below breaks down the Group's main credit exposure at their carrying amounts, as categorized by the geographical region as at 31 December 2019 and 31 December 2018. For this table the Group has allocated exposure to regions based on the region of the of domicile of the counterparties

| Group <i>In thousands of Naira</i> | Cash and cash equivalents | | Loans to related entities | | Other receivables (excluding prepayment) | |
|--|---------------------------|-----------|---------------------------|-----------|---|-------------|
| | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 |
| In Nigeria | | | | | | |
| South-west | 3,184,317 | 2,792,908 | 1,522,749 | 1,641,471 | 19,712,306 | 13,668,078 |
| South-south | - | - | 4,888,125 | 4,786,490 | - | 8,280 |
| Rest of West Africa | - | - | - | - | 15,764 | 22,911 |
| Europe | - | - | - | 3,389,434 | 993,134 | 93,955 |
| Gross amount | 3,184,317 | 2,792,908 | 6,410,874 | 9,817,395 | 20,721,205 | 13,793,224 |
| Allowance for specific impairment | (2,283) | - | (1,577,509) | (490,865) | (4,474,603) | (3,257,247) |
| Carrying amount | 3,182,034 | 2,792,908 | 4,833,365 | 9,326,530 | 16,246,601 | 10,535,977 |

Notes to the Consolidated and Separate Financial Statements

Company

| <i>In thousands of Naira</i> | Cash and cash equivalents | | Loans to related entities | | Other receivables (excluding prepayment) | |
|-----------------------------------|---------------------------|-----------|---------------------------|------------|---|-------------|
| | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 | Dec 2019 | Dec 2018 |
| | In Nigeria | | | | | |
| South-west | 721,213 | 2,449,820 | 22,428,669 | 15,663,646 | 9,528,027 | 17,557,012 |
| South-south | - | - | 4,888,125 | 4,786,490 | 145,795 | 8,280 |
| Rest of West Africa | - | - | - | - | 15,764 | 22,911 |
| Europe | - | - | - | 3,389,434 | 6,279,064 | 93,955 |
| Gross amount | 721,213 | 2,449,820 | 27,316,794 | 23,839,570 | 15,968,650 | 17,682,158 |
| Allowance for specific impairment | - | - | (1,535,088) | - | 2,092,283 | (1,582,261) |
| Carrying amount | 721,213 | 2,449,820 | 25,781,706 | 23,839,570 | 18,060,933 | 16,099,897 |

6.3 Liquidity Risk Management

Liquidity Risk is the risk that the Group will be unable to efficiently meet both expected and unexpected current and future cash flow and collateral obligations as they fall due.

Prudent liquidity risk management includes maintaining a stock of high quality liquid assets, while at the same time securing long-term funding to ensure the availability of adequate funds to meet the Group's obligations as they fall due.

Liquidity Risk Profile

The key measure used in monitoring liquidity risk is the Maturity Gap Ratio, which is calculated as the ratio of maturity gap to maturing liabilities, across all currencies of exposure. The maturity gap is the difference between maturing assets and maturing liabilities within each maturity band.

The Maturity Gap Ratio displays the extent of mismatch between maturing assets and maturing liabilities. The company reviews its Maturity Gap Ratio on a monthly basis, with closer attention to the 30-day gap.

In assigning maturing liabilities to each maturity band, the Group allocates a significant portion of its maturing liabilities to the earliest possible period in which such liabilities could be called. This is a more conservative approach to liquidity management. However, the actual experience is such that these liabilities have longer effective maturity, in some instances, greater than 12 months, such that should the maturity gap below be assessed using these effective maturity profiles, positive gaps would be observed in the short term, up to 12 months. Therefore, in a normal business condition, and under a mild stress scenario, where market liquidity tightens and it is more difficult to raise short to medium term funds, the firm remains well able to meet its obligations as and when due.

The Group continues to adopt a number of strategies in managing short-term liquidity position, while also implementing activities aimed at improving long-term balance sheet structure.

The tables below analyzes the Group's and Company's financial liabilities and assets into relevant maturity groupings.

Group
31 December 2019

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|------------------------------------|-------------------|--------------------------------|------------------|--------------|-------------------|-------------------|
| Deposit for shares | - | - | - | - | - | - |
| Borrowings | 55,612,976 | 55,612,976 | 1,661,177 | - | 24,536,939 | 29,414,861 |
| Other liabilities and accruals | 14,441,563 | - | - | - | - | - |
| Total Financial Liabilities | 70,054,539 | 55,612,976 | 1,661,177 | - | 24,536,939 | 29,414,861 |

Assets held for managing liquidity risk

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|------------------------------|-----------------|--------------------------------|----------------|--------------|---------------|-------------|
| Loan to related entities | 4,833,365 | - | - | - | - | - |
| Debtors | 16,246,601 | - | - | - | - | - |
| Cash and cash equivalent | 3,184,317 | - | - | - | - | - |

Notes to the Consolidated and Separate Financial Statements

| | | | | | | |
|--|---------------------|---------------------|--------------------|--------------------|---------------------|---------------------|
| Total assets held for managing liquidity risk | 24,264,284 | - | - | - | - | - |
| Net liquidity (Gap)/Surplus | (45,790,255) | (55,612,976) | (1,661,177) | - | (24,536,939) | (29,414,861) |
| Cumulative Liquidity (Gap)/Surplus | | | (1,661,177) | (1,661,177) | (26,198,115) | (55,612,976) |

31 December 2018

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|------------------------------------|------------------------|---------------------------------------|-----------------------|---------------------|----------------------|--------------------|
| Deposit for shares | 253,746 | 253,746 | - | 253,746 | - | - |
| Borrowings | 43,028,832 | 43,028,832 | - | 11,228,431 | 15,176,854 | 16,623,547 |
| Other liabilities and accruals | 15,310,991 | 15,310,991 | 2,140,743 | 5,868,828 | 7,301,420 | - |
| Total Financial Liabilities | 58,593,569 | 58,593,569 | 2,140,743 | 17,351,005 | 22,478,274 | 16,623,547 |

Assets held for managing liquidity risk

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|--|------------------------|---------------------------------------|-----------------------|---------------------|----------------------|---------------------|
| Loan to related entities | 9,326,530 | 9,326,530 | - | - | 1,186,878 | 8,139,652 |
| Debtors | 10,535,977 | 12,772,320 | 702,565 | 6,782,442 | 5,287,313 | - |
| Cash and cash equivalent | 2,792,908 | 2,792,908 | 2,792,908 | - | - | - |
| Total assets held for managing liquidity risk | 22,655,415 | 24,891,758 | 3,495,473 | 6,782,442 | 6,474,191 | 8,139,652 |
| Net liquidity (Gap)/Surplus | (35,938,154) | (33,701,811) | 1,354,730 | (10,568,563) | (16,004,083) | (8,483,895) |
| Cumulative Liquidity (Gap)/Surplus | | | 1,354,730 | (9,213,833) | (25,217,916) | (33,701,811) |

Company
31 December 2019

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|------------------------------------|------------------------|---------------------------------------|-----------------------|---------------------|----------------------|--------------------|
| Deposit for shares | - | - | - | - | - | - |
| Borrowings | 31,377,582 | 31,377,582 | 766,438 | - | 19,426,821 | 11,184,323 |
| Other liabilities and accruals | 17,595,215 | 17,595,215 | - | - | 3,314,494 | 14,280,721 |
| Total Financial Liabilities | 48,972,797 | 48,972,797 | 766,438 | - | 22,741,315 | 25,465,044 |

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|--|------------------------|---------------------------------------|-----------------------|---------------------|----------------------|--------------------|
| Loans and receivables | 25,781,706 | 27,316,794 | - | - | 580,641 | 26,736,153 |
| Debtors and receivables | 15,968,650 | 18,060,933 | - | - | 13,733,138 | 4,327,795 |
| Cash and cash equivalents | 1,560,447 | 1,560,447 | 1,560,447 | - | - | - |
| Total assets held for managing liquidity risk | 43,310,803 | 46,938,174 | 1,560,447 | - | 14,313,779 | 31,063,948 |
| Net liquidity (Gap)/Surplus | (5,661,994) | (2,034,623) | 794,009 | - | (8,427,536) | 5,598,904 |

| | | | | | | |
|---|--|--|----------------|----------------|--------------------|--------------------|
| Cumulative Liquidity (Gap)/Surplus | | | 794,009 | 794,009 | (7,633,527) | (2,034,623) |
|---|--|--|----------------|----------------|--------------------|--------------------|

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Financial Liabilities

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|------------------------------------|-------------------|--------------------------------|----------------|-------------------|-------------------|-------------------|
| Deposit for shares | - | - | - | - | - | - |
| Borrowings | 24,690,738 | 24,690,738 | - | 11,228,431 | 153,491 | 13,308,816 |
| Other liabilities and accruals | 17,536,842 | 17,536,842 | 855,719 | 2,083,356 | 14,597,767 | - |
| Total Financial Liabilities | 42,227,580 | 42,227,580 | 855,719 | 13,311,787 | 14,751,258 | 13,308,816 |

| <i>In thousands of naira</i> | Carrying Amount | Gross Nominal (outflow)/inflow | Up to 3 months | 4 - 6 months | 7 - 12 months | 1 - 5 years |
|--|-------------------|--------------------------------|------------------|---------------------|-------------------|--------------------|
| Loans and receivables | 23,387,157 | 23,387,157 | - | - | 15,130,818 | 8,256,339 |
| Debtors and receivables | 17,682,158 | 17,682,158 | 699,675 | 1,083,583 | 15,898,900 | - |
| Cash and cash equivalents | 2,449,820 | 2,449,820 | 2,449,820 | - | - | - |
| Total assets held for managing liquidity risk | 43,519,135 | 43,519,135 | 3,149,495 | 1,083,583 | 31,029,718 | 8,256,339 |
| Net liquidity (Gap)/Surplus | 1,291,555 | 1,291,555 | 2,293,776 | (12,228,204) | 16,278,460 | (5,052,477) |

| | | | | |
|---|------------------|--------------------|------------------|------------------|
| Cumulative Liquidity (Gap)/Surplus | 2,293,776 | (9,934,428) | 6,344,032 | 1,291,555 |
|---|------------------|--------------------|------------------|------------------|

6.4 Operational risks

Operational risk is the risk of loss arising from inadequate or failed internal processes, people, systems and external events. Operational risk could result from erroneous transactions, fraudulent acts, and performance failure of vendors, or business disruption, which could result in financial losses and/or reputational damage to the Group.

Mixta Real Estate manages operational risk using a well-established control framework, and tools such as Risk and Control Self-Assessment (RCSA), Internal Loss Data Collection (LDC), Issues Management and Whistleblowing. The Company uses a bespoke system, Operation Risk Manager, as well as other excel based templates for collecting, managing, monitoring and reporting operational risk.

Operational risk loss events are escalated and managed using a four level escalation matrix depending on the amount of loss that may occur.

The Internal Loss Data Collection is the process with which the Group collects data on operational risk losses as they occur. This data collection is facilitated with the use of an Operational Risk System that has been tailored to the Group's operations, The OpRisk Manager. Risk events can be identified by any member of staff at any location within the Group. Once identified, the risk event is assigned to a member of staff with sufficient knowledge and authority to perform a causal analysis; and to recommend remedial actions

RCSA is a forward looking evaluation of both potential and current risks faced within the Group on a daily basis. It also involves assessing the controls implemented to prevent, detect or mitigate the occurrence of the risks; as well as recommending actions for improving deficiencies, or designing new controls within the process. It is conducted in a workshop attended by business experts within the Group.

An issue is an observed gap, which has not necessarily resulted in a risk event, but has the potential to. Possible issues could include process flaws, control deficiencies, system deficiencies, observed misconducts of vendors and/or employees, lack of knowledge of relevant policies and procedures by staff, amongst others. Issue Management, therefore, is a proactive process of identifying, assessing, managing and monitoring issues that have a potential to result in risk events within the Group. The objective is to resolve these issues before they result in actual losses. The Risk Management team identifies and assesses issues; while staff members are trained on an on-going basis on the ability to identify risk issues and proffer possible solutions to mitigate or eliminate any observed issue. Risk issues are monitored until they are addressed and closed out.

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Our Whistleblowing system enables anonymous as well as confidential reporting of observed misconduct within the Group. Stakeholders such as Regulators, Shareholders, Clients and Staff can make use of the Whistleblowing portal on the corporate website or call the Whistleblowing hotline for seamless reporting of misconducts. All information obtained via the Whistleblowing channels are thoroughly investigated, and disciplinary actions are applied when necessary. In addition to the benefit of early identification of misconducts, the Whistleblowing system serves as a preventive control for fraud, bribery and other forms of misconduct within the Group.

Overlaying these forward looking, as well as event specific approach in managing operational risk is an active action management approach aimed at preventing occurrence, reducing possibility of occurrence, as well as mitigating the impact of operational risk events. Actions are assigned to risk owners or to delegated officers, known as Action Owners, who have sufficient knowledge and the authority to perform such remedial actions, within specified timelines. Action completion status is constantly monitored by the Risk Management Unit and reported to Unit Heads.

Reports generated from data collected from these operational risk management processes provide business managers, Executive Management and the Board with information to help maintain operational risk at appropriate levels within each business line.

The ultimate aim of the operational risk management activities is to improve operational efficiency as well as the quality of service delivery to clients through:

- Improved processes and operational guidelines
- Minimising occurrence of avoidable risk events
- Creating Group-wide risk awareness that guides behaviours and creates a careful approach to transaction handling and execution

6.5 Strategic and Reputational Risk

Strategic Risk is the risk of loss to earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes. Some strategic risk factors that the Group is exposed include: activities of competitors; political terrain; the economy; laws and regulations; changes in customer preferences and strategic business decisions.

Reputational Risk is the risk of loss to earnings or capital arising from damage to the Group's reputation. This damage could be as a result of poor communication; crisis mismanagement; poor service delivery; regulatory non-compliance; poor financial performance; poor corporate governance & leadership; inadequate Corporate Social Responsibility; or a lack of a strong workplace culture.

The Group's Strategic & Reputational Risk is managed closely with the Corporate Strategy Unit and the Marketing & Corporate Communication Unit respectively.

6.6 Capital Management

Our capital management objective is to maintain a strong capital base that is backed with high quality assets with stable valuations in a manner that sustains future development of business activities and creates sustainable value to our Shareholders.

In doing this, we focus on optimising the use of available capital, and in ensuring proper capital allocation amongst the different businesses, according to the Group's business and investment strategy, but in consideration of the level of risk, and return expectation from each business area. Our focus is to safeguard Shareholders' funds and to ensure that it is not jeopardised through unguarded risk taking.

The capital of the group is managed with a view of maintaining a controlled relationship between equity and debt in order to maintain an optimal capital structure which reduces the cost of capital.

The Gearing Ratio for the Group and the Company as at 31 December 2019 is shown below:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Borrowings (current and non-current) | 55,612,976 | 43,028,832 | 31,377,582 | 24,690,738 |
| Total Equity | 53,751,360 | 66,774,263 | 33,012,969 | 35,937,065 |
| Gearing Ratio | 103.46% | 64.44% | 95.05% | 68.71% |

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7 Financial assets and liabilities

The table below sets out the classification of each class of financial assets and liabilities. It does not include information on fair values as the carrying amounts are reasonable approximation of the fair values.

Group

31 December 2019

| <i>In thousands of naira</i> | Note | Loans and receivables | Other financial liabilities | Total carrying amount |
|---|------|--------------------------|-----------------------------------|--------------------------|
| Cash and cash equivalents | 26 | 3,182,034 | - | 3,182,034 |
| Loans to related entities | 23 | 4,833,365 | - | 4,833,365 |
| Debtors and receivables (excluding prepayments) | 25 | 16,246,601 | - | 16,246,601 |
| | | 24,262,000 | - | 24,262,000 |
| Deposit for shares | 28 | - | - | - |
| Borrowings | 29 | - | 55,612,976 | 55,612,976 |
| Other liabilities | 31 | - | 14,441,563 | 14,441,563 |
| | | - | 70,054,539 | 70,054,539 |

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| <i>In thousands of naira</i> | Note | Loans and receivables | Other financial liabilities | Total carrying amount |
|---|------|--------------------------|-----------------------------------|--------------------------|
| Cash and cash equivalents | 26 | 2,792,908 | - | 2,792,908 |
| Loans to related entities | 23 | 9,326,530 | - | 9,326,530 |
| Debtors and receivables (excluding prepayments) | 25 | 12,772,320 | - | 12,772,320 |
| | | 24,891,758 | - | 24,891,758 |
| Deposit for shares | 28 | - | 253,746 | 253,746 |
| Borrowings | 29 | - | 43,028,832 | 43,028,832 |
| Other liabilities | 31 | - | 15,310,991 | 15,310,991 |
| | | - | 58,593,569 | 58,593,569 |

Company

31 December 2019

| <i>In thousands of naira</i> | Note | Loans and receivables | Other financial liabilities | Total carrying amount |
|---|------|--------------------------|-----------------------------------|--------------------------|
| Cash and cash equivalents | 26 | 1,560,447 | - | 1,560,447 |
| Loans to related entities | 23 | 25,781,706 | - | 25,781,706 |
| Debtors and receivables (excluding prepayments) | 25 | 15,968,650 | - | 15,968,650 |
| | | 43,310,803 | - | 43,310,803 |
| Deposit for shares | 28 | - | - | - |
| Borrowings | 29 | - | 31,377,582 | 31,377,582 |
| Other liabilities | 31 | - | 17,595,215 | 17,595,215 |
| | | - | 48,972,797 | 48,972,797 |

Notes to the Consolidated and Separate Financial Statements

31 December 2018

| <i>In thousands of naira</i> | Note | Loans and receivables | Other financial liabilities | Total carrying amount |
|---|------|--------------------------|-----------------------------------|--------------------------|
| Cash and cash equivalents | 26 | 2,449,820 | - | 2,449,820 |
| Loans to related entities | 23 | 23,387,157 | - | 23,387,157 |
| Debtors and receivables (excluding prepayments) | 25 | 17,682,158 | - | 17,682,158 |
| | | 43,519,135 | - | 43,519,135 |
| Deposit for shares | 28 | - | - | - |
| Borrowings | 29 | - | 24,690,738 | 24,690,738 |
| Other liabilities | 31 | - | 17,536,842 | 17,536,842 |
| | | - | 42,227,580 | 42,227,580 |

8 Critical accounting estimates and judgement.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(i) Determination of significant influence over investees

Management applies its judgement to determine whether the control indicators set out in Note 5(a) indicate that the Group controls an entity. IAS 28 states that a 20% or more interest in an investee leads to a rebuttable presumption that the investor has significant influence over the investee.

The Group holds an indirect interest of 29.3% in Lakowe Lakes Golf Club Limited ("Lakowe"). (i.e. Mixta Real Estate Plc has a 70% stake in Toll Systems Development Company which in turn holds a 33.3% stake in Lakowe). However, having considered the fact and circumstances, including the non-representation of Mixta Real Estate Plc on the board of Lakowe, management has concluded that the Group does not have significant influence over Lakowe and the entity is not an associate of Mixta Real Estate Plc. As a result, it is measured at cost.

(ii) Classification of property

The Group determines whether a property is classified as investment property or trading property (inventory).

Investment property comprises land that is not for sale in the ordinary course of business, but are held primarily to earn capital appreciation.

Trading properties comprises properties that are held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction.

Notes to the Consolidated and Separate Financial Statements

Management has classified the land bank held by Toll Systems Development Company Limited as investment property as it is primarily being held for capital appreciation and for investment in new subsidiaries through exchange for equity interest and/or debt finance.

(iii) Considerations on joint arrangement

The Group has a 51% equity interest in Garden City Golf Estate Development Limited ("Garden City"). Garden City is a structured separate vehicle established as a Limited Liability Company to carry on business generally as developers of golf courses and ancillary amenities.

The Group has (after considering the structure and form of the arrangement, the terms agreed by the parties in the executed memorandum of understanding, and the Group's rights and obligations arising from the subsequent acquisition from ARM Holding Company Limited from the arrangement) classified its interests as joint ventures and accounted for the acquisition in line with the policies disclosed in note 5(a)(viii).

(iv) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

On the sale of trading properties, revenue is recognised when Mixta Real Estate Plc retains only an insignificant risk of ownership and it meets significant performance obligations due to the customer.

The group recognizes revenue if one of the following criteria is met:

- the customer simultaneously receives and consumes all of the benefits provided by the group as it performs;
- The group's performance creates or enhances an asset that the customer controls as the asset is created; or
- The group's performance does not create an asset with an alternative use to itself and the group has an enforceable right to payment for performance completed to date.

If the group does not satisfy its performance obligation over time and it satisfies it at a point in time, then revenue will therefore be recognized when control is passed at that certain point in time. Factors that may indicate the point in time at which control passes include, but are not limited to:

- The group has a present right to payment for the asset
- The group has transferred physical possession of the asset
- the customer has the significant risks and rewards related to the use of the asset; and
- the customer has accepted the asset.

- (b) Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(i) Fair value of financial instruments

Notes to the Consolidated and Separate Financial Statements

The Company's policy on fair value measurements is discussed under note 5(g)(iv).

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price(unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly - i.e. , as prices - or indirectly - i.e. derived from prices. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data. Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

The Group did not have any financial instruments measured and carried at fair value as at the end of the reporting period.

The financial instruments were not analysed by the level in the fair value hierarchy into which each fair value measurement is categorised because the carry amounts of these instruments is a reasonable approximation of fair value.

(ii) ***Investment property***

Investment property is measured at fair value in line with the Group's accounting policy disclosed in note 5(k)

The Group's investment property is valued at each reporting date by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment property valued. For all investment property, their current use equates to the highest and best use.

Management reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are also held with the independent valuers to:

- verify all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report.

Further details of the judgements and assumptions made in the valuation of investment property are disclosed in note 20(d).

(iii) ***Estimation of net-realisable value for trading properties***

Trading properties are stated at the lower of cost and net realisable value (NRV).

NRV for completed trading property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of trading property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction, estimated costs to complete construction and an estimate of the time value of money to the date of completion.

Notes to the Consolidated and Separate Financial Statements**(iv) Impairment losses on loans**

Loans to related parties accounted for at amortized cost are evaluated for impairment on a basis described in note 5(g)(v).

The Group reviews its outstanding loan balances to assess impairment on an annual basis. In determining whether a specific impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is any observable data indicating an impairment trigger. The trigger may include observable data indicating that the borrower is unable to fulfil the repayment obligations as per contractual terms e.g. significant financial difficulty being experienced by the borrower, occurrence of default/delays in interest or principal repayments, restructuring of the credit facilities by giving extraordinary concessions to borrower etc.

The specific component of the total allowances for impairment applies to facilities evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Each impaired facility is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently approved by the risk management function.

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


| <i>In thousands of Naira</i> | Note | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| Revenue-sales of trading properties | 9 | 6,249,788 | 7,012,933 | 4,005,918 | 898,069 |
| Cost of sales- trading properties | 10 | (1,837,891) | (6,257,842) | (2,142,897) | (394,053) |
| Profit on sale of trading properties | | 4,411,897 | 755,091 | 1,863,021 | 504,016 |
| Fair value gain on investment property | 11 | 2,453,831 | 7,891,350 | - | - |
| Interest income | 12 | 1,138,406 | 1,084,646 | 4,491,423 | 3,207,575 |
| Other income | 13 | (204,036) | 133,865 | 552,963 | 1,161,670 |
| Other operating income | | 3,388,201 | 9,109,861 | 5,044,386 | 4,369,245 |
| Net impairment (loss)/reversal on assets | 14 | (1,749,060) | (1,281,892) | (2,757,079) | (1,287,849) |
| Personnel expenses | 15 | (579,846) | (513,650) | (579,846) | (476,722) |
| Depreciation | 19 | (264,252) | (224,938) | (64,968) | (31,541) |
| Operating expenses | 16 | (1,994,675) | (1,330,974) | (1,276,974) | (620,757) |
| Total expenses | | (4,587,833) | (3,351,454) | (4,678,867) | (2,416,869) |
| Operating profit before finance costs | | 3,212,265 | 6,513,498 | 2,228,540 | 2,456,392 |
| Finance costs | 17 | (6,070,025) | (4,425,046) | (5,107,384) | (3,460,807) |
| Share of profit /(loss) of equity-accounted investment | 22(c) | 30,471 | 70,514 | - | - |
| Profit/ (loss) before income tax | | (2,827,290) | 2,158,966 | (2,878,844) | (1,004,415) |
| Income tax expense | 30(b) | 2,269,286 | (813,654) | (45,252) | (4,059) |
| Profit/ (loss) for the year | | (558,003) | 1,345,312 | (2,924,096) | (1,008,474) |
| Other comprehensive income | | - | - | - | - |
| Other comprehensive income net of tax | | - | - | - | - |
| Total comprehensive income for the year | | (558,003) | 1,345,312 | (2,924,096) | (1,008,474) |
| Profit attributable to: | | | | | |
| Equity holders | | (576,573) | 1,122,048 | (2,924,096) | (1,008,474) |
| Non-controlling interests | | 18,570 | 223,264 | - | - |
| | | (558,003) | 1,345,312 | (2,924,096) | (1,008,474) |
| Total comprehensive income attributable to: | | | | | |
| Equity holders | | (576,573) | 1,122,048 | (2,924,096) | (1,008,474) |
| Non-controlling interests | | 18,570 | 223,264 | - | - |
| | | (558,003) | 1,345,312 | (2,924,096) | (1,008,474) |
| Basic and Diluted Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in kobo per share): | | | | | |
| - Basic and Diluted Earnings per share (in kobo) | 18 | -6k | 11k | -30k | -10k |

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

Consolidated and Separate Statements of Financial Position
As at 31 December 2019

| <i>In thousands of Naira</i> | Notes | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-------|--------------------|--------------------|-------------------|-------------------|
| Non-current assets | | | | | |
| Property, plant and equipment | 19 | 11,394,026 | 11,273,699 | 195,370 | 76,715 |
| Investment property | 20 | 64,900,794 | 78,000,000 | - | - |
| Investment in subsidiaries | 21 | 0 | - | 50,213,060 | 31,664,272 |
| Equity-accounted investment | 22 | 1,564,547 | 2,599,395 | 1,439,781 | 2,505,100 |
| Goodwill | 21(c) | 65,485 | 56,106 | - | - |
| Debtors and prepayments | 25 | 1,668,025 | 1,458,090 | 2,380,808 | 2,345,889 |
| Loans to related entities | 23 | 4,534,801 | 8,139,653 | 24,315,071 | 8,256,339 |
| Total non-current assets | | 84,127,678 | 101,526,943 | 78,544,090 | 44,848,315 |
| Current assets | | | | | |
| Loan to related entities | 23 | 298,564 | 1,186,878 | 1,466,635 | 15,130,818 |
| Trading properties | 24 | 53,809,372 | 29,883,828 | 716,940 | 2,751,116 |
| Debtors and prepayments | 25 | 15,531,113 | 8,520,697 | 13,884,447 | 14,061,817 |
| Cash and cash equivalents | 26 | 3,182,034 | 2,792,908 | 1,560,447 | 2,449,820 |
| Total current assets | | 72,821,084 | 42,384,311 | 17,628,468 | 34,393,571 |
| Total assets | | 156,948,762 | 143,911,254 | 96,172,558 | 79,241,886 |
| Non-current liabilities | | | | | |
| Borrowings | 29 | 20,760,586 | 16,623,547 | 11,184,323 | 13,308,816 |
| Deferred tax liabilities | 27 | 5,265,148 | 7,729,562 | 12,441 | 12,441 |
| Deposit for shares | 28 | - | 253,746 | - | - |
| Irredeemable debentures | 34 | 11,648,858 | - | 11,648,858 | - |
| Total non-current liabilities | | 37,674,592 | 24,606,855 | 22,845,622 | 13,321,257 |
| Current liabilities | | | | | |
| Borrowings | 29 | 34,852,390 | 26,405,285 | 20,193,259 | 11,381,922 |
| Current income tax liability | 30 | 1,388,429 | 1,898,946 | 265,198 | 276,296 |
| Other liabilities and accruals | 31 | 16,313,445 | 16,515,475 | 17,595,216 | 17,924,378 |
| Deferred revenue-deposit from customers | 32 | 12,968,545 | 4,394,441 | 2,260,294 | (9,843) |
| Provisions | 33 | - | 3,115,988 | - | 410,811 |
| Total current liabilities | | 65,522,809 | 52,330,135 | 40,313,967 | 29,983,564 |
| Total liabilities | | 103,197,401 | 76,936,990 | 63,159,589 | 43,304,821 |
| Equity | | | | | |
| Share capital | 35 | 4,914,135 | 4,914,135 | 4,914,135 | 4,914,135 |
| Share premium | 36 | 35,565,809 | 35,565,809 | 35,565,809 | 35,565,809 |
| Common control acquisition deficit | 37(a) | (14,187,630) | (2,920,407) | (2,156,000) | (2,156,000) |
| Retained earnings | 37(b) | 27,162,162 | 22,769,216 | (5,310,975) | (2,386,879) |
| | | 53,454,476 | 60,328,753 | 33,012,969 | 35,937,065 |
| Non-controlling interest | 38 | 296,884 | 6,645,511 | - | - |
| Total equity | | 53,751,361 | 66,974,264 | 33,012,969 | 35,937,065 |
| Total liabilities and equity | | 156,948,762 | 143,911,254 | 96,172,558 | 79,241,886 |

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Deji Alli
Acting Chairman
 FRC/2013/IODN/00000002752



Kola Ashiru-Balogun
Managing Director
 FRC/2016/IODN/00000015616



Oyeniya Fakunle
Chief Financial Officer
 FRC/2013/MULTI/00000005480

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

Consolidated and Separate Statements of Cash Flows

| <i>In thousands of naira</i> | Note | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------|---------------|---------------|-----------------|-----------------|
| Operating activities: | | | | | |
| Profit/ (loss) for the year | | (558,003) | 1,345,312 | (2,924,096) | (1,008,474) |
| Income tax expense | 30(b) | (2,269,286) | 813,654 | 45,252 | 4,059 |
| Profit before income tax | | (2,827,290) | 2,158,966 | (2,878,844) | (1,004,415) |
| Adjustments to reconcile profit before taxation to net cash flow from operating activities: | | | | | |
| - Depreciation | 19 | 264,252 | 224,938 | 64,968 | 31,541 |
| - Net impairment loss in financial assets | 14 | 1,749,060 | 1,281,892 | 2,757,079 | 1,287,849 |
| - Fair value gain on investment property | 11 | (2,453,831) | (7,891,350) | - | - |
| - Interest income earned | 12 | (1,071,764) | (998,447) | (4,424,798) | (3,137,443) |
| - Interest expense incurred | 17 | 6,014,570 | 4,408,245 | 5,055,004 | 3,445,890 |
| - Provision | 38(f) | (3,115,988) | (683,143) | (410,811) | (366,551) |
| - Exchange loss/(gain) | 13/16 | 329,199 | (766) | (316) | (1,501) |
| - Share of (profit)/loss of equity-accounted investment | 22(c(ii)) | (30,471) | (70,514) | - | - |
| Net cash flow from operating activities before changes in operating assets and liabilities | | (1,142,262) | (1,570,179) | 162,282 | 255,370 |
| Changes in: | | | | | |
| - Loan to related entities | 38(a) | 4,941,925 | (1,889,402) | 1,998,842 | (6,358,312) |
| - Trading properties | 38(b) | (8,254,508) | 3,718,863 | 2,034,176 | 1,612,977 |
| - Debtor and prepayments | 38(c) | (5,864,176) | (4,150,353) | 1,000,795 | (3,271,689) |
| - Other liabilities and accruals | 38(d) | (11,695,659) | 4,194,715 | (3,570,891) | 2,474,969 |
| - Deposit for shares | | - | 6,246 | (6,279,064) | - |
| - Deferred revenue- customer deposits | 38(e) | 8,574,104 | (767,349) | 2,270,137 | (860,882) |
| | | (13,440,578) | (457,459) | (2,383,724) | (6,147,567) |
| Interest received | | - | 41,462 | 143,514 | 41,462 |
| Income tax paid | 30(a) | (709,955) | (278,883) | (74,665) | (69,892) |
| VAT paid | | (185,324) | (19,562) | (21,018) | (19,562) |
| Interest paid | 29(d) | (3,109,487) | (2,055,172) | (2,061,322) | (907,157) |
| Net cash (used in) operating activities | | (17,445,343) | (2,769,614) | (4,397,214) | (7,102,716) |
| Investing activities: | | | | | |
| Additional investment in investment properties | 20b | (1,003,958) | (108,650) | - | - |
| Additional investment in subsidiaries | | 11,648,858 | 505,120 | - | - |
| Cash transferred on disposal/(acquisition) of investment | | - | (73,805) | - | 238,214 |
| Acquisition of property and equipment | 19 | (209,778) | - | (185,321) | (21,231) |
| Net cash (used in)/ generated from investing activities | | 10,435,122 | 560,880 | (185,321) | 216,983 |
| Financing activities: | | | | | |
| Net proceeds from borrowings | 29(d) | 10,596,295 | 10,166,280 | 6,173,648 | 13,448,784 |
| Principal repayment of borrowings | 29(d) | (3,196,949) | (7,258,805) | (2,480,486) | (6,073,714) |
| Net cash generated from financing activities | | 7,399,346 | 2,907,475 | 3,693,162 | 7,375,070 |
| Net (decrease) /increase in cash and cash equivalents | | 389,126 | 698,741 | (889,373) | 489,338 |
| Cash and cash equivalent as at beginning of the year | 26 | 2,792,908 | 2,094,167 | 2,449,820 | 1,960,482 |
| Cash and cash equivalent as at period end | 26 | 3,182,034 | 2,792,908 | 1,560,447 | 2,449,820 |

Consolidated and Separate Statements of Changes in Equity

COMPANY

| <i>In thousands of naira</i> | Share capital | Share premium | Retained earnings | Common control acquisition deficit | Total equity |
|---|------------------|-------------------|--------------------|------------------------------------|-------------------|
| At 1 January 2019 | 4,914,135 | 35,565,809 | (2,386,879) | (2,156,000) | 35,937,065 |
| New shares issued | - | - | - | - | - |
| Share issue costs | - | - | - | - | - |
| Total comprehensive income for the year: | | | | | |
| Profit/(loss) for the year | - | - | (2,924,096) | - | (2,924,096) |
| | 4,914,135 | 35,565,809 | (5,310,975) | (2,156,000) | 33,012,969 |
| Transactions with equity holders | | | | | |
| Dividend paid | - | - | - | - | - |
| Balance at 31 December 2019 | 4,914,135 | 35,565,809 | (5,310,975) | (2,156,000) | 33,012,969 |

| <i>In thousands of naira</i> | Share capital | Share premium | Retained earnings | Common control acquisition deficit | Total equity |
|---|------------------|-------------------|--------------------|------------------------------------|-------------------|
| At 1 January 2018 | 4,914,135 | 35,565,809 | 398,225 | (2,156,000) | 38,722,169 |
| IFRS 9 transition ECL | | | (1,776,630) | | (1,776,630) |
| At 1 January 2018 (Revised) | 4,914,135 | 35,565,809 | (1,378,405) | (2,156,000) | 36,945,539 |
| Total comprehensive income for the year: | | | | | |
| Profit for the year | - | - | (1,008,474) | - | (1,008,474) |
| Other comprehensive income, net of tax | - | - | - | - | - |
| | 4,914,135 | 35,565,809 | (2,386,879) | (2,156,000) | 35,937,065 |
| Transactions with equity holders | | | | | |
| Dividend paid | - | - | - | - | - |
| Balance at 31 December 2018 | 4,914,135 | 35,565,809 | (2,386,879) | (2,156,000) | 35,937,065 |

Consolidated and Separate Statements of Changes in Equity
GROUP

| <i>In thousands of naira</i> | Share capital | Share premium | Retained earnings | Common control acquisition deficit | Non-controlling Interest | Total equity |
|---|------------------|-------------------|-------------------|------------------------------------|--------------------------|-------------------|
| At 1 January 2019 | 4,914,135 | 35,565,809 | 22,769,216 | (2,920,407) | 6,645,511 | 66,974,264 |
| Group restructuring adjustments* | - | - | 6,367,197 | - | (6,367,197) | - |
| Arising from business combination** | - | - | (1,397,677) | (11,267,223) | - | (12,664,900) |
| Total comprehensive income for the year: | | | | | | |
| Profit for the year | - | - | (576,573) | - | 18,570 | (558,003) |
| Other comprehensive income, net of tax | - | - | - | - | - | - |
| | 4,914,135 | 35,565,809 | 27,162,162 | (14,187,630) | 296,884 | 53,751,361 |
| Transactions with equity holders | | | | | | |
| Dividend paid | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Balance at 31 December 2019 | 4,914,135 | 35,565,809 | 27,162,162 | (14,187,630) | 296,884 | 53,751,361 |

***Group restructuring adjustments**

Group restructuring adjustments relates to adjustments arising out of the acquisition of 100% holding in Toll Systems Development Company Limited. The non- controlling interests of 12% was acquired in 2018 but was only recognised in 2019 owing to completion of documentation in 2018.

The aggregate net amount of N6.36billion comprises a credit of N9.59 billion representing the additional interest in Toll Systems Development Company Limited and a consequential transfer of N3.22 billion from non-controlling interest from the Group reserves to align the reserves position accordingly. The movements in the non-controlling interest have no effect on the basic and diluted earnings per share or on the consolidated reserves of the group

****Arising from business combination**

The N1.39billion represents the accumulated losses arising from the merger of Oakland Properties Limited and Cross Town Mall Properties Limited with Adiva Properties Limited during the year

| <i>In thousands of naira</i> | Share capital | Share premium | Retained earnings | Common control acquisition deficit | Non-controlling Interest | Total equity |
|--|------------------|-------------------|-------------------|------------------------------------|--------------------------|-------------------|
| At 1 January 2018 | 4,914,135 | 35,565,809 | 24,448,810 | (2,920,407) | 6,906,970 | 68,915,317 |
| IFRS 9 transition ECL | | | (2,801,642) | | (485,023) | (3,286,665) |
| At 1 January 2018 (revised) | 4,914,135 | 35,565,809 | 21,647,168 | (2,920,407) | 6,421,947 | 65,628,652 |
| New shares issued | | | | | | - |
| Issue cost | | - | | | 300 | 300 |
| Total comprehensive income for the year: | | | | | | |
| Profit for the year | - | - | 1,122,048 | - | 223,264 | 1,345,312 |
| Other comprehensive income, net of tax | - | - | - | - | - | - |
| | 4,914,135 | 35,565,809 | 22,769,216 | (2,920,407) | 6,645,511 | 66,974,264 |
| Transactions with equity holders | | | | | | |
| Dividend paid | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Balance at 31 December 2018 | 4,914,135 | 35,565,809 | 22,769,216 | (2,920,407) | 6,645,511 | 66,974,264 |

The notes to the accounts as it relates to the Statement of Comprehensive Income presented here excludes the financial performance of Mixta Africa S.A, which was acquired at the end of the financial year, 31 December 2019

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| 9 Revenue-sales of trading properties | | | | |
| Sales of trading properties | 6,249,788 | 7,012,933 | 4,005,918 | 898,069 |
| 10 Cost of sales- trading properties | | | | |
| Carrying value of Land sold (see note (24(b))) | 1,837,891 | 6,940,987 | 2,142,897 | 760,601 |
| Provision for future Cost | - | (683,145) | - | (366,548) |
| | 1,837,891 | 6,257,842 | 2,142,897 | 394,053 |
| 11 Fair value gain on investment property | | | | |
| Gain on fair valuation of investment property | 2,453,831 | 7,891,350 | - | - |

The total gain for the year which has been included in profit or loss is attributable to the increase in the fair value of investment property held at the end of the reporting period (see note 20(b)).

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| 12 Interest income | | | | |
| Interest income on instruments measured at amortized cost. | | | | |
| Loans to related entities (see note (a) below) | 1,071,764 | 998,447 | 4,424,798 | 3,137,443 |
| Cash and cash equivalents | 66,642 | 86,199 | 66,625 | 70,132 |
| Total income | 1,138,406 | 1,084,646 | 4,491,423 | 3,207,575 |

(a) The following are the sources of the interest income from related entities:

| | | | | |
|---|-----------|---------|-----------|-----------|
| Summerville Golf Club Limited | - | - | 3,078,324 | 1,928,116 |
| Oceanwinds Hospitality Limited* | - | 45,313 | - | 45,313 |
| Adiva Properties Limited | - | - | 232,105 | 19,969 |
| Crosstown Malls Properties Limited | - | - | - | 67,252 |
| Oakland Properties Limited | - | - | - | 152,975 |
| ARM Investment Managers Limited* | 32,461 | 29,316 | - | - |
| Lakowe Lakes Golf Club Limited* | 195,843 | 85,004 | 108,439 | 85,004 |
| Mixta Africa S.A* | 651,760 | 455,368 | 651,760 | 455,368 |
| Mixta Africa Corporate Services Limited * | 176,857 | 71,252 | 176,857 | 71,252 |
| Mixta Affordable Housing Limited * | 8,143 | 4,766 | 8,143 | 4,766 |
| FP2 Limited | - | - | 127,243 | - |
| Townsville Properties Limited | - | - | 41,927 | - |
| Garden City Golf Estate Development Limited* | - | 307,428 | - | 307,428 |
| Beechwood Property Development Company Limited* | 6,700 | - | - | - |
| Others | - | - | - | - |
| | 1,071,764 | 998,447 | 4,424,798 | 3,137,443 |

* represents entities that are not controlled by the Group

| | | | | |
|---|-----------|---------|---------|-----------|
| 13 Other income | | | | |
| Management fee (see (a) below) | - | 45,450 | - | 306,047 |
| Development fee (see (b) below) | - | - | - | 106,920 |
| Income from other management services (see (c) below) | 77,694 | 65,758 | 516,457 | 744,652 |
| Rental income (see (d) below) | 47,196 | 5,775 | 35,937 | - |
| Exchange (loss)/gain | (329,199) | 766 | 316 | 1,501 |
| Realised (loss)/gain | 273 | 16,116 | 253 | 2,550 |
| Total income | (204,036) | 133,865 | 552,963 | 1,161,670 |

Notes to the Consolidated and Separate Financial Statements

a Management fee

This represents fees earned with respect to the provision of overall project supervision for management of real estate construction projects being undertaken by Summerville Golf Club Limited ("Summerville") as well as the "Garden City Golf Estate" project being undertaken by Garden City Golf Estate Development Limited ("Garden City").

A flat fee is charged monthly for the provision of overall project supervision for management of real estate construction projects being undertaken by Summerville Golf Club Limited ("Summerville") while a fee of 1% of the overall project cost is charged on project being undertaken by Garden City Golf Estate Development Limited ("Garden City"). Management fees was suspended with effect from 1 January 2019.

b Development fee

This represents fees earned with respect to the provision of overall project supervision for the development of real estate construction projects being undertaken by Summerville. A flat fee is charged monthly for the provision of overall project supervision for management of real estate construction projects being undertaken by Summerville Golf Club Limited ("Summerville"). Development fee is eliminated on consolidation. Development fees was suspended with effect from 1 January 2019

c Income from other management services

This represents income realised from administrative tasks carried out on behalf of other entities, including charges for employees time and income realised from agency fees charged by the Company on the sale of real estate products to third party customers.

d Rental income

This represents income earned with respect to sub- lease of office space and shop rent.

14 Net impairment loss /(reversal) on assets

Allowance for losses comprise:

| <i>In thousands of Naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| <i>Equity-accounted investment</i> | | | | |
| Impairment charge/(writeback) on equity | 1,164,381 | 1,223,161 | 1,164,381 | 1,223,161 |
| <i>Loans from related parties</i> | | | | |
| Impairment charge/(credit) on loans to related parties (see | 623,005 | (457,003) | 619,036 | (463,639) |
| | 623,005 | (457,003) | 619,036 | (463,639) |
| <i>Debtors and Prepayments</i> | | | | |
| Specific impairment charge for doubtful receivables (see | 1,855,275 | 515,734 | 973,662 | 528,327 |
| Impairment charge on investment property | - | - | - | - |
| (Writeback) of inventory | (1,893,601) | - | - | - |
| | (38,326) | 515,734 | 973,662 | 528,327 |
| Total | 1,749,060 | 1,281,892 | 2,757,079 | 1,287,849 |

15 Personnel expenses

| | | | | |
|--------------------|---------|---------|---------|---------|
| Wages and salaries | 430,861 | 413,013 | 430,861 | 376,085 |
| Other staff costs | 148,985 | 100,637 | 148,985 | 100,637 |
| | 579,846 | 513,650 | 579,846 | 476,722 |

ii The number of employees of the Company other than directors, who received emoluments in the following ranges (excluding pension contributions) were:

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | Number | Number | Number | Number |
| Below ₦2,000,000 | 34 | 7 | 34 | 7 |
| Above ₦2,000,000 | 43 | 58 | 43 | 58 |
| - | 77 | 65 | 77 | 65 |

iii The average number of persons employed by the Group/Company during the year was as follows:

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | Number | Number | Number | Number |
| Management staff | 15 | 6 | 7 | 6 |
| Others | 184 | 59 | 70 | 59 |
| - | 199 | 65 | 77 | 65 |

iv The breakdown of staff across geographical location is as follows

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Mixta Nigeria | 77 | 65 | 77 | 65 |
| Rest of Mixta | 122 | - | - | - |
| - | 199 | 65 | 77 | 65 |

(b) **Directors**

i. Directors' remuneration was paid as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Short-term benefits: | | | | |
| - Executive compensation | 59,463 | 16,418 | 59,463 | 16,418 |
| - Other allowances | 13,330 | 79,542 | 13,330 | 79,542 |
| Sitting allowances | 3,780 | 4,320 | 3,780 | 4,320 |
| Other fees and allowances | - | 4,500 | - | 4,500 |
| | 76,573 | 104,780 | 76,573 | 104,780 |

i Directors' remuneration shown above (excluding pension contributions and certain benefits) includes:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Chairman | - | 2,000 | - | 2,000 |
| Highest paid director | 34,286 | 16,418 | 34,286 | 16,418 |

ii The emoluments of all other executive directors were within the following ranges as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| ₦1,500,001 - ₦2,000,000 | - | 2 | - | 2 |

16 Operating expenses:

(a) Operating expenses comprise:

| | | | | |
|---|---------|---------|---------|--------|
| Management fee expense | 68,441 | - | 68,441 | - |
| Audit fees | 72,300 | 36,380 | 36,000 | 15,750 |
| Professional fees | 575,548 | 87,436 | 507,805 | 24,090 |
| Travel and accommodation costs | 62,979 | 34,342 | 60,817 | 17,546 |
| Advertising costs | 172,890 | 96,966 | 158,130 | 50,135 |
| Insurance | 37,199 | 25,124 | 35,872 | 24,975 |
| Rent | 97,551 | 96,825 | 96,507 | 96,507 |
| Computer and telecommunication expenses | 31,659 | 30,246 | 31,257 | 29,490 |
| Directors Expenses | 3,828 | 10,560 | 3,828 | 10,560 |
| AGM Expense | 8,685 | - | 8,685 | - |
| Utility | 17,153 | 13,778 | 17,033 | 13,738 |
| Transportation expenses | 39,028 | 33,571 | 34,809 | 33,571 |
| Security expenses | 243,001 | 102,826 | 65,566 | 55,001 |
| Fines & Penalties | 8,424 | - | 8,400 | - |
| Donations | 250 | 30,222 | 250 | 30,222 |
| Other tax expense | - | 433,524 | 18,317 | 3,076 |

Notes to the Consolidated and Separate Financial Statements

| | | | | |
|--|------------------|------------------|------------------|------------------|
| Other operating expenses | 207,691 | 299,174 | 125,257 | 216,096 |
| Inventory writedown | 348,048 | - | - | - |
| Total operating expenses | 1,994,675 | 1,330,974 | 1,276,974 | 620,757 |
| Finance costs | | | | |
| Finance costs comprise: | | | | |
| On Borrowings (See note 29(d)) | 6,014,570 | 4,065,060 | 5,055,004 | 3,102,705 |
| Amortization of issue costs on bonds and commercial papers | - | 343,185 | - | 343,185 |
| Bank charges | 8,224 | 7,062 | 6,095 | 5,178 |
| Others | 47,231 | 9,739 | 46,285 | 9,739 |
| Total Finance Costs | 6,070,025 | 4,425,046 | 5,107,384 | 3,460,807 |

The finance costs were in relation to the following borrowings:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| ARM Trustees Limited * | 2,296 | 1,730 | 2,296 | 1,730 |
| Townsville Properties Limited | - | 77,889 | - | 34,155 |
| Beechwood Property Development Company Limited* | 16,427 | 74,575 | - | - |
| Fara Park Limited* | 9,826 | 2,305 | - | - |
| Access Bank Plc* | 174,012 | 431,506 | - | 64,086 |
| FBN Merchant Bank Limited | 21,863 | - | 21,863 | - |
| Garden City Golf Estate Development Limited * | 291,718 | 89,780 | 271,472 | 64,707 |
| MODD Management Company Limited* | 24,166 | 20,780 | 24,166 | 20,780 |
| ARM Hospitality & Retail Fund* | - | 1,394 | - | 1,394 |
| Asset & Resource Management Company Limited * | 10,997 | 294,899 | - | - |
| ARM Investment Managers Limited* | 547,409 | 494,792 | 172,831 | 494,792 |
| Summerville Notes | 353,481 | 129,317 | - | - |
| Watford Properties Limited | - | 9,143 | - | - |
| Corporate Bond | 2,033,859 | 923,811 | 2,033,859 | 923,811 |
| Commercial Paper | 2,535,774 | 1,502,496 | 2,535,774 | 1,502,496 |
| Others | (7,257) | 10,643 | (7,257) | (5,246) |

Notes to the Consolidated and Separate Financial Statements

| | | | | |
|--|-----------|-----------|-----------|-----------|
| | 6,014,571 | 4,065,060 | 5,055,004 | 3,102,705 |
|--|-----------|-----------|-----------|-----------|

* represents entities that are not controlled by the Group

(Loss)/earnings and Dividend per share

(Loss)/earnings per share (EPS)

Basic and diluted (loss)/earnings per share has been computed based on profit after taxation and the number of ordinary shares of 9,828,270,113 (2018:1,683,558,000) in issue during the year.

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Profit attributable to Group shareholders | (576,573) | 1,122,048 | (2,924,096) | (1,008,474) |
| Number of ordinary shares in issue at year end | 9,828,270 | 9,828,270 | 9,828,270 | 9,828,270 |
| Weighted average number of shares during the year | 9,828,270 | 9,828,270 | 9,828,270 | 9,828,270 |
| Earnings per share - EPS in kobo | -6k | 11k | -30k | -10k |

The Group does not have any dilutive potential ordinary shares. Therefore, Basic EPS and Diluted EPS are the same for the Group.

Dividend per share (DPS)

Dividend per share has been computed based on the dividend proposed and the number of ordinary shares of 9,828,270,000 (2018: 9,828,270,000) in issue during the year. No dividend was proposed by the directors for the year ended 31 December 2019

| | | | | |
|----------------------------------|----|----|----|----|
| Dividend proposed | - | - | - | - |
| Dividend per share - DPS in kobo | 0k | 0k | 0k | 0k |

Notes to the Consolidated and Separate Financial Statements

19 Property and equipment
(a) Group

| <i>In thousands of Naira</i> | Leasehold Land | Building | Golf Course Improvements | Plant and Machinery | Motor Vehicle | Furniture & Fittings | Computer and Office Equipment | Work In Progress | Software -Others | Total |
|---|------------------|----------------|--------------------------|---------------------|----------------|----------------------|-------------------------------|------------------|------------------|-------------------|
| Balance at 1 January 2018 | 6,781,531 | 285,239 | 5,175,231 | 95,629 | 38,885 | 164,113 | 29,827 | 1,610 | - | 12,572,065 |
| Transfers | - | 5,618 | - | - | - | - | - | (5,618) | - | - |
| Additions | - | 20,904 | - | 20,695 | 12,689 | 10,816 | 8,701 | - | - | 73,805 |
| Disposals | - | - | - | - | - | - | - | - | - | - |
| Reclassification to trading properties | - | - | - | - | - | - | - | - | - | - |
| Balance at 31 December 2018 | 6,781,531 | 311,761 | 5,175,231 | 116,324 | 51,574 | 174,929 | 38,528 | (4,008) | - | 12,645,870 |
| Balance at 1 January 2019 | 6,781,531 | 311,761 | 5,175,231 | 116,324 | 51,574 | 174,929 | 38,528 | (4,008) | - | 12,645,870 |
| Transfers | - | 67,368 | 42,181 | 34,501 | 131,201 | 41,002 | 49,636 | - | 113,137 | 479,028 |
| Additions | - | 4,328 | - | 19,932 | 128,324 | 4,440 | 7,443 | - | 45,311 | 209,778 |
| Disposals | - | - | - | - | - | - | (2,268) | - | - | (2,268) |
| Reclassification to trading properties | - | (42,182) | - | - | - | - | - | - | - | (42,182) |
| Balance at 31 December 2019 | 6,781,531 | 341,275 | 5,217,412 | 170,758 | 311,099 | 220,371 | 93,339 | (4,008) | 158,448 | 13,290,226 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | |
| Balance at 1 January 2018 | 380,985 | 27,792 | 513,466 | 82,764 | 33,152 | 100,484 | 8,584 | - | - | 1,147,227 |
| Transfer | - | - | - | - | - | - | - | - | - | - |
| Charge for the year | 76,197 | 6,066 | 102,693 | 3,712 | 6,079 | 23,923 | 6,268 | - | - | 224,938 |
| Disposals | - | - | - | - | - | - | - | - | - | - |
| Reclassification to Trading properties | - | - | - | - | - | - | - | - | - | - |
| Balance at 31 December 2018 | 457,182 | 33,858 | 616,159 | 86,476 | 39,231 | 124,407 | 14,852 | - | - | 1,372,165 |
| Balance at 1 January 2019 | 457,182 | 33,858 | 616,159 | 86,476 | 39,231 | 124,407 | 14,852 | - | - | 1,372,165 |
| Transfer | - | - | - | - | 137,847 | - | - | - | 122,503 | 260,351 |
| Charge for the year | 76,197 | 13,267 | 102,693 | 10,047 | 26,774 | 18,622 | 7,553 | - | 9,099 | 264,252 |
| Disposals | - | - | - | - | 37 | - | (605) | - | - | (568) |
| Reclassification to trading properties | - | - | - | - | - | - | - | - | - | - |
| Balance at 31 December 2019 | 533,379 | 47,125 | 718,852 | 96,523 | 203,890 | 143,029 | 21,800 | - | 131,602 | 1,896,200 |
| Net book value at 31 December 2018 | 6,324,349 | 277,903 | 4,559,072 | 29,848 | 12,343 | 50,522 | 23,676 | (4,008) | - | 11,273,705 |
| Net book value at 31 December 2019 | 6,248,152 | 294,150 | 4,498,560 | 74,235 | 107,210 | 77,342 | 71,539 | (4,008) | 26,846 | 11,394,026 |

Included in leasehold land is the golf course parcel of land measuring 101 hectares located at KM 35 Lekki Epe Expressway Lakowe, Ibeju-Lekki, Lagos being developed by Summerville Golf Club Limited ("Summerville"). 150 hectares of land belonging to Summerville have been pledged as collateral for the term loan obtained by Summerville from Access Bank Plc (See note 29).

There were no contractual commitments for the acquisition of property and equipment as at 31 December 2019 (2018 : nil)

Notes to the Consolidated and Separate Financial Statements

19

Property and equipment

As at 31 December 2019, the net fair value of property, plant and equipment was N11.395million

(b)

| Company <i>In thousands of Naira</i> | Computer | Furniture | Building | Office | Motor | Work- | Plant & | Software | Total |
|---|---------------|----------------|--------------|---------------|----------------|---------|--------------|---------------|----------------|
| COST | | | | | | | | | |
| Balance at 1 January 2018 | 15,724 | 112,461 | - | 12,172 | 6,850 | 5,618 | - | - | 152,825 |
| Transfer | - | - | - | - | - | (5,618) | - | - | (5,618) |
| Additions | 6,725 | 3,457 | 5,716 | 594 | 4,739 | - | - | - | 21,231 |
| Disposal | - | - | - | - | - | - | - | - | - |
| Balance at 31 December | 22,449 | 115,918 | 5,716 | 12,766 | 11,589 | - | - | - | 168,438 |
| Balance at 1 January 2019 | 22,449 | 115,918 | 5,716 | 12,766 | 11,589 | - | - | - | 168,438 |
| Transfer | - | - | - | - | - | - | - | - | - |
| Additions | 10,104 | 3,878 | - | 2,541 | 128,324 | - | 1,176 | 39,296 | 185,321 |
| Reclassification | - | - | - | - | - | - | - | - | - |
| Disposal | - | - | - | (2,268) | (235) | - | - | - | (2,503) |
| Balance at 31 December | 32,553 | 119,796 | 5,716 | 13,039 | 139,678 | - | 1,176 | 39,296 | 351,255 |
| ACCUMULATED | | | | | | | | | |
| Balance at 1 January 2018 | 4,124 | 49,621 | - | 3,175 | 3,262 | - | - | - | 60,182 |
| Transfer | - | - | - | - | - | - | - | - | - |
| Charge for the year | 3,582 | 22,685 | 86 | 2,479 | 2,709 | - | - | - | 31,541 |
| Disposal | - | - | - | - | - | - | - | - | - |
| Balance at 31 December | 7,706 | 72,306 | 86 | 5,654 | 5,971 | - | - | - | 91,723 |
| Balance at 1 January 2019 | 7,706 | 72,306 | 86 | 5,654 | 5,971 | - | - | - | 91,723 |
| Transfer | - | - | - | - | - | - | - | - | - |
| Charge for the year | 5,301 | 23,763 | 114 | 3,705 | 24,787 | - | 94 | 7,204 | 64,968 |
| Disposal | - | - | - | (605) | (201) | - | - | - | (806) |
| Balance at 31 December | 13,007 | 96,069 | 200 | 8,754 | 30,557 | - | 94 | 7,204 | 155,885 |
| Net book value at 31 | 14,743 | 43,612 | 5,630 | 7,112 | 5,618 | - | - | - | 76,715 |
| Net book value at | 19,546 | 23,727 | 5,516 | 4,285 | 109,121 | - | 1,082 | 32,092 | 195,370 |

As at 31 December 2019, the net book value of property, plant and equipment closely approximate to the fair value of all property, plant and equipment

There were no contractual commitments for the acquisition of property and equipment as at 31 December 2019 (2018 : nil)

Notes to the Consolidated and Separate Financial Statements

20 Investment property

(a) Investment property comprises

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Land at Lakowe Village, Lekki (see note (c) below) | 64,000,000 | 78,000,000 | - | - |
| Land at Upper Sakponba Road, Ikpoba Okha (see note (d) below) | 900,794 | - | - | - |
| | 64,900,794 | 78,000,000 | - | - |

(b) The movement in investment property is as follows:

| | | | | |
|--|-------------------|-------------------|----------|----------|
| At 1 January | 78,000,000 | 70,000,000 | - | - |
| Unrealized fair value gain (See note 11) | 2,453,831 | 7,891,350 | - | - |
| Transfer to inventory | (16,556,994) | - | - | - |
| Impairment charge/(writeback) | - | - | - | - |
| Additions during the year | 1,003,958 | 108,650 | - | - |
| As at 31 December 2019 | 64,900,794 | 78,000,000 | - | - |

(c) This represents 742.20 hectares of land bank held by Toll Systems Development Company Limited (TSD). The land bank is held for capital appreciation and for the purpose of investing in Special Purpose Vehicles in exchange for equity and quasi equity in those entities. The land bank is located at Lakowe Village, Lekki, Lagos. The property is carried at fair value.

(d) This represents 67.49 hectares of land bank held by Edo Affordable Housing Development Limited. The land bank is held for the capital appreciation. The land bank is located at Sakponba, Ikpoba Okha Local Government, Edo State. The property is carried at fair value.

(e) Valuation techniques used for fair valuation of investment property

Investment property is stated at fair value and has been determined based on valuations performed by Messrs CBRE Excellerate, Estate Surveyors and Valuers (FRC/2014/NIESV/0000006738) and Messrs. Ben Eboime & Co, Estate Surveyors and Valuers (FRC/2013/NIESV/000003232) as at 31 December 2019.

The fair value is supported by market evidence and represents the amount that would be received to sell the properties in an orderly transaction between market participants at the measurement date in the principal market to which the Group has access at the date of valuation, in accordance with standards issued by the International Valuation Standards Committee. Valuations are performed on an annual basis and the fair value gains and losses are reported in profit or loss. The profits or losses on disposal are also reported in profit or loss as they occurred.

The fair values of the Group's investment property are categorized into Level 3 of the fair value hierarchy.

Notes to the Consolidated and Separate Financial Statements

20(e) The details of valuation techniques and significant observable inputs used in determining the fair value of investment property are presented below :

| Location of properties | Valuation (N'000) | Valuation technique | Property description | Significant unobservable input | Sensitivity on management's estimates | |
|------------------------------------|-------------------|--|---|--------------------------------|---------------------------------------|--|
| | | | | | Estimate | Impact Lower (N'000) / Impact Higher (N'000) |
| Land bank at Lakowe Village, Lekki | 64,000,000 | <p>Sales comparison: The basis of valuation is the Fair Value that is, the price, which an interest in a property might reasonably be expected to realize in a sale by Private Treaty assuming:</p> <ul style="list-style-type: none"> a. a willing buyer; b. a reasonable period within which to negotiate the sale c. taking into account the nature of the property and the state of the market; d. values will remain static throughout the period; e. the property will be freely exposed to the market; f. no account is to be taken of an additional bid by a special purchaser; g. no account is to be taken of expenses of realization, which may arise in the event of a disposal. | <p>The property consists of a large expanse of undeveloped land, surrounded by distinct and adjoining schemes namely Lakowe Lakes, Golf and Country Estate to the West, Adiva Plainfields and Adiva East to the NorthEast and Townsville to the East.</p> <p>Site: The site, which is slightly irregular in shape, appears level and well drained. It has a total area of approximately 742.20 hectares.</p> <p>Situation: Access to the property is via the Lekki-Epe Expressway, which takes its route from Lekki first roundabout and terminates at Epe Lagos State.</p> | Price per square meter | Sales price per square meter +/- 10% | 7,000,000 / 7,000,000 |

The fair values of the Group's investment property are categorized into Level 3 of the fair value hierarchy.

Notes to the Consolidated and Separate Financial Statements
21 Investment in subsidiaries

(a) Investment in subsidiaries all of which are measured at cost comprise:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| Adiva Properties Limited | - | - | 10 | 10 |
| FP2 Limited | - | - | 1,000 | 1,000 |
| Toll System Development Company Limited | - | - | 31,606,739 | 31,606,739 |
| Summerville Golf Club Limited* | - | - | 6,901,180 | 1,250 |
| Townsville Properties Limited | - | - | 54,553 | 54,553 |
| Edo Affordable Housing Development Limited | - | - | 700 | 700 |
| Mixta Africa S.A** | 0 | - | 11,648,858 | - |
| | 0 | - | 50,213,060 | 31,664,272 |

(b) The subsidiary companies' country of incorporation, nature of business, percentage equity holding and year consolidated with Mixta Real Estate Plc is as detailed below:

| Subsidiaries | Country of Incorporation | Nature of Business | Year end | Percentage Holding | |
|--|-------------------------------------|-------------------------------|-----------------|---------------------------|------------------|
| | | | | 31-Dec-19 | 31-Dec-18 |
| Adiva Properties Limited | Nigeria | Real estate | 31 December | 99.9% | 99.9% |
| Cross Town Malls Properties Limited | Nigeria | Real estate | 31 December | 0.0% | 100.0% |
| FP2 Limited | Nigeria | Real estate | 31 December | 99.9% | 99.9% |
| Oakland Properties Limited | Nigeria | Real estate | 31 December | 0.0% | 100.0% |
| Toll System Development Company Limited** | Nigeria | Real estate | 31 December | 70.0% | 88.0% |
| Summerville Golf Club Limited | Nigeria | Real estate | 31 December | 95.6% | 67.9% |
| Townsville Properties Limited | Nigeria | Real estate | 31 December | 99.9% | 99.9% |
| Edo Affordable Housing Development Limited | Nigeria | Real estate | 31 December | 70.0% | 70.0% |
| Mixta Africa S.A | Spain | Real estate | 31 December | 100.0% | - |
| Global Investment Colony Limited* | Mauritius | Real estate | 31 December | 100.0% | 100.0% |

On 8th April 2019, Adiva Properties Limited merged operations with Oakland Properties Limited and Crosstown Malls Properties Limited.

In addition, Mixta Nigeria also acquired the shares of Mixta Africa S.A from Asset & Resource Management Company Limited on 31 December 2019

*Global Investment Colony Limited was incorporated in Ebene, Mauritius as a company limited by shares. As at the reporting date, Mixta Real Estate Plc has control over the entity. However, Mixta Real Estate Plc has not consolidated the financial statements of Global Investment Colony Limited, because the company's numbers were deemed immaterial to the overall financial statements of Mixta Real Estate Plc and its non-inclusion into the consolidated financial statements for 2018 and 2019 will not change the view of the financial statements. Also, the ultimate parent company of Mixta Real Estate Plc, Asset & Resource Management Holding Company Limited, produces consolidated financial statements, available for public use that complies with IFRSs, in which its subsidiaries are measured at fair value through profit or loss in accordance with IFRS 10: *Consolidated Financial Statements*.

** Mixta Real Estate Plc directly owns 70% and indirectly own 30% of Toll System Development Company Limited. The indirect holding is a result of an arrangement with Global Investment Colony Limited – being direct holders of 30%, to transfer full control on their percentage holding.

The following table summarizes the latest management accounts of Global Investment Colony Limited:

| Statement of Financial Position | 2019 |
|--|----------------|
| <i>In thousands of naira</i> | |
| Current assets | |
| Debtors and prepayments | 523 |
| Current liabilities | - |
| Accruals | (1,024) |
| Other payables | (5,679) |
| Net Assets | (6,180) |

Notes to the Consolidated and Separate Financial Statements
(c) Goodwill

Goodwill comprises:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Compan 2019 | Compa 2018 |
|---------------------------------------|-----------------------|-----------------------|------------------------|-----------------------|
| Balance, beginning of year | 56,106 | - | - | - |
| Additions during the year | - | 56,106 | - | - |
| Impairment charge | - | - | - | - |
| Unamortised balance(Mixta Africa S.A) | 9,379 | - | - | - |
| Reclassification | - | - | - | - |
| Balance, end of year | 65,485 | 56,106 | - | - |

The addition in Goodwill arose from Mixta Africa's investment in a research to analyze investment opportunities in Africa.

22 Equity Accounted investments

(a) The movement in equity accounted investees during the year is as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Compa 2018 |
|---|-----------------------|-----------------------|-------------------------|-----------------------|
| Balance, beginning of year | 2,599,395 | 2,528,881 | 2,505,100 | 2,505,1 |
| Additions during the year | 169,900 | 1,461,375 | 169,900 | 1,461,3 |
| Proceed of disposal of investment | - | (238,214) | - | (238,21 |
| Impairment charge (see note 14) | (1,235,219) | (1,223,161) | (1,235,219) | (1,223, |
| Reclassification | - | - | - | - |
| Share of profit/(loss) of equity accounted investee | 30,471 | 70,514 | - | - |
| Balance, end of year | 1,564,547 | 2,599,395 | 1,439,781 | 2,505,1 |

(b) Investment in equity accounted investee companies is analysed below:

| | | | | |
|---|------------------|------------------|------------------|----------------|
| Garden City Golf Estate Development Limited (See (i)) | 2,628,616 | 2,598,145 | 2,505,100 | 2,505,100 |
| Lakowe Lakes Limited (See (ii)) | 1,250 | 1,250 | - | - |
| Beachwood Property Development Company Limited (iii) | 333,333 | 333,333 | - | - |
| Oceanwinds Hospitality Limited (iv) | - | 1,461,375 | - | 1,461,3 |
| Addition | 169,900 | - | 169,900 | - |
| Proceed of disposal of investment (iv) | - | (238,214) | - | (238,21 |
| Allowance for impairment | (1,568,553) | (1,556,494) | (1,235,219) | (1,223, |
| | 1,564,547 | 2,599,395 | 1,439,781 | 2,505,1 |

(i) Garden City Golf Estate Development Limited ("Garden city") was incorporated in Nigeria as a Limited Liability Company. The primary business activity of Garden City is to carry on business generally as developers of golf estates and ancillary amenities. As at the reporting date, Mixta Real Estate Plc had joint control with Greater Port Harcourt Development Authority and is entitled to 51% residual interest in the net assets of Garden City. An impairment charge of N1.23billion was recognised following the fair value assessment of Mixta's equity investment in Garden City.

(ii) This represents the cost of the Group's investment in Lakowe Lakes Golf Club Limited ("Lakowe"). Management has not equity-accounted for its interest in Lakowe as the Group does not have significant influence over the entity.

(iii) This represents the cost of the Group's 33.3% equity holding in Beechwood Property Development Company Limited. The investment exceeds 20% which qualified it as associate company to be equity accounted for. However, the investment was not accounted for using the equity method as it fully met the exemption criteria stated in IAS 28 paragraph 17-19. The total investment of N333.3m in the entity has been fully impaired.

Beechwood Property Development Company Limited was incorporated in Nigeria as a limited liability company. The primary business activity of the company is to carry on business as developers of Beechwood Estate.

(c) Movement in impairment allowance on equity accounted investment is as follows

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Balance, beginning of year | - | (1,461,375) | - | (1,461, |
| Charge during the year | 1,235,219 | 1,223,161 | 1,235,219 | 1,223,1 |
| Recovery (i) | (70,838) | 238,214 | (70,838) | 238,21 |
| Balance, end of year | 1,164,381 | - | 1,164,381 | - |

Notes to the Consolidated and Separate Financial Statements

- (i) An amount of N70.8million was received as proceeds of the disposal of Mixta Real Estate's Plc's investment in Oceanwinds Hospitality Limited during the year.
- (d) Summary of financial information for equity-accounted investees.
The following table summarizes the financial information of Garden City as included in its own financial statements

(i) **Statement of Profit or Loss**

| Garden City Golf Estate Development Limited | | |
|--|----------------|----------------|
| <i>In thousands of naira</i> | 2019 | 2018 |
| Percentage ownership interest | 51% | 51% |
| Income | 302,740 | 151,579 |
| Expenses | (242,994) | (13,316) |
| Profit/(loss) for the year | 59,746 | 138,263 |
| Share of profit/(loss) for the year | 30,471 | 70,514 |

(ii) **Statement of financial position**

| <i>In thousands of naira</i> | 2019 | 2018 |
|--------------------------------------|----------------|----------------|
| Percentage ownership interest | 51% | 51% |
| Current assets | 11,075,211 | 10,810,442 |
| Non-current assets | 7,332 | 7,340 |
| Current liabilities | (10,777,775) | (10,244,332) |
| Non-current liabilities | - | - |
| Net Assets | 304,768 | 573,450 |
| Share of net assets* | 155,432 | 292,460 |

** The total valuation of Garden City's golf course and undeveloped land is valued at N12,143 million, however, these assets are carried at N8,788 million in the books of Garden City. Therefore, there is an addition of N3.4billion to the fair valuation of assets of Garden City. This was considered during the Net Assets Valuation of Mixta Africa's holding.

23 Loans to related entities

Loans to related entities comprise:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|

(a) **Gross term loans:**

(i) **Subsidiaries**

| | | | | |
|--|---|---|------------|------------|
| Summerville Golf Club Limited (see (e(i)) below) | - | - | 19,426,946 | 13,233,462 |
| Adiva Properties Limited (see (e(ii)) below) | - | - | 1,678,812 | 78,235 |
| Oakland Properties (see (e(vi)) below) | - | - | - | 914,832 |
| Cross Town Mall Limited (see (e(vii)) below) | - | - | - | 402,143 |

Notes to the Consolidated and Separate Financial Statements

| | | | | |
|---|---|-----------|------------|------------|
| FP2 Limited (see (e(viii)) below) | - | - | 576,367 | - |
| Townsville Properties Limited (see (e(ix)) below) | - | - | 4,274 | - |
| Mixta Africa S.A (see (e(x)) below) | - | 3,389,434 | - | 3,389,434 |
| | - | 3,389,434 | 21,686,399 | 18,018,106 |

(ii) **Other related entities**

| | | | | |
|---|-----------|-----------|---------|-----------|
| Mixta Africa Corporate Services Limited (see (e(xi)) below) | - | 426,092 | - | 426,092 |
| Mixta Affordable Housing Limited (see (e(xii)) below) | - | 28,501 | - | 28,501 |
| Lakowe Lakes Golf Club Limited (see (e(iii)) below) | 1,224,184 | 962,571 | 742,270 | 580,381 |
| Beechwood Property Development Co Limited (see (e(xiii)) below) | 10,700 | - | - | - |
| ARM Company Limited (see (e(v)) below) | 287,864 | 224,307 | - | - |
| | 1,522,749 | 1,641,471 | 742,270 | 1,034,974 |

(b) **Shareholder loan notes:**(i) **Joint venture/ Associate**

| | | | | |
|--|-------------|-----------|-------------|------------|
| Garden City Golf Estate Development Limited | 4,888,125 | 4,786,490 | 4,888,125 | 4,786,490 |
| Total loans to related parties | 6,410,874 | 9,817,395 | 27,316,794 | 23,839,570 |
| Specific allowance for impairment on loans (See note (c)) See note | (1,577,509) | (490,864) | (1,535,088) | (452,413) |
| | 4,833,365 | 9,326,531 | 25,781,706 | 23,387,157 |

(c) The movement in specific impairment allowance on loans was as follows:

| | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|
| Balance, beginning of year | 490,864 | - | 452,413 | - |
| ECL Day 1 Adjustment | - | 947,867 | - | 916,052 |
| Charge/ (Write back) during the year | 623,005 | (457,003) | 619,036 | (463,639) |
| Reclassification | 463,640 | - | 463,639 | - |
| Balance, end of year | 1,577,509 | 490,864 | 1,535,088 | 452,413 |

(d) The analysis of loans to related parties as at end of the year was as follows:

| | | | | |
|-----------------------------|-----------|-----------|------------|------------|
| Due for more than 12 months | 4,534,801 | 8,630,517 | 24,315,071 | 8,708,752 |
| Due within 12 months | 298,564 | 1,186,878 | 1,466,635 | 15,130,818 |
| Total | 4,833,365 | 9,817,395 | 25,781,706 | 23,839,570 |

Notes to the Consolidated and Separate Financial Statements

(e) Details of the facilities advanced to related entities are as follows:

| Counterparty | Type | Purpose | Interest rate | Value date | Maturity date | Restructured /New/existing | Updates |
|---|----------------------------|--|---------------------------|------------|----------------|----------------------------|----------------|
| (i) Summerville Golf Club Limited | Unsecured commercial paper | Working capital & Projects Funding | Floating interest rate | 1-Jan-19 | 31-Dec-20 | Existing/New | Not applicable |
| (ii) Adiva Properties Limited | Unsecured commercial paper | To augment working capital of the Company | Fixed interest rate | 11-Apr-19 | 11-Apr-21 | Existing/New | Not applicable |
| (iii) Lakowe Lakes Golf Club Limited | Unsecured commercial paper | To augment fixed capital requirements of the Company | Floating interest rate | 31-Dec-18 | 31-Dec-19 | Existing/New | Not applicable |
| (iv) Garden City Golf Estate Development Limited | Unsecured loan notes | Debt capital finance | 10% (Fixed interest rate) | 22-Aug-13 | Not applicable | Existing | Not applicable |
| (v) ARM Investment Managers Limited | Unsecured commercial paper | To augment working capital of the Company | 18% (fixed) | 6-Oct-19 | 6-Oct-20 | Existing | Not applicable |
| (vi) Oakland Properties Limited | Unsecured commercial paper | To augment working capital of the Company | 20.08% (fixed) | 1-Jan-18 | 31-Dec-19 | New | Not applicable |
| (vii) Crosstown Malls Properties Limited | Unsecured commercial paper | To augment working capital of the Company | 20.08% (fixed) | 1-Jan-18 | 31-Dec-19 | New | Not applicable |
| (viii) FP2 Limited | Unsecured commercial paper | To facilitate the acquisition of the Company | 20.08% (fixed) | 1-Jan-19 | 31-Dec-20 | New | Not applicable |
| (ix) Townsville Properties Limited | Unsecured commercial paper | To augment working capital of the Company | 20.08% (fixed) | 1-Jan-19 | 31-Dec-20 | New | Not applicable |
| (x) Mixta Africa, S.A | Unsecured commercial paper | To augment working capital of the Company | 20.08% (fixed) | 1-Jan-19 | 31-Dec-21 | Existing/New | Not applicable |
| (xi) Mixta Africa Corporate Services Limited | Unsecured commercial paper | To augment working capital of the Company | 20.08% (fixed) | 1-Jan-18 | 31-Dec-19 | Existing | Not applicable |
| (xii) Mixta Affordable Housing Limited | Unsecured commercial paper | To augment working capital of the Company | 20.08% (fixed) | 1-Jan-18 | 31-Dec-19 | Existing | Not applicable |
| (xiii) Beechwood Property Development Company Limited | Unsecured commercial paper | To augment working capital of the Company | 19% (fixed) | 17-Aug-19 | 17-Aug-20 | Existing | Not applicable |

Notes to the Consolidated and Separate Financial Statements

24 Trading properties

(a) This represents the cost of real estate apartments and land designated for resale.

In thousands of naira

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|---------------|---------------|-----------------|-----------------|
| Land (See (i) below) | 40,289,352 | 20,287,580 | 316,442 | 2,493,740 |
| Retail shops (See (ii) below) | 643,032 | 643,032 | 172,893 | 172,893 |
| Trading properties under development (See (iii) below) | 12,876,988 | 8,953,020 | 227,604 | 84,483 |
| | 53,809,372 | 29,883,632 | 716,940 | 2,751,116 |

Category Description

| | | | | | |
|-----------------|--|------------|------------|---------|-----------|
| (i) Land | This represents the unsold portion of Townsville Extension Land measuring 4.58 hectares of land | 77,008 | 169,884 | 77,008 | 169,884 |
| | This represents the value of 198 hectares of unsold plots of land transferred from investment property to inventory in Toll Systems Development Co Limited during the year | 16,391,424 | - | - | - |
| | Future developments | 18,712,797 | 17,793,840 | - | - |
| | This represents cost of 87.66 hectares of land at Lakowe, Ibeju- Lekki, and other development costs incurred to date on the development of the Summerville residential scheme. | - | 2,075,340 | - | 2,075,340 |
| | 16.6 hectares of land unsold portion of Adiva East. | 239,434 | 239,434 | 239,434 | 239,434 |
| | Cost of unsold units at Farapark Estate, Sangotedo, Off Lekki-Epe expressway, Lagos. | - | - | - | - |
| | Cost of Beechwood Central land. The land area is 0.2 hectares as at 30 June 2019 | - | 9,082 | - | 9,082 |
| | Cost of land located at Tanger Abdalass Colgado and Tetouan Las Brisas at Mixta Morocco | 4,031,997 | - | - | - |
| | Cost of land located at Hotel Goree at Mixta Senegal | 41,567 | - | - | - |
| | Cost of land located at Hotel Corniche at Mixta Senegal | 92,073 | - | - | - |
| | cost of land located at Tunes Residence Alhambra at Mixta Tunisia | 366,790 | - | - | - |
| | cost of land located at Abidjan Songon at Mixta Cote d'Ivoire | 336,261 | - | - | - |
| | | 40,289,352 | 20,287,580 | 316,442 | 2,493,740 |

(ii) **Retail shops** This represents the cost of 4 retail shops at Oluwole Urban Market, Central Business District, Lagos. The Oluwole Urban Market is a fully integrated retail and commercial complex.

| | | | | |
|--|---------|---------|---------|---------|
| | 53,235 | 53,235 | 53,235 | 53,235 |
| This represents the cost of 96 retail shops at Jju Shopping Plaza. | 589,797 | 589,797 | 119,658 | 119,658 |
| | 643,032 | 643,032 | 172,893 | 172,893 |

Notes to the Consolidated and Separate Financial Statements

In thousands of naira

| Category | Description | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|--|-------------------|-------------------|---------------------|---------------------|
| (ii) Property under construction | This represents cost incurred to date on construction of 9 units of homes at the "Village" residential scheme | 453,167 | 520,279 | - | - |
| | Cost of unsold units of homes at the "Enclave" residential scheme. | 168,323 | 1,219,145 | - | - |
| | Cost of unsold units of construction of homes at the "Villa Bela" residential scheme | 37,421 | - | - | - |
| | Cost of Works in Progress to date on the homes at the "The Cove" residential scheme | 1,216,772 | - | - | - |
| | Cost of unsold 5.8 hectares of land at Lakowe, Ibeju- Lekki - the Summerville scheme. | 1,301,810 | 2,307,814 | - | - |
| | Cost of 16.62 hectares of land at Lakowe, Ibeju- Lekki, and development costs incurred on the development of the Summerville residential scheme. | 2,560,382 | - | - | - |
| | Cost of unsold units at Fara Park Phase II | 343,520 | 834,468 | - | - |
| | Inventory and Works in Progress on Adiva Plainfields Estate on 631,132sqm of land located at Lakowe, Ibeju-Lekki, Lagos. | 1,984,489 | 2,177,660 | - | - |
| | RDP | | | | |
| | Outstanding Cost on RDP project | 29,260 | 84,483 | 29,260 | 84,483 |
| | This represents the cost of land and development cost incurred on Mixta Emotan Gardens of 2.91 hectares located at Sakponba road, Benin City, Edo State | 107,731 | 1,809,171 | - | - |
| | Value of unsold plots acquired from Beechwood Property Development Company Limited during the year | 198,345 | - | 198,345 | - |
| | Value of unsold units of Martil Essafia and Martil Costa Cabo Commercials and Chaouen La Rosa, at Mixta Morocco arising as part of the acquired assets from Mixta Africa S.A | 832,128.96 | - | - | - |
| | Value of unsold units of Dakar RDP 1 - 2, Dakar RDP 3 - 6, Hotel Goree and Hotel Corniche at Mixta Senegal arising as part of the acquired assets from Mixta Africa S.A | 2,373,961.14 | - | - | - |
| | Value of unsold units of Tunes Residence Cordoba, Tunes Residence Seville and Tunes Residence Alhambra at Mixta Tunisia arising as part of the acquired assets from Mixta Africa S.A | 1,235,514.35 | - | - | - |
| | Value of unsold units of Abidjan IGC at Mixta Cote d'Ivoire arising as part of the acquired assets from Mixta Africa S.A | 28,632.44 | - | - | - |
| | Unamortised cost of technical expenses incurred for FHF project | 5,532.02 | - | - | - |
| | | 12,876,988 | 8,953,020 | 227,604 | 84,483 |
| | | 53,809,372 | 29,883,632 | 716,940 | 2,751,116 |

Notes to the Consolidated and Separate Financial Statements

(b) The movement in trading properties during the year was as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|---------------|---------------|-----------------|-----------------|
| Balance, beginning of year | 29,883,828 | 30,361,980 | 2,751,116 | 4,358,847 |
| Cost capitalized | 25,270,289 | - | 453,154 | - |
| Interest & charges capitalized (see note 29(d)) | 2,279,715 | 3,240,461 | - | 5,243 |
| Disposals (see note 10) | (1,837,891) | (6,940,987) | (2,142,897) | (760,601) |
| Additions/(transfer) | (3,680,418) | 3,222,374 | (344,434) | (852,373) |
| Impairment charge/(write back) | 1,893,851 | - | - | - |
| Balance, end of year | 53,809,372 | 29,883,828 | 716,940 | 2,751,116 |

25 Debtors and prepayments

Debtors and prepayments comprise:

| | | | | |
|--|-------------------|----------------------|-------------------|-------------------|
| Due from related entities (see (a) below) | 3,971,938 | 5,015,778 | 6,204,793 | 8,727,435 |
| Trade and other receivables (see (b) below) | 13,460,002 | 4,760,003 | 4,327,795 | 568,321 |
| Prepayments and other assets (see (c) below) | 4,241,801 | 3,460,252 | 7,824,949 | 8,694,211 |
| Gross debtors and prepayments | 21,673,742 | 13,236,033.00 | 18,357,537 | 17,989,967 |
| Specific allowance for impairment on doubtful receivables (see note (d)) | (4,474,603) | (3,257,247) | (2,092,283) | (1,582,261) |
| | 17,199,138 | 9,978,786.00 | 16,265,254 | 16,407,706 |

(a) **Due from related entities:**(i) **Subsidiaries**

| | | | | |
|--|---|--------|-----------|-----------|
| Summerville Golf Club Limited | - | - | 815,862 | 2,589,198 |
| Townsville Properties Limited | - | - | (329) | 235,392 |
| Toll Systems Development Co Limited | - | - | 549,364 | - |
| FP2 Limited | - | - | 124,510 | 639,898 |
| Adiva Properties Limited | - | - | 1,244,124 | 1,044,028 |
| Crosstown Malls Properties Limited | - | - | - | 19,360 |
| Edo Affordable Housing Development Limited | - | - | 145,795 | 218,616 |
| Oakland Properties Limited | - | - | - | 17,060 |
| Mixta Africa S.A. | - | 93,955 | - | 93,955 |
| | - | 93,955 | 2,879,326 | 4,857,507 |

(ii) **Joint Venture**

| | | | | |
|---|---|----------|---|-------|
| Garden City Golf Estate Development Limited | - | 8,280 | - | 8,280 |
| | - | 8,280.00 | - | 8,280 |

(iii) **Other related entities**

| | | | | |
|--|-----------|-----------|-----------|--------------|
| Oceanwinds Hospitality Limited | 553 | 553 | 553 | 553 |
| Asset & Resource Management Company Limited | 1,337,022 | 1,369,237 | 1,246,589 | 1,303,967 |
| Watford Properties Limited | - | - | - | - |
| New Towns Development project | 62,087 | 102 | 59,830 | 102 |
| Oluwole Urban Mall Limited | - | (364) | - | (364) |
| Mixta Africa Corporate Services Limited | - | 525,921 | - | 525,921 |
| Mixta Affordable Housing Limited | - | 16,817 | - | 16,817 |
| Mixta Ethiopia | 15,764 | - | 15,764 | - |
| Hospitality Management Company | 198,124 | 197,741 | 198,124 | 197,741 |
| Mixta Cote d'Ivoire | - | 22,911 | - | 22,911 |
| ARM Hospitality & Retail Fund | 72,611 | 71,058 | 72,611 | 71,058 |
| Fara Park Limited | 52 | 964,106 | - | 964,106 |
| New Town receivable | - | 61,802 | - | 59,545 |
| Lakowe Lakes Golf Club Limited | 590,440 | 317,954 | 530,693 | 317,954 |
| Lakowe Lakes Hospitality Limited | 430,965 | 866,204 | 108,304 | 51,450 |
| Beechwood Property Development Company Limited | 494,148 | 22,709 | 491,952 | 21,405 |
| Trinity Gardens Limited | 1,709 | 984 | 1,709 | 984 |
| Park View Project receivable | 50,105 | 50,105 | 50,105 | 50,105 |
| Corporate Lodge Homestead | 718,358 | 425,703 | 549,233 | 257,393 |
| | 3,971,938 | 5,007,498 | 3,325,467 | 3,955,603.00 |

| | | | | |
|--------------|------------------|------------------|------------------|------------------|
| Total | 3,971,938 | 5,015,778 | 6,204,793 | 8,727,435 |
|--------------|------------------|------------------|------------------|------------------|

(b) **Trade and other receivables**

| | | | | |
|---|------------|-----------|-----------|---------|
| Management fee receivables (see note (i) below) | 247,968 | 450,547 | 247,968 | 450,547 |
| Trade receivables | 12,733,078 | 3,861,066 | 3,906,354 | - |
| Other receivables | 293,377 | 294,124 | - | 1,134 |
| Sundry debtors | 185,579 | 154,266 | 173,473 | 116,640 |
| | 13,460,002 | 4,760,003 | 4,327,795 | 568,321 |

Notes to the Consolidated and Separate Financial Statements

- (i) This represents amounts due from outstanding project income fees from related parties

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| (c) Prepayments and other assets: | | | | |
| Deposit for land (see note (i) below) | - | 36,000 | - | 36,000 |
| Prepayments | 43,854 | 4,423 | 16,876 | 3,663 |
| WHT recoverable | 197,633 | 184,772 | 195,024 | 184,772 |
| VAT | 711,050 | 238,518 | 84,704 | 83,374 |
| Construction vendor advance | 2,076,145 | 2,022,439 | 589,811 | 515,262 |
| Subscription for investment (See note (ii) below) | 492,906 | 271,535 | 6,279,064 | 7,171,465 |
| Other assets (See note (iii) below) | 720,212 | 702,565 | 659,470 | 699,675 |
| | 4,241,801 | 3,460,252 | 7,824,949 | 8,694,211 |
| Gross debtors and prepayments | 21,673,742 | 13,236,033 | 18,357,537 | 17,989,967 |
| Specific allowance for impairment on doubtful receivables See note (d) below | (4,474,603) | (3,257,247) | (2,092,283) | (1,582,261) |
| | 17,199,138 | 9,978,786 | 16,265,254 | 16,407,706 |

- (i) The amount represents deposits made by the Group for the acquisition of lands for real estate development.

- (ii) Subscription for investment represents investment in the following related entities:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| Summerville Golf Club Limited | - | - | - | 6,899,930 |
| Garden City Golf Estate Development Limited(See note 23) | - | 271,535 | - | 271,535 |
| Lakowe Lakes Hospitality Limited | 492,906 | - | - | - |
| | 492,906 | 271,535 | - | 7,171,465 |

- (iii) Other assets is majorly made up of client accounts receivable which represents receivables from customers who have taken possession of trading properties.

- (d) The movement in the specific allowance for impairment on doubtful receivables was as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Balance, beginning of year | 3,257,247 | 395,756 | 1,582,261 | 193,356 |
| ECL adjustment | - | 2,338,798 | - | 860,578 |
| Additions during the year (see note 14) | 1,855,275 | 515,734 | 973,662 | 528,327 |
| Reclassification | (637,918) | 6,959 | (463,640) | - |
| Balance, end of year | 4,474,603 | 3,257,247 | 2,092,283 | 1,582,261 |

- (e) The analysis of debtors and prepayments as at end of the year was as follows:

| | | | | |
|----------------------|-------------------|-------------------|-------------------|-------------------|
| Due after 12 months | 1,668,025 | 3,086,713 | 3,426,949 | 3,137,019 |
| Due within 12 months | 20,005,716 | 10,149,320 | 14,930,588 | 14,852,948 |
| Total | 21,673,742 | 13,236,033 | 18,357,537 | 17,989,967 |

26 Cash and cash equivalents

| | | | | |
|--|------------------|------------------|------------------|------------------|
| Cash at bank | 1,388,996 | 1,102,301 | 721,213 | 818,118 |
| Placements with financial institutions | 1,792,941 | 624,305 | 839,234 | 624,305 |
| Short term investments | 97 | 1,066,302 | - | 1,007,397 |
| Cash and Bank balance | 3,182,034 | 2,792,908 | 1,560,447 | 2,449,820 |

Notes to the Consolidated and Separate Financial Statements

27 Deferred tax liabilities

- (a) The movement in deferred tax liabilities during the period was as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Balance, beginning of year | 7,729,562 | 6,940,427 | 12,441 | 12,441 |
| Opening year adjustment | (65,637) | - | - | - |
| Charge/(write back) during the year (see below and note 30 (b)) | (2,398,777) | 789,135 | - | - |
| Balance, end of year | 5,265,148 | 7,729,562 | 12,441 | 12,441 |

The write back on deferred tax arose as a result of the non-reversal of deferred tax (on fair value gain) that was previously charged on investment property when the investment property were subsequently transferred to inventory or sold.

- (b) Recognized deferred tax liabilities are attributable to the following:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|-------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Investment property | 5,265,148 | 7,717,121 | - | - |
| Property, plant and equipment | - | 12,441 | - | 12,441 |
| | 5,265,148 | 7,729,562 | - | 12,441 |

- (c)
- Unrecognized deferred tax assets**

Significant management judgement is required to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits together with the future tax planning strategies.

The Company's deferred tax assets relates to timing difference in the recognition of depreciation and capital allowance on property, plant and equipment, tax losses, exchange differences and provisions and are not recognized in these financial statements. This is due to uncertainty about availability of future taxable profits against which deferred tax can be utilized.

The unrecognized deferred tax asset during the period is attributable to the following:

| <i>In thousands of naira</i> | | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|-------------------------------|----------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Entity | Attributable to | | | | |
| Summerville Golf Club Limited | Property, plant and equipment | (560,062) | (459,606) | - | - |
| | Tax losses | 1,148,679 | 1,134,813 | - | - |
| | Exchange difference & provisions | 301,094 | - | - | - |
| | | 889,711 | 675,207 | - | - |

28 Deposit for shares

- (a) Deposit for shares comprises:

| | | | | |
|---|---|---------|---|---|
| Due to Watford Properties Limited (i) | - | 253,746 | - | - |
| Due to Edo Development Property Authority | - | - | - | - |
| | - | 253,746 | - | - |

- (i) In line with its strategy to consolidate all its interest in the Mixta group, the directors of Clad Limited assigned their interest in deposit for shares in Summerville Golf Club Limited to Watford Properties Limited on 31st October 2018. Furtherance to this, the directors of Watford converted the deposit for shares to equity in Summerville Golf Club Limited once the process for increase in share capital was completed at the Corporate Affairs Commission (CAC) in 2019

Notes to the Consolidated and Separate Financial Statements
29 Borrowings

Borrowings comprise:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| (a) Other related entities | | | | |
| (i) ARM Trustees Limited (see note (e)(i) below) | 13,634 | 11,339 | 13,634 | 11,339 |
| Garden City Golf Estate Development Company Limited (see note (e)(ii) below) | 1,771,703 | 1,076,232 | 1,258,574 | 649,057 |
| Fara Park Limited (see note (e)(iii) below) | 62,748 | 53,462 | - | - |
| Beechwood Property Development Company Limited (see note (e)(iv) below) | 643,411 | 560,822 | - | - |
| ARM Investment Managers Limited (see note (e)(v) below) | 11,800,269 | 12,543,585 | 483,867 | 2,837,626 |
| Asset and Resource Management Company Limited | - | 7,079 | - | - |
| ARM Hospitality & Retail Fund | 98,012 | - | - | - |
| | 14,389,778 | 14,252,519 | 1,756,075 | 3,498,022 |
| (b) Other term borrowings | | | | |
| Summerville Notes (NGN) 14% | 1,536,010 | 1,834,885 | - | - |
| Preferred Notes of \$100, 8% USD | 1,704,393 | 1,593,943 | - | - |
| Mixta | 9,441,882 | 9,822,133 | 9,441,882 | 9,822,133 |
| Commercial papers | 19,249,445 | 11,228,431 | 19,249,445 | 11,228,431 |
| Secured Bank loan | 7,466,550 | 4,154,769 | 766,438 | - |
| MODD Management Company Limited | 163,742 | 142,152 | 163,742 | 142,152 |
| Other borrowings | 1,661,177 | - | - | - |
| | 41,223,198 | 28,776,313 | 29,621,507 | 21,192,716 |
| | 55,612,976 | 43,028,832 | 31,377,582 | 24,690,738 |
| (c) The analysis of borrowings as at end of the year was as follows: | | | | |
| Due after 12 months | 20,760,586 | 16,623,547 | 11,184,323 | 13,308,816 |
| Due within 12 months | 34,852,390 | 26,405,285 | 20,193,259 | 11,381,922 |
| Total | 55,612,976 | 43,028,832 | 31,377,582 | 24,690,738 |
| (d) The movement on borrowings during the year is as follows: | | | | |
| Balance, beginning of year | 43,028,832 | 34,527,823 | 24,690,738 | 14,771,692 |
| Proceeds from borrowings | 10,596,295 | 10,171,910 | 6,173,648 | 13,805,958 |
| Interest expense (See note 17) | 6,014,570 | 4,065,060 | 5,055,004 | 3,102,705 |
| Interest capitalised (See note 24(b)) | 2,279,715 | 3,240,461 | - | 5,243 |
| Reclassification | - | 337,555 | - | (13,989) |
| Interest repayments during the year | (3,109,487) | (2,055,172) | (2,061,322) | (907,157) |
| Principal repayments during the year | (3,196,949) | (7,258,805) | (2,480,486) | (6,073,714) |
| Other settlement | - | - | - | - |
| Balance, end of year | 55,612,976 | 43,028,832 | 31,377,582 | 24,690,738 |

Notes to the Consolidated and Separate Financial Statements

(e) Details of the facilities obtained by the Group are as follows:

| Counterparty | Type | Currency | Purpose | Interest rate | Value date | Maturity date | Pledged Collateral | Updates |
|---|----------------------------|----------|---|---------------|------------|---------------|---|---|
| (i) ARM Trustees Limited | Term Loan | Naira | To augment working capital of the Company | 18% | 23-Nov-19 | 23-Nov-20 | None | Not applicable |
| (ii) Garden City Golf Estate Development Company Limited | Unsecured commercial paper | Naira | Loan refinancing | 20.08% | 19-Jun-19 | 18-Jun-20 | None | Not applicable |
| (iii) Fara Park Limited | Unsecured commercial paper | Naira | To finance real estate development projects | 18% | 3-Apr-19 | 2-Apr-21 | None | Not applicable |
| (iv) Beechwood Property Development Company Limited | Unsecured commercial paper | Naira | To finance real estate development projects | 18% | 3-Apr-19 | 2-Apr-21 | None | Not applicable |
| (v) ARM Investment Managers Limited | Short Term Loan | Naira | To augment working capital and finance real estate development projects | 17%-21% | 31-Dec-19 | 31-Dec-21 | None | Not applicable |
| (vi) Summerville Golf Club Limited Loan Note Holders | Unsecured Loan Notes | Naira | To augment working capital and finance real estate development projects | 14%-16% | 29-Apr-19 | 28-Apr-20 | None | Not applicable |
| (vii) Summerville Golf Club Limited Preferred Loan Note Holders | Unsecured Loan Notes | USD | To augment working capital and finance real estate development projects | 7%-8% | 19-Sep-19 | 18-Sep-20 | None | Not applicable |
| (viii) Access Bank Plc | Term Loan | Naira | Completion of infrastructure works on the Enclave Homes at Lakowe Lakes Golf and Country Estate | 21.0% | 29-Apr-15 | 1-Mar-22 | Tripartite legal mortgage on all the parcel of land measuring 150 hectares located at KM 35 Lekki-Epe Expressway earmarked for the proposed Summerville Lakowe Lakes Golf and Country Estate. | The loan tenor was extended for an additional period of two years |
| (ix) Corporate Bond | Long term Loan | Naira | Loan refinancing and Affordable Project financing | 17.0% | 17-Jan-17 | 17-Jan-22 | Fully guaranteed by GuarantCo | N/A |
| (x) Commercial Papers | Short Term Loan | Naira | Project financing | 17.8% | 30-May-19 | 29-May-20 | None | N/A |
| (xi) MODD Management Company Limited | Unsecured Loan Notes | Naira | To augment working capital and finance real estate development projects | 17.0% | 19-Sep-19 | 18-Sep-20 | None | Not applicable |

Notes to the Consolidated and Separate Financial Statements
30 Current income tax liability

(a) The movement on this account during the year was as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| Balance, beginning of year | 1,898,946 | 2,007,764 | 276,294 | 342,127 |
| Charge for the year (see note (b) below) | 129,490 | 39,640 | 45,252 | - |
| Prior year under/over provision | - | 15,514 | 18,317 | 4,059 |
| On acquisition of subsidiary | 69,948 | 114,910 | - | - |
| Payments during the year | (709,955) | (278,883) | (74,665) | (69,892) |
| Balance, end of year | 1,388,429 | 1,898,946 | 265,198 | 276,294 |

(b) The income tax expense comprises:

| | | | | |
|---------------------------------------|-------------|---------|--------|-------|
| Company income tax | 86,255 | 24,519 | 45,252 | 4,059 |
| Tertiary education tax | 5,205 | - | - | - |
| Other taxes | 38,030 | - | - | - |
| | 129,490 | 24,519 | 45,252 | 4,059 |
| Deferred tax charge (see note 27 (a)) | (2,398,777) | 789,135 | - | - |
| | (2,269,286) | 813,654 | 45,252 | 4,059 |

Reconciliation of effective tax rate

| <i>In thousands of naira</i> | % | 2019 | Group | % | 2018 |
|--|-------------|--------------------|--------------|-----------|------------------|
| Profit before income tax | | (2,827,290) | | | 2,158,966 |
| Income tax using the domestic corporation tax rate (30%) | 30% | (848,187) | | 30% | 647,690 |
| Minimum Tax | 3% | (86,255) | | 0% | - |
| Impact of tax treatments in subsidiaries | 0% | - | | 0% | - |
| Changes in recognised deductible temporary difference | -85% | 2,398,777 | | -37% | (789,135) |
| Non-deductible expenses | -23% | 649,246 | | 6% | 133,765 |
| Non-taxable income | 0% | - | | 0% | - |
| Tertiary education tax (2%) | 0% | 5,205 | | 0% | - |
| Total income tax expense/(income) in comprehensive income | -75% | 2,118,786 | | 0% | (7,680) |

Company

| <i>In thousands of naira</i> | % | 2019 | Company | % | 2018 |
|--|------------|--------------------|----------------|------------|--------------------|
| Profit before income tax | | (2,878,844) | | | (1,004,415) |
| Income tax using the domestic corporation tax rate (30%) | 30% | (863,653) | | 30% | (301,325) |
| Permanent difference | 0% | - | | 0% | - |
| Non-taxable income | 0% | - | | 0% | - |
| Non-deductible expenses | (2%) | 47,605 | | 0% | - |
| Tertiary education tax (2%) | 0% | - | | 0% | - |
| Total income tax expense/(income) in comprehensive income | 28% | (816,048) | | 30% | (301,325) |

Notes to the Consolidated and Separate Financial Statements

31 Other liabilities and accruals

Other liabilities and accruals comprise:

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|---------------|---------------|-----------------|-----------------|
| <i>In thousands of naira</i> | | | | |
| (a) Due to related entities: | | | | |
| (i) Subsidiaries | | | | |
| Crosstown Mall Properties Limited | - | - | 25,667 | 25,667 |
| Townsville Properties Limited | - | - | 329 | 2,600 |
| Adiva Properties Limited | - | - | 1,354,467 | 1,354,367 |
| Toll Systems Development Company Limited | - | - | 6,386,536 | 6,044,102 |
| Summerville Golf Club Limited | - | - | 582,768 | 285,155 |
| | - | - | 8,349,767 | 7,711,891 |
| (ii) Joint Venture | | | | |
| Garden City Golf Estate Development Limited | 924,990 | 183,416 | 847,257 | 105,683 |
| (iii) Other related entities | | | | |
| Asset & Resource Management Company Limited (see (i) below) | 5,686,941 | 6,611,882 | 5,445,310 | 6,419,827 |
| ARM Financial Advisers Limited | 180 | 180 | 180 | 180 |
| Mixta Africa S.A. | - | 158,237 | - | 158,237 |
| Mixta Cote'd Ivoire | - | 11,381 | - | 11,381 |
| Oceanwinds Hospitality Limited | 28 | 28 | 28 | 28 |
| Lakowe Lakes Golf Club Limited | 185,171 | 93,253 | 100,717 | 47,061 |
| Oluwole Urban Malls Limited | 4,229 | 3,865 | 2,730 | 2,366 |
| Beechwood Property Development Company Limited | 30,241 | 144,589 | - | 102,911 |
| Corporate Lodge Homestead | - | 1,066 | - | - |
| ARM Life Plc | 3,045 | 4,145 | 3,045 | 4,145 |
| Fara Park Limited | 59,446 | 52,385 | 7,009 | - |
| Student Hostel Development | - | 310 | - | - |
| ARM Hospitality & Retail Fund | 36,533 | 36,683 | 33,907 | 34,057 |
| | 6,005,814 | 7,118,004 | 5,592,926 | 6,780,193 |
| (b) Other liabilities and accruals | | | | |
| Sundry creditors (see (ii) below) | 3,286,097 | 1,933,690 | - | - |
| Accrued expenses | 471,348 | 507,055 | 159,988 | 104,382 |
| Defined contributions | 29,327 | 14,226 | 6,502 | 14,226 |
| WHT payable | 828,225 | 414,664 | 165,088 | 142,511 |
| VAT payable | 572,309 | 294,218 | 125,529 | 140,644 |
| Other liabilities | 946,104 | 3,923,685 | 1,127,136 | 2,083,356 |
| Liability to construction vendors | 3,249,232 | 2,126,517 | 1,221,022 | 841,493 |
| | 9,382,641 | 9,214,055 | 2,805,265 | 3,326,612 |
| | 16,313,445 | 16,515,475 | 17,595,215 | 17,924,379 |

(i) Included in the balance due to Asset & Resource Management Company Limited as at 31 December 2019 is the outstanding consideration of payable on the acquisition of interest in Garden City Golf Estate Development Limited and Summerville Golf Club Limited.

(ii) This represents amounts due to project contractors and other creditors arising from the ordinary course of business.

32 Deferred revenue-deposit from customers

The balance represents unallocated advance instalments (pre-sale deposits) received from clients for purchased homes, land and other products. Pre-sale deposits are recognized as liabilities until the Company performs its performance obligations stated in the contract with the customers after which revenue is recognized.

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|---------------|---------------|-----------------|-----------------|
| <i>In thousands of naira</i> | | | | |
| Balance as at year end | 12,968,545 | 4,394,441 | 2,260,294 | (9,843) |

Notes to the Consolidated and Separate Financial Statements
33 Provisions

This related to cost of further works which may be required or performed on real estate already delivered to the buyer. The amount recognized as a provision represented the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provision was reviewed at the end of 2019 reporting period and adjusted to reflect the current best estimate. As it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision was reversed.

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Provision for future costs | - | 3,115,988 | - | 410,811 |

34 Irredeemable debentures

Following the convertible note purchase agreement that was executed between Mixta Real Estate Plc & Asset & Resource Management Holding Company Limited for the acquisition of Mixta Africa S.A, this amount represents the value of the consideration payable by Mixta Real Estate Plc to ARM Holding Company Limited. The consideration payable in Euros is €33.84Million and is convertible to share capital in Mixta Real Estate PLC at the listing price upon capital raise. The transaction was approved by the Shareholders of Mixta Real Estate PLC on 30 July 2019 and approved by the Securities & Exchange Commission on 2 December 2019.

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Irredeemable debentures | 11,648,858 | - | 11,648,858 | - |

35 Share capital

| | | | | |
|--|---------------------|---------------------|---------------------|---------------------|
| (a) Authorized - | | | | |
| 10,406,450,414 Ordinary shares of 50k each | 8,641,770,00 | 8,641,770,00 | 8,641,770,00 | 8,641,770,00 |
| 169,488,000 preference shares of 50k each | 84,744,000 | 84,744,000 | 84,744,000 | 84,744,000 |
| | <u>8,726,514,00</u> | <u>8,726,514,00</u> | <u>8,726,514,00</u> | <u>8,726,514,00</u> |
| (b) Issued and fully paid share capital | | | | |
| Issued and fully paid | | | | |
| 9,828,270,115 ordinary shares of 50k each | 4,914,135 | 4,914,135 | 4,914,135 | 4,914,135 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

The preference shares have not been issued as at 31 December 2019.

36 Share premium

The balance on share premium account was as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Balance, end of year | 35,565,809 | 35,565,809 | 35,565,809 | 35,565,809 |

37(a) Common control acquisition deficit

This represents the accumulated reserves on acquisition of companies under common control. The movement during the year arose from the transfer of net assets of Mixta Africa S.A from ARM Holding Company Limited to Mixta Real Estate Plc. The breakdown of this balance is as follows:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Opening balance | (2,920,407) | (2,920,407) | (2,156,000) | (2,156,000) |
| Acquisition deficit arising from Mixta Africa S.A | (13,201,139) | - | - | - |
| Pre-acquisition reserves - Mixta Africa S.A | 1,933,916 | - | - | - |
| Balance, end of year | <u>(14,187,630)</u> | <u>(2,920,407)</u> | <u>(2,156,000)</u> | <u>(2,156,000)</u> |

37(b)) Retained earnings

Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders.

Notes to the Consolidated and Separate Financial Statements
38 Non-controlling interests

(a) The entities accounting for the non-controlling interest balance is shown below:

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| Toll System Development Company Limited | - | 9,034,283 | - | - |
| Edo Affordable Housing Development Limited | (17,064) | (15,980) | - | - |
| Summerville Golf Club Limited | 219,643 | (2,179,351) | - | - |
| Mixta Tunisia | 94,305 | - | - | - |
| | 296,884 | 6,838,951 | - | - |

(b) The following table summarizes the information relating to the Group's subsidiaries that have material NCI

| 31 December 2019 | Mixta Tunisia | Toll System Development Company Limited | Edo Development Housing Limited | Summerville Golf Club Limited |
|--------------------------------|--------------------------|--|--|--|
| <i>In thousands of naira</i> | | | | |
| NCI percentage | 51% | 0% | 30% | 4% |
| Total assets | 917,532 | - | 1,404,027 | 53,728,827 |
| Total liabilities | (732,621) | - | (1,460,908) | (48,702,674) |
| Net assets | 184,911 | - | (56,881) | 5,026,152 |
| Carrying amount of NCI | 94,305 | - | (17,064) | 219,643 |
| | Mixta Tunisia | Toll System Development Company Limited | Edo Affordable Development Limited | Summerville Golf Club Limited |
| <i>In thousands of naira</i> | | | | |
| NCI percentage | 51% | 0% | 30% | 4% |
| Gross income/(loss) | 527,992 | - | 247,650 | 1,752,127 |
| Profit | (147,229) | - | (3,616) | 449,782 |
| Profit allocated to NCI | (75,334) | - | (1,085) | 19,655 |

During the year, the company acquired the net assets of Mixta Africa S.A from ARM Holding Company Limited under a common control arrangement. The balance of N94.3million represents the amount attributable to non-controlling interest of Mixta Africa S.A arising from its holdings in Mixta Tunisia as at acquisition date of 31 December 2019.

The changes in NCI on Toll Systems Development Company Limited is as a result of a nominee arrangement between Mixta Real Estate Plc and Global Investment Colony Limited, which directly holds 30% of the equity holdings in Toll Systems Development Company to transfer full control to Mixta Real Estate Plc

| 31 December 2018 | Toll System Development Company Limited | Edo Affordable Development Housing Limited | Summerville Golf Club Limited |
|--------------------------------|--|---|--|
| <i>In thousands of naira</i> | | | |
| NCI percentage | 12% | 30% | 32.12% |
| Total assets | 84,123,048 | 2,029,155 | 40,025,180 |
| Total liabilities | (8,837,360) | (2,082,421) | (46,810,209) |
| Net assets | 75,285,688 | (53,266) | (6,785,029) |
| Carrying amount of NCI | 9,034,283 | (15,980) | (2,179,351) |
| | Toll System Development Company Limited | Edo Affordable Development Housing Limited | Summerville Golf Club Limited |
| <i>In thousands of naira</i> | | | |
| NCI percentage | 12% | 30% | 32% |
| Gross income/(loss) | 7,891,350 | - | 438,040 |
| Profit | 6,979,622 | (54,266) | (1,861,799) |
| Profit allocated to NCI | 837,554 | (16,280) | (598,010) |

Notes to the Consolidated and Separate Financial Statements
39 Reconciliation notes to consolidated and separate statement of cash flows

(a) Loans to related entities

| <i>In thousands of naira</i> | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Balance at the start of the year | 9,326,531 | 6,971,006 | 23,387,157 | 14,385,277 |
| ECL adjustment | - | (947,867) | - | (916,052) |
| Specific impairment reversal/ (loss) on loans | (623,005) | 457,003 | (619,036) | 463,639 |
| Interest income earned on loans | 1,071,764 | 998,447 | 4,424,798 | 3,137,443 |
| Interest income received | - | (41,462) | (143,514) | (41,462) |
| Reclassifications to debtors and receivables | - | - | 731,143 | - |
| Balance at the end of the year | 4,833,365 | 9,326,531 | 25,781,706 | 23,387,157 |
| Cash inflow / (outflow) | 4,941,925 | (1,889,404) | 1,998,842 | (6,358,312) |

(b) Trading properties

| | | | | |
|--|-------------------|-------------------|----------------|------------------|
| Balance at the start of the year | 29,883,828 | 30,361,980 | 2,751,116 | 4,358,846 |
| Acquired through business combination | - | 250 | - | - |
| Interest on borrowings capitalised | - | 3,240,461 | - | 5,247 |
| Reclassification to trading properties | 17,564,637 | - | - | - |
| Impairment | (1,893,601) | - | - | - |
| Balance at the end of the year | 53,809,372 | 29,883,828 | 716,940 | 2,751,116 |
| Cash inflow/ (outflow) | (8,254,508) | 3,718,863 | 2,034,176 | 1,612,977 |

(c) Debtor and prepayments

| | | | | |
|---|-------------------|------------------|-------------------|-------------------|
| Balance at the start of the year | 9,978,787 | 10,051,975 | 16,407,706 | 15,979,178 |
| Acquired through business combination | - | 91,599 | - | - |
| ECL adjustment | - | (2,338,798) | - | (860,578) |
| Specific impairment reversal/ (loss) | 1,855,275 | (515,734) | (973,662) | (528,327) |
| Reclassification from PPE | - | - | - | 5,618 |
| Share issue costs reclassified to share premium | - | - | - | - |
| Exchange gain | (329,199) | 766 | 316 | 1,501 |
| Reclassification from Deposit for shares | (169,900) | (1,461,375) | (169,900) | (1,461,375) |
| Balance at the end of the year | 17,199,138 | 9,978,786 | 16,265,254 | 16,407,706 |
| Cash inflow/ (outflow) | (5,864,176) | (4,150,353) | (1,000,795) | (3,271,689) |

(d) Other liabilities and accruals

| | | | | |
|---|-------------------|-------------------|-------------------|-------------------|
| Balance at the start of the year | 16,515,475 | 11,833,093 | 17,924,378 | 15,412,718 |
| Non-cash consideration on acquisition of subsidiary | - | (56,253) | - | (56,253) |
| VAT Paid | (185,324) | 19,562 | (21,018) | 19,562 |
| Acquired through business combination | (13,201,139) | (450,976) | - | - |
| Other non-cash adjustments | 1,892,834 | - | (3,220,711) | - |
| Balance at the end of the year | 16,313,445 | 16,515,475 | 17,595,216 | 17,924,378 |
| Cash (outflow)/ inflow | (11,695,659) | 4,194,715 | (3,570,891) | 2,474,969 |

(e) Deferred Revenue - Customer deposits

| <i>In thousands of naira</i> | Group | | Company |
|------------------------------|--------------------|------------|----------------|
| | 2019 | 12,968,545 | 2,260,294 |
| | 2018 | 4,394,441 | (9,843) |
| | Change 2019 | 8,574,104 | 2,270,137 |
| | 2018 | 4,394,441 | (9,843) |
| | 2017 | 5,161,790 | 851,039 |
| | Change 2018 | (767,349) | (860,882) |

Notes to the Consolidated and Separate Financial Statements

(f) Provisions

| | Group | Company |
|------------------------------|--------------|----------------|
| <i>In thousands of naira</i> | | |
| 2019 | - | - |
| 2018 | 3,115,988 | 410,811 |
| <hr/> | | |
| Change 2018 | (3,115,988) | (410,811) |
| <hr/> | | |
| 2018 | 3,115,988 | 410,811 |
| 2017 | 3,799,133 | 777,359 |
| <hr/> | | |
| Change 2018 | (683,145) | (366,548) |

(g) Deposit for shares

| | Group | Company |
|------------------------------|--------------|----------------|
| <i>In thousands of naira</i> | | |
| 2019 | - | - |
| 2018 | 253,746 | - |
| <hr/> | | |
| Change 2018 | (253,746) | - |

Notes to the Consolidated and Separate Financial Statements

40 Related party transactions

During the year, the Company transacted business such as the provision of real estate management services with certain companies that are regarded as related entities. The gross income derived from these related party transactions during the period ended 31 December 2019 amounted to N4,424,798,000 (31 December 2018: N3,137,443,000).

The related parties and balances for the period ended 31 December 2019 are listed below:

| Related entities | Relationship | Nature of transactions | Note | Group 31 Dec 2019 Due (to) / N'000 | Company 31 Dec 2019 Due (to) / N'000 |
|--|---------------------|-------------------------------|-------------|---|---|
| Asset & Resource Management Company Holding Company Limited | Parent | Loan to entity | 23(a) | 287,864 | - |
| | | Interest income | | 32,461 | - |
| ARM Hospitality & Retail Fund | Affiliate | Receivable from entity | 25(a) | 1,337,022 | 1,246,589 |
| | | Payable to entity | 31(a) | (5,686,941) | (5,445,310) |
| ARM Investment Managers Limited | Affiliate | Payable to entity | 31(a) | (36,533) | (33,907) |
| | | Receivable from entity | 25(a) | 72,611 | 72,611 |
| Townsville Properties Limited | Subsidiary | Loan from entity | 29(a) | (11,800,269) | (483,867) |
| | | Interest expense | | (547,409) | (172,831) |
| Cross-Town Mall Properties Limited FP2 Limited | Subsidiary | Payable to entity | 31(a) | - | - |
| | | Loan to entity | 23(a) | - | 4,274 |
| Adiva Properties Limited | Subsidiary | Interest income | | - | 41,927 |
| | | Payable to entity | 31(a) | - | (25,667) |
| Toll Systems Development Company | Subsidiary | Receivable from entity | 25(a) | - | 124,510 |
| | | Loan to entity | 23(a) | - | 576,367 |
| New Towns Development project Summerville Golf Club Limited | Subsidiary | Interest income | | - | 127,243 |
| | | Receivable from entity | 25(a) | - | 1,244,124 |
| Garden City Golf Estate Development Limited | Joint venture | Payable to entity | 31(a) | - | (1,354,467) |
| | | Loan to entity | 23(a) | - | 1,678,812 |
| ARM Trustees Limited | Affiliate | Interest income | | - | 232,105 |
| | | Payable to entity | 31(a) | - | (6,386,536) |
| ARM Life Plc | Affiliate | Receivable from entity | 25(a) | - | 549,364 |
| | | Payable to entity | 31(a) | (3,045) | (3,045) |

Notes to the Consolidated and Separate Financial Statements

| | | | | | |
|--|------------|-----------------------------|-----------|-----------|-----------|
| Mixta Africa | Subsidiary | Receivable from entity | 25(a) | - | - |
| | | Payable to entity | 31(a) | - | - |
| | | Loan to entity | 23(b) | - | - |
| | | Interest income | | 651,760 | 651,760 |
| Mixta Cote d'Ivoire | Affiliate | Receivable from entity | 25(a) | - | - |
| | | Payable to entity | 31(a) | - | - |
| Hospitality Management Company | Affiliate | Receivable from entity | 25(a) | 198,124 | 198,124 |
| ARM Hospitality & Retail Fund | Affiliate | Payable to entity | 31(a) | (36,533) | (33,907) |
| | | Receivable from entity | 25(a) | 72,611 | 72,611 |
| Oceanwinds Hospitality Limited | Affiliate | Receivable from entity | 25(a) | 553 | 553 |
| | | Payable to entity | 31(a) | (28) | (28) |
| Fara Park Limited | Affiliate | Receivable from entity | 25(a) | 52 | - |
| | | Loan from entity | 29(a) | (62,748) | - |
| | | Interest expense | | (9,826) | - |
| | | Payable to entity | 31(a) | (59,446) | (7,009) |
| Beechwood Property Development Company Limited | Affiliate | Loan from entity | 29(a) | (643,411) | - |
| | | Interest expense | | (16,427) | - |
| | | Receivable from entity | 24(a) | 494,148 | 491,952 |
| | | Payable to entity | 31(a) | (30,241) | - |
| Lakowe Lakes Golf Club Limited | Affiliate | Receivable from entity | 25(a) | 590,440 | 530,693 |
| | | Payable to entity | 31(a) | (185,171) | (100,717) |
| | | Interest income | | 195,843 | 108,439 |
| | | Loan to entity | 23(a) | 1,224,184 | 742,270 |
| Lakowe Lakes Hospitality Limited | Affiliate | Receivable from entity | 24(a) | 430,965 | 108,304 |
| | | Subscription for Investment | 25(c)(ii) | 492,906 | - |
| Mixta Africa Corporate Services Limited | Affiliate | Receivable from entity | 24(a) | - | - |
| | | Loan to entity | 23(a) | - | - |
| | | Interest income | | 176,857 | 176,857 |
| Mixta Affordable Housing Limited | Affiliate | Receivable from entity | 24(a) | - | - |
| | | Loan to entity | 23(a) | - | - |
| | | Interest income | | 8,143 | 8,143 |
| New Town Receivable | Affiliate | Receivable from entity | 25(a) | - | - |
| Corporate Lodge Home stead | Affiliate | Receivable from entity | 25(a) | 718,358 | 549,233 |

Notes to the Consolidated and Separate Financial Statements

| Related entities | Relationship | Nature of transactions | Note | Group 31 Dec 2018 Due (to) / N'000 | Company 31 Dec 2018 Due (to) / from N'000 |
|---|---------------|-----------------------------|------------|---|--|
| ARM Company Limited | Affiliate | Loan to entity | 23(a) | 224,307 | - |
| | | Interest income | | 28,800 | - |
| | | Receivable from entity | 25(a) | 1,369,237 | 1,303,967 |
| ARM Hospitality & Retail Fund | Affiliate | Payable to entity | 31(a) | (36,683) | - |
| Asset & Resource Management Company Hold Co | | Payable to entity | 31(a) | (6,611,882) | (6,419,827) |
| ARM Investment Managers Limited | | Loan from entity | 29(a) | (12,543,585) | (2,837,626) |
| | | Loan from entity | 29(a) | (7,079) | - |
| Oakland Properties Plc | Subsidiary | Loan to entity | 23(a) | - | 761,828 |
| | | Receivable from entity | 25(a) | - | 17,060 |
| | | Interest income | | - | 152,975 |
| Townsville Properties Limited | | Payable to entity | 31(a) | - | (2,600) |
| Cross Town Mall Properties Limited | Subsidiary | Payable to entity | 31(a) | - | (25,667) |
| | | Loan to entity | 23(a) | - | 334,920 |
| | | Interest income | | - | 67,251 |
| | | Receivable from entity | 25(a) | - | 19,360 |
| FP2 Limited | Subsidiary | Receivable from entity | 25(a) | - | 639,898 |
| Adiva Properties Limited | Subsidiary | Receivable from entity | 25(a) | - | 1,044,028 |
| | | Payable to entity | 31(a) | - | (1,354,367) |
| | | Loan to entity | 23(a) | - | 78,235 |
| | | Interest income | | - | (19,969) |
| Toll Systems Development Company | Subsidiary | Payable to entity | 31(a) | - | (6,044,102) |
| | | Receivable from entity | | - | - |
| New Towns Development project | Affiliate | Receivable from entity | 25(a) | 102 | 102 |
| Summersville Golf Club Limited | Subsidiary | Loan to entity | 23(a) | - | 13,233,462 |
| | | Receivable from entity | 25(a) | - | 2,589,198 |
| | | Interest income | | - | (1,928,116) |
| | | Payable to entity | 31(a) | - | 285,155 |
| | | Management fee income | | - | (260,596) |
| | | Development fee | | - | (106,920) |
| | | Subscription for investment | 25(c)(iii) | - | 6,899,930 |
| Garden City Golf Estate Development Limited | Joint venture | Loan to entity | 23(b) | 4,786,490 | 4,786,490 |
| | | Interest income | | (307,428) | (307,428) |
| | | Management fee income | | (45,450) | (45,450) |
| | | Receivable from entity | 25(a) | 8,280 | 8,280 |
| | | Payable to entity | 31(a) | (105,683) | (105,683) |
| | | Subscription for investment | 25(c)(iii) | 271,535 | 271,535 |
| ARM Trustees Limited | Affiliate | Loan from entity | 29(a) | (11,339) | (11,339) |
| | | Interest expense | | 1,730 | 1,730 |
| ARM Life Plc | Affiliate | Receivable from entity | 25(a) | (364) | (364) |
| | | Payable to entity | 31(a) | 4,145 | 4,145 |
| Mixta Africa | Affiliate | Receivable from entity | 25(a) | 93,955 | 93,955 |
| | | Payable to entity | 31(a) | (158,237) | (158,237) |

Notes to the Consolidated and Separate Financial Statements

| | | | | |
|--|------------------------|-------|------------------------|------------------------|
| Mixta Cote d'ivoire | Loan to entity | 23(b) | 3,389,434 (455,368) | 3,389,434 (455,368) |
| | Interest income | | | |
| | Receivable from entity | 25(a) | 22,911 | 22,911 |
| Affiliate | Payable to entity | 31(a) | (11,381) | (11,381) |
| Hospitality Management Company | Receivable from entity | 25(a) | 197,741 | 197,741 |
| ARM Hospitality & Retail Fund | Payable to entity | 31(a) | - | 34,057 |
| | Receivable from entity | 25(a) | - | 71,058 |
| Oceanwinds Hospitality Limited | Loan to entity | 23(a) | - | 400,000 |
| | Interest income | | | |
| | Receivable from entity | 25(a) | (45,313) | (45,313) |
| | Payable to entity | 31(a) | 553 | 553 |
| Fara Park Limited | Receivable from entity | 25(a) | 964,106 | 964,106 |
| | Loan from entity | 29(a) | (53,462) | - |
| | Interest expense | | | |
| | Payable to entity | 31(a) | (2,305) | - |
| Townsville Properties Limited | Interest expense | 31(a) | 52,385 | - |
| | Loan from entity | 29(a) | (77,889) | (34,155) |
| Beechwood Property Development Company Limited | Loan from entity | 29(a) | (560,822) | (191,825) |
| | Interest expense | | | |
| | Payable to entity | 29(a) | (74,575) | - |
| Lakowe Lakes Golf Club Limited | Receivable from entity | 25(a) | 317,954 | 317,954 |
| | Payable to entity | 31(a) | (93,253) | (47,061) |
| | Interest income | | | |
| | Loan to entity | 23(a) | 85,004 | 85,004 |
| | | | 962,571 | 580,381 |

The above receivables result from expenses incurred by the Company on behalf of the above related parties. Payables result from funds received by the Company on behalf of the related parties.

41 Contingent liabilities

The Group is presently involved in 16 (December 2018: 19) litigation suits in the ordinary course of business. The total amount claimed in the cases against the Group is estimated at N1,071,298,666.05. (December 2018: N973,997,350). The actions are being contested and the Directors are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the Group. The Directors are also not aware of any other pending or threatened claims and litigations.

42 Subsequent events

Coronavirus Disease

Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered coronavirus. Most people infected with COVID-19 virus will experience mild to moderate respiratory illness and recover without requiring special treatment. Older people, and those with underlying medical problems like cardiovascular disease, diabetes, chronic respiratory disease, and cancer are more likely to develop serious illness. The World Health Organization (WHO) on 30 January 2020 declared the outbreak as a public health emergency of international concern. The effects of the COVID-19 outbreak did not have a significant impact on global markets and share prices until after 31 January 2020.

An estimate of the financial effect of the COVID-19 cannot be made at this time.

Notes to the Consolidated and Separate Financial Statements

43 Going Concern Assessments

The Group made a post-tax loss of NGN558m on Revenue of NGN6.2Billion during the year. While the aggregate working capital and liquidity ratios showed improvements in 2019, they were not enough to reverse the negative net operating cash position. In addition, the aggregate debt level is considered short term in nature, and the profitability and liquidity ratios appear weak owing to the high debt costs. The summary position of these ratios are highlighted below:

| | 2019 | 2018 |
|-----------------------------|-------|------|
| Profitability ratios | | |
| Profit margin ratio | 0.51 | 0.93 |
| Return on Assets | -0.36 | 0.93 |
| Return on Equity | -1.04 | 2.01 |
| Liquidity ratios | | |
| Working capital ratio | 1.65 | 0.81 |
| Quick Ratio | 0.43 | 0.24 |
| Leverage ratios | | |
| Debt-Equity ratio | 1.04 | 0.64 |
| Debt ratio | 0.35 | 0.3 |

While the profitability and liquidity ratios appear weak, the company leverage ratios remain moderate

The Company outlines below the following plans for dealing with the adverse effects of the conditions and events aforementioned:

Business Initiatives

The Company's ability to successfully sell homes ahead of construction activity (presales or order book) is highly correlated to future revenue trends. During the fourth quarter of 2019, Mixta Nigeria launched the first phase of its affordable housing project and pre-sold about 250 Units in the last 2 months of the year. The product represents the largest pre-sales ever recorded by the Company on a single project within the time-frame in question. As at the end of the financial year, the Group had a total of 600 units presold in across all projects. The Directors are confident that the growth in the Company's pre-sales book will continue in 2020 and will provide a sound basis for revenue recognition as these homes are delivered to subscribers, especially those that have been pre-approved for mortgage financing through the National Housing Fund in Nigeria. As a marked departure from the past, the Company will therefore be starting the 2020 financial year with a solid order book of homes with estimated value of sales of N14.4 billion with an average deposit of 31% already made by subscribers. The cash flow impact on the Company is expected to be significant given the financing arrangements from primary mortgage institutions in Nigeria, where hitherto the Company operated instalment payment plans that required home buyers to complete payment within 36 months. Based on this, the Directors are of the view that the Company's business model will continue to protect the Company against the impact of low disposable income and cyclical economic dislocation.

Fund Raising Initiatives

The Company commenced its initiative in 2019 to raise up to N50 billion of which approximately, N33.75 billion is expected in the form of additional Equity. Upon completion, this will enable the Company to rebalance its capital structure, reduce overall debt, substitute unsuitable debt in the Company's capital structure and increase the company's capacity to fund its business plan. The exercise is expected to lead to an overall reduction in the Company's cost of funds and, correspondingly, improve operating margins. As at the time of

Notes to the Consolidated and Separate Financial Statements

signing the Financial Statements and the Directors report a substantial progress had been made in this regard and are optimistic about a successful outcome in 2020. In addition, the Company has also reached in-principle agreement with one of its main lenders to extend the maturity of its commercial bank debt to a term of over the next 4 years. As part of its objective to rebalance its debt portfolio, it also paid off the debt owed to Banco Sabadell in Spain thereby eliminating the foreign exchange exposure. The Company has commenced the process converting a portion of its short term Commercial Paper obligations into Medium-Term Bonds while a number of short term maturing obligations were successfully rolled over in 2019 with an extension of the moratorium on principal repayment on debt owed through its principal shareholder ARM. About 28% of the Company's debts fall into this category.

Overall, the Directors are confident about the prospects of the business, and their ability to effectively manage emerging risks relating to the company, the industry and the macro environment that may affect the company's Going Concern.

44 Business Combination

Acquisition of Mixta Africa S.A

On 31 December, 2019, Mixta Real Estate Plc agreed the consideration and control of Mixta Africa S.A ("Mixta Africa") by acquiring the holdings of ARM Holding Company Limited ("ARM") in Mixta Africa. The holdings acquired from ARM was based on the convertible note purchase agreement dated 31 December 2019 between both companies. The holdings acquired brings the total interest of the Company in Mixta Africa to 100%.

In determining the acquisition date, the date in which the transaction was agreed to by both parties, that is, 31 December 2019 was adopted and the financial statements of Mixta Africa as at 31st December 2019 was used in determining the net assets at acquisition date as permitted by IFRS 3. The consolidated financial statements includes the financial position of Mixta Africa at the acquisition date.

The business combination has been accounted for, from the perspective of the ultimate controlling entity (ARM). The book value of the assets and liabilities was considered instead of the fair value on the basis that the acquisition is a common control transaction and the investments simply moved from one part of the group to another. In applying book value accounting, acquisition loss was recognised in Common control acquisition deficit to reflect the difference between the consideration payable and net assets of the acquiree (Mixta Africa). The acquisition of Mixta Africa is expected to enable the Company to boost its profitability and also enable ARM focus on its traditional non-pension asset management business.

(a) Consideration

The consideration agreed for the acquisition of Mixta Africa was €33,837,304.86 - N11,648,857,640.95 This has been accounted as a irredeemable convertible notes payable to ARM.

(b) Acquisition costs

There were no cost incurred relating to the acquisition

(c) Identifiable assets acquired and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities (at book value) assumed at the acquisition date.

Notes to the Consolidated and Separate Financial Statements

In thousands of Naira **31-Dec-19**

Assets:

| | |
|---------------------------|-----------|
| Cash and cash equivalents | 1,582,386 |
| Debtors and prepayments | 995,097 |
| Trading properties | 9,344,457 |
| Other assets | 15,101 |
| Fixed assets | 176,496 |

| | |
|---------------------|-------------------|
| Total assets | 12,113,537 |
|---------------------|-------------------|

Liabilities

| | |
|---|-----------|
| Other liabilities and accruals | 8,209,847 |
| Taxation | (9,144) |
| Deferred revenue- Deposits from customers | 1,050,696 |
| Borrowings | 4,414,420 |

| | |
|--------------------------|-------------------|
| Total Liabilities | 13,665,818 |
|--------------------------|-------------------|

| | |
|---|--------------------|
| Book value of identifiable net liabilities | (1,552,282) |
|---|--------------------|

| | |
|--------------------------|-------------|
| Share capital | 1,453,940 |
| Share premium | (4,845,832) |
| Retained earnings | 1,745,305 |
| Non-controlling interest | 94,305 |

| | |
|---------------------|--------------------|
| Total equity | (1,552,282) |
|---------------------|--------------------|

(d) Determination of Common control surplus/(deficit)

Group

In thousands of Naira **31-Dec-19**

| | |
|--|-------------------|
| Consideration payable | 11,648,858 |
| Cost of equity shares acquired | |
| Pre-acquisition retained earnings | 1,552,282 |
| Common control (deficit) on acquisition | 13,201,139 |

(e) Non-Controlling Interests

NCI was recognized on a proportionate basis of identifiable net assets on acquisition as follows:

In thousands of Naira

| | |
|------------------------------|-------------|
| Net liability on acquisition | (1,552,282) |
| Share of NCI (51%) | 94,305 |

Notes to the Consolidated and Separate Financial Statements

45 Segment Reporting

The chief operating decision-maker has been identified as the Africa Management Committee (AMC).

AMC together with the Business Review Committee (BMC) reviews the company's internal reporting in order to assess performance and allocate resources. During the financial period ended December 31, 2019, the group's geographical operational segment were Nigeria, Senegal, Tunisia, Cote d'Ivoire and Morocco, Barcelona. Also, as at December 31, 2019, Mixta Real Estate Plc operations was made up of only one business segment which is Property development and sales. Property development and sales business operation is the land acquisition, development and sales; construction and sales of affordable homes and also premium homes.

The following measures are reviewed by the AMC and BRC: -

- Revenue to third parties
- Earnings before interest and tax
- Profit before tax
- Net current assets
- Property, plant and equipment

| December 31, 2019 | Nigeria | Group Others | Total |
|-------------------------------------|----------------|---------------------|--------------------|
| <i>In thousands of naira</i> | | | |
| Revenue to third parties | 6,249,788 | 2,805,992 | 9,055,780 |
| Earnings before interest and tax | 3,212,265 | (1,750,340) | 1,461,925 |
| Profit/(Loss) before tax | (2,827,290) | (2,782,707) | (5,609,997) |
| Net current assets | 28,699,797 | 6,303,578 | 35,003,375 |
| Property, plant and equipment | 11,394,026 | 185,875 | 11,579,901 |

| December 31, 2018 | Nigeria | Group Others | Total |
|-------------------------------------|----------------|---------------------|--------------------|
| <i>In thousands of naira</i> | | | |
| Revenue to third parties | 7,012,933 | 3,822,456 | 10,835,389 |
| Earnings before interest and tax | 6,513,498 | 930,426 | 7,443,924 |
| Profit/(Loss) before tax | 2,158,966 | (221,509) | 1,937,457 |
| Net current assets | (9,945,824) | 1,364,083 | (8,581,741) |
| Property, plant and equipment | 11,273,699 | 140,525 | 11,414,224 |

| December 31, 2019 | Nigeria | Company Total |
|-------------------------------------|----------------|----------------------|
| <i>In thousands of naira</i> | | |
| Revenue to third parties | 4,005,918 | 4,005,918 |
| Earnings before interest and tax | 2,228,540 | 2,228,540 |
| Profit/(Loss) before tax | (2,878,844) | (2,878,844) |
| Net current assets | (22,685,499) | (22,685,499) |
| Property, plant and equipment | 195,370 | 195,370 |

| December 31, 2018 | Nigeria | Company Total |
|-------------------------------------|----------------|----------------------|
| <i>In thousands of naira</i> | | |
| Revenue to third parties | 898,069 | 898,069 |
| Earnings before interest and tax | 2,456,392 | 2,456,392 |
| Profit/(Loss) before tax | (1,004,415) | (1,004,415) |
| Net current assets | 4,410,007 | 4,410,007 |
| Property, plant and equipment | 76,715 | 76,715 |

Notes to the Consolidated and Separate Financial Statements

46a
Condensed profit or loss
31 December 2019

In thousands of Naira

| | Group | Elimination | Mixta Real Estate Plc | Adiva Properties Limited | FP2 Limited | Toll Systems Development Company Limited | Summerville Golf Club Limited | Affordable Housing Development Limited | Townsville Properties Limited |
|--|--------------------|--------------------|-----------------------|--------------------------|----------------|--|-------------------------------|--|-------------------------------|
| Gain/(loss) on sale of trading properties | 4,411,897 | - | 1,863,021 | 83,742 | 455,734 | (13,570) | 1,991,946 | 31,024 | - |
| Fair value gain on investment property | 2,453,831 | - | - | - | - | 2,453,831 | - | - | - |
| Interest income | 1,138,406 | (3,558,288) | 4,491,423 | 32,471 | - | - | 57,637 | - | 115,163 |
| Other income | (571,552) | - | 552,963 | (50,454) | (124,110) | (28,929) | (554,829) | - | 1,325 |
| Net impairment (loss)/credit on assets | (1,749,060) | - | (2,757,079) | (133,263) | (2,505) | (715) | 1,241,190 | (399) | (96,289) |
| Operating expenses | (1,994,675) | - | (1,903,471) | (8,979) | (13,538) | (97,880) | (403,003) | (33,916) | (10,469) |
| Finance costs | (6,070,025) | 1,381,833 | (5,107,384) | (253,528) | (127,400) | (59,597) | (1,861,696) | (325) | (41,928) |
| Share of loss of equity-accounted investment | 30,471 | - | - | - | - | - | - | - | - |
| Profit/(loss) before income tax | (2,350,708) | (2,176,455) | (2,860,527) | (330,011) | 188,181 | 2,253,140 | 471,245 | (3,616) | (32,199) |
| Income tax expense | 2,269,286 | - | (63,569) | (1,620) | (3,818) | 2,382,884 | (21,463) | - | (23,128) |
| Profit/(loss) for the year | (81,422) | (2,176,455) | (2,924,096) | (331,630) | 184,363 | 4,636,024 | 449,783 | (3,616) | (55,327) |

Notes to the Consolidated and Separate Financial Statements

46b
Condensed financial position
31 December 2019

| In thousands of Naira | Group | Edo | | | | | | | | | | | | | | | |
|--|--------------------|---------------------|-------------------|-----------------------|------------------|--------------------------|-------------------|------------------|----------------|--|------------------|-------------------------------|----------------|--|----------------|-------------------------------|---------------|
| | | Elimination | | Mixta Real Estate Plc | | Adiva Properties Limited | | FP2 Limited | | Toll Systems Development Company Limited | | Summerville Golf Club Limited | | Affordable Housing Development Limited | | Townsville Properties Limited | |
| | | | | | | | | | | | | | | | | | |
| Property and equipment | 11,394,026 | - | 195,370 | - | 11,063 | - | 11,063 | - | 1,002,566 | - | 8,531 | - | - | - | - | - | - |
| Investment property | 64,900,794 | - | - | - | - | - | - | 64,000,000 | - | 900,794 | - | - | - | - | - | - | - |
| Investments in subsidiaries | 0 | (50,213,060) | 50,213,060 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity accounted investment | 1,564,547 | 70,912 | 1,439,781 | - | - | - | - | 53,853 | - | - | - | - | - | - | - | - | - |
| Goodwill | 65,485 | 56,106 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Debtors and prepayments | 1,668,025 | (16,639,379) | 2,380,808 | 2,166,520 | 1,208,099 | 5,842,726 | 6,981,283 | 386,970 | (12,805) | - | - | - | - | - | - | - | - |
| Loans to related entities | 4,534,801 | (21,977,891) | 24,315,071 | - | - | - | 426,439 | - | 270,471 | - | - | - | - | - | - | - | - |
| Total non-current assets | 84,127,678 | (88,703,311) | 78,544,090 | 2,166,520 | 1,219,162 | 69,896,579 | 18,410,288 | 1,296,295 | 257,666 | 55,471 | 107,732 | 1,404,027 | 314,746 | 4,273 | 163,804 | 186,761 | 16,788 |
| Loans to related entities | 298,564 | - | 1,466,635 | 246,073 | - | - | 31,097 | - | - | - | - | - | - | - | - | - | - |
| Trading properties | 53,809,372 | (6,678,281) | 716,940 | 2,454,628 | 343,520 | 16,391,424 | 31,128,952 | 107,732 | - | - | - | - | - | - | - | - | - |
| Debtors and prepayments | 15,531,113 | - | 13,884,447 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash and cash equivalents | 3,182,034 | - | 1,560,447 | 13,773 | 14,881 | 6,468 | 2,121 | 0 | 1,608 | - | - | - | - | - | - | - | - |
| Total current assets | 72,821,083 | (6,678,281) | 17,628,468 | 2,714,475 | 358,401 | 16,397,893 | 31,162,170 | 107,732 | 57,079 | 1,608 | 1,404,027 | 1,404,027 | 314,746 | 4,273 | 163,804 | 186,761 | 16,788 |
| Total assets | 156,948,761 | (95,381,593) | 96,172,558 | 4,880,995 | 1,577,563 | 86,294,472 | 49,572,458 | 1,404,027 | 314,746 | 1,608 | 1,404,027 | 1,404,027 | 314,746 | 4,273 | 163,804 | 186,761 | 16,788 |
| Borrowings | 42,162,110 | - | 11,184,323 | 2,076,723 | - | 492,648 | 23,989,722 | - | - | - | - | - | - | - | - | - | - |
| Deferred tax liabilities | 5,265,148 | - | 12,441 | - | - | 5,331,799 | - | - | - | - | - | - | - | - | - | - | - |
| Deposit for shares | - | (6,279,064) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irredeemable debentures | 11,648,858 | - | 11,648,858 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total non-current liabilities | 59,076,116 | (6,279,064) | 22,845,622 | 2,076,723 | - | 5,824,447 | 23,989,722 | - | 4,273 | - | - | - | - | - | - | - | - |
| Borrowings | 13,450,866 | (21,982,656) | 20,193,259 | 371,759 | 576,367 | - | 14,292,137 | - | - | - | - | - | - | - | - | - | - |
| Current income tax liability | 1,388,429 | - | 265,200 | 229,128 | 3,818 | 538,097 | 118,434 | - | - | - | - | - | - | - | - | - | - |
| Other liabilities | 16,313,446 | (10,369,292) | 17,595,214 | 2,638,386 | 397,937 | 10,214 | 2,760,227 | 1,163,217 | - | - | - | - | - | - | - | - | - |
| Deferred revenue-Deposits from customers | 12,968,545 | - | 2,260,294 | 1,058,940 | 741,983 | - | 7,542,154 | 297,690 | - | - | - | - | - | - | - | - | - |
| Provision | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total current liabilities | 44,121,286 | (32,351,948) | 40,313,967 | 4,298,213 | 1,720,105 | 548,311 | 24,712,952 | 1,460,908 | 367,353 | 1,460,908 | 1,460,908 | 1,460,908 | 367,353 | 4,273 | 163,804 | 186,761 | 16,788 |
| Total liabilities | 103,197,402 | (38,631,012) | 63,159,589 | 6,374,936 | 1,720,105 | 6,372,758 | 48,702,674 | 1,460,908 | 371,626 | 1,460,908 | 1,460,908 | 1,460,908 | 371,626 | 4,273 | 163,804 | 186,761 | 16,788 |
| Share capital | 4,914,135 | (3,189,534) | 4,914,135 | 10 | 1,000 | 2,000 | 1,731,575 | 1,000 | - | - | - | - | - | - | - | - | - |
| Share premium | 35,565,809 | (2,238,468) | 35,565,809 | - | - | 1,607,096 | 5,477,204 | - | - | - | - | - | - | - | - | - | - |

Notes to the Consolidated and Separate Financial Statements

| | | | | | | | | | | |
|-------------------------------------|--------------------|---------------------|-------------------|--------------------|------------------|-------------------|-------------------|------------------|-----------------|-----------------|
| Common control acquisition deficit | (16,121,546) | (13,965,546) | (2,156,000) | - | - | - | - | - | - | - |
| Retained earnings | 28,565,906 | (38,089,782) | (5,310,975) | (1,493,951) | (143,542) | 78,312,617 | (6,338,996) | (57,881) | (56,890) | (56,890) |
| Non-controlling interests | 827,055 | 732,750 | - | - | - | - | - | - | - | - |
| Total equity | 53,751,359 | (56,750,581) | 33,012,969 | (1,493,941) | (142,542) | 79,921,713 | 869,784 | (56,881) | (56,880) | (56,880) |
| Total liabilities and equity | 156,948,761 | (95,381,593) | 96,172,558 | 4,880,995 | 1,577,563 | 86,294,472 | 49,572,458 | 1,404,027 | 314,746 | 314,746 |



OTHER NATIONAL DISCLOSURES

Value added statement

(a) Group

| <i>In thousands of naira</i> | 2019 | % | 2018 | % |
|--|--------------------|-------------|--------------------|-------------|
| Gross earnings | 9,842,025 | | 15,988,929 | |
| Bought in goods and services | (13,318,892) | | (18,393,495) | |
| Specific impairment allowance on financial | (1,749,060) | | (1,281,892) | |
| Share of profit/(loss) of equity-accounted | 30,471 | | 70,514 | |
| | (5,195,457) | | (3,615,944) | |
| DISTRIBUTION | | | | |
| Employees cost | 579,846 | - | 513,650 | -14.2% |
| GOVERNMENT | | | | |
| Tax expense | (2,269,286) | 43.7% | 813,654 | -22.5% |
| RETAINED IN THE BUSINESS | | | | |
| Asset replacement (Depreciation) | 264,252 | -5.1% | 224,938 | -6.2% |
| Non-controlling interest | 18,570 | -0.4% | 223,264 | -6.2% |
| To pay proposed dividend | - | 0.0% | - | 0.0% |
| To augment reserves | (3,788,838) | 72.9% | (5,391,450) | 149.1 |
| | (5,195,457) | 100% | (3,615,944) | 100% |

(b) Company

| <i>In thousands of naira</i> | 2019 | % | 2018 | % |
|--|--------------------|-------------|--------------------|-------------|
| Gross earnings | 8,497,341 | | 4,105,644 | |
| Bought in goods and services | (10,202,832) | | (5,770,339) | |
| Specific impairment allowance on financial | (2,757,079) | | (1,287,849) | |
| | (4,462,570) | | (2,952,544) | |
| DISTRIBUTION | | | | |
| Employees cost | 579,846 | -13% | 476,722 | -16% |
| GOVERNMENT | | | | |
| Tax expense | 45,252 | -1% | 4,059 | 0% |
| RETAINED IN THE BUSINESS | | | | |
| Asset replacement (Depreciation) | 64,968 | -1% | 31,541 | -1% |
| To pay proposed dividend | - | 0% | - | 0% |
| To augment reserves | (5,152,636) | 115% | (3,464,866) | 117% |
| | (4,462,570) | 100% | (2,952,544) | 100% |

Five - Year Financial Summary

Group

| <i>In thousands of naira</i> | Group 31 Dec 2019 | Group 31 Dec 2018 | Group 31 Dec 2017 | Group 31 Dec 2016 | Group 31 Dec 2015 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Assets | | | | | |
| Property and equipment | 11,394,026 | 11,273,699 | 11,424,838 | 11,612,648 | 12,335,978 |
| Goodwill | 65,485 | 56,106 | | | |
| Investment property | 64,900,794 | 78,000,000 | 70,000,000 | 57,575,884 | 55,589,800 |
| Equity-accounted investment | 1,564,547 | 2,599,395 | 2,528,881 | 2,497,798 | 2,476,789 |
| Loans to related entities | 4,833,365 | 9,326,531 | 6,971,006 | 4,988,251 | 5,204,652 |
| Trading properties | 53,809,372 | 29,883,828 | 30,361,980 | 32,961,970 | 32,179,040 |
| Debtors and prepayments | 17,199,138 | 9,978,786 | 10,051,975 | 8,333,064 | 9,317,543 |
| Cash and cash equivalent | 3,182,034 | 2,792,908 | 2,094,167 | 656,838 | 848,438 |
| | 156,948,762 | 143,911,253 | 133,432,847 | 118,626,453 | 117,952,240 |
| Liabilities | | | | | |
| Deferred tax liabilities | 5,265,148 | 7,729,562 | 6,940,427 | 5,701,756 | 5,510,525 |
| Deposit for shares | - | 253,746 | 247,500 | 31,855,488 | 31,856,738 |
| Borrowings | 55,612,976 | 43,028,832 | 34,527,823 | 25,166,507 | 20,262,672 |
| Current income tax liability | 1,388,429 | 1,898,946 | 2,007,764 | 2,179,277 | 2,344,456 |
| Other liabilities and accruals | 16,313,445 | 16,515,475 | 11,833,093 | 15,216,852 | 19,871,368 |
| Deferred revenue-deposit from customers | 12,968,545 | 4,394,440 | 5,161,790 | 7,467,146 | 9,012,103 |
| Provisions | - | 3,115,988 | 3,799,133 | 2,334,379 | 967,547 |
| Irredeemable debentures | 11,648,858 | - | - | - | - |
| Total liabilities | 103,197,401 | 76,936,989 | 64,517,530 | 89,921,405 | 89,825,409 |
| Net assets | 53,751,361 | 66,974,264 | 68,915,317 | 28,705,048 | 28,126,831 |
| Capital and reserves | | | | | |
| Share capital | 4,914,135 | 4,914,135 | 4,914,135 | 841,779 | 841,779 |
| Share premium | 35,565,809 | 35,565,809 | 35,565,809 | 5,819,185 | 5,819,185 |
| Common control acquisition deficit | (14,187,630) | (2,920,407) | (2,920,407) | (2,920,407) | (2,920,407) |
| Retained earnings | 27,162,162 | 22,769,216 | 24,448,810 | 18,110,362 | 17,743,510 |
| Non-controlling interest | 296,884 | 6,645,511 | 6,906,970 | 6,854,129 | 6,642,764 |
| Shareholders' funds | 53,751,360 | 66,974,264 | 68,915,317 | 28,705,048 | 28,126,831 |
| | Group | Group | Group | Group | Group |
| <i>In thousands of naira</i> | 30 June 2019 | 31 Dec 2018 | 31 Dec 2017 | 31 Dec 2016 | 31 Dec 2015 |
| Total revenue | <u>9,872,496</u> | <u>15,988,929</u> | <u>19,049,971</u> | <u>7,344,849</u> | <u>5,246,278</u> |
| Profit before income tax | <u>(2,827,290)</u> | <u>2,158,966</u> | <u>7,945,482</u> | <u>1,257,001</u> | <u>1,370,344</u> |
| Profit for the year | <u>(558,003)</u> | <u>1,345,312</u> | <u>6,662,300</u> | <u>965,435</u> | <u>1,070,619</u> |
| Transfer to retained earnings | <u>(576,573)</u> | <u>1,122,048</u> | <u>6,640,953</u> | <u>754,070</u> | <u>607,191</u> |
| Earnings per share - Basic and diluted | <u>-6k</u> | <u>11k</u> | <u>281k</u> | <u>45k</u> | <u>36k</u> |
| Dividend per share | <u>0k</u> | <u>0k</u> | <u>18k</u> | <u>18k</u> | <u>23k</u> |

Five - Year Financial Summary

Company

| <i>In thousands of naira</i> | Company 31 Dec 2019 | Company 31 Dec 2018 | Company 31 Dec 2017 | Company 31 Dec 2016 | Company 31 Dec 2015 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| Assets | | | | | |
| Property and equipment | 195,370 | 76,715 | 92,643 | 101,924 | 98,144 |
| Investment in subsidiaries | 50,213,060 | 31,664,272 | 31,608,019 | 31,608,026 | 31,608,026 |
| Equity-accounted investment | 1,439,781 | 2,505,100 | 2,505,100 | 2,505,100 | 2,505,100 |
| Loans to related entities | 25,781,706 | 23,387,157 | 14,385,277 | 9,764,896 | 8,898,794 |
| Trading properties | 716,940 | 2,751,116 | 4,358,846 | 4,496,283 | 4,566,445 |
| Debtors and prepayments | 16,265,254 | 16,407,706 | 15,979,178 | 14,133,133 | 7,627,301 |
| Cash and cash equivalent | 1,560,447 | 2,449,820 | 1,960,482 | 522,463 | 713,296 |
| | 96,172,558 | 79,241,886 | 70,889,545 | 63,131,825 | 56,017,106 |
| Liabilities | | | | | |
| Deferred tax liabilities | 12,441 | 12,441 | 12,441 | 12,554 | 9,763 |
| Deposit for shares | - | - | - | 31,606,738 | 31,606,738 |
| Borrowings | 31,377,582 | 24,690,738 | 14,771,692 | 6,077,457 | 2,937,290 |
| Current income tax liability | 265,198 | 276,295 | 342,127 | 414,371 | 640,464 |
| Other liabilities and accruals | 17,595,216 | 17,924,379 | 15,412,718 | 18,838,960 | 15,243,180 |
| Provisions | - | 410,811 | 777,360 | 166,917 | - |
| Deferred revenue-deposit from customers | 2,260,294 | (9,843) | 851,039 | 882,519 | 126,787 |
| Irredeemable debentures | 11,648,858 | - | - | - | - |
| Total liabilities | 63,159,589 | 43,304,821 | 32,167,377 | 57,999,516 | 50,564,222 |
| Net assets | 33,012,969 | 35,937,066 | 38,722,169 | 5,132,310 | 5,452,885 |
| Capital and reserves | | | | | |
| Share capital | 4,914,135 | 4,914,135 | 4,914,135 | 841,779 | 841,779 |
| Share premium | 35,565,809 | 35,565,809 | 35,565,809 | 5,819,185 | 5,819,185 |
| Common control acquisition deficit | (2,156,000) | (2,156,000) | (2,156,000) | (2,156,000) | (2,156,000) |
| Retained earnings | (5,310,975) | (2,386,879) | 398,225 | 627,346 | 947,921 |
| Shareholders' funds | 33,012,969 | 35,937,065 | 38,722,169 | 5,132,310 | 5,452,885 |

| <i>In thousands of naira</i> | Company 31 Dec 2019 | Company 31 Dec 2018 | Company 31 Dec 2017 | Company 31 Dec 2016 | Company 31 Dec 2015 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Total revenue | 9,050,304 | 4,105,644 | 19,049,971 | 7,344,849 | 5,246,278 |
| Profit before income tax | (2,878,844) | (1,004,415) | 7,945,482 | 1,257,001 | 1,370,344 |
| Profit for the year | (2,924,096) | (1,008,474) | 6,662,300 | 965,435 | 1,070,619 |
| Transfer to retained earnings | (2,924,096) | (1,008,474) | 6,640,953 | 607,191 | 607,191 |
| Earnings per share - Basic and diluted | -30k | -10k | 281k | 45k | 36k |
| Dividend per share | - | - | 18k | 18k | 23k |









MIXTA REAL ESTATE PLC.

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Victoria Island,
Lagos.

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**PROXY FORM
MIXTA REAL ESTATE PLC
RC.NO:645036**

12th Annual General Meeting to be held at via Zoom at The Corporate Lodge, Lakowe Lakes Golf & Country Estate, Ibeju-Lekki, Lagos, Nigeria on 20th August, 2020 at 12.00 noon prompt.

being a member/members of
MIXTA REAL ESTATE PLC

Do hereby appoint

*

Or failing him the Chairman of the Meeting as my/our
Proxy to vote on my/our behalf at the General Meeting
of the Company to be held on 20th August, 2020.

Dated the ____ day of _____ 2020

Shareholder's signature _____

| RESOLUTIONS | For | Against |
|--|------------|----------------|
| ORDINARY BUSINESS | | |
| 1. To receive the Audited Financial Statements for the year ended 31st December, 2019 and the Reports of the Directors and Auditors thereon. | | |
| 2. To re-elect Directors. | | |
| 3. To authorise the Directors to fix the Remuneration of the Auditors. | | |
| 4. To elect members of the Audit Committee. | | |
| SPECIAL BUSINESS | | |
| 5. To ratify the appointment of Mr. Oladapo Oshinusi as a Director of the Company effective on 29th November, 2019. | | |
| 6. To ratify the appointment of Mr. Benson Ajayi as a Director of the Company effective on 6th February, 2020. | | |
| 7. To ratify the appointment of Mr. Sadiq Mohammed as a Director of the Company effective on 5th May, 2020 | | |

DIRECTORS

Mr. Oladapo Oshinusi (Chairman), Mr. Deji Ali, Mr. Daniel Font (Special), Mrs. Claudia Anani, Mr. Sadiq Mohammed,
Mr. Kolade Akinru-Balogun (Managing), Mr. Benson Ajayi, Mr. Ugochukwu Ndubuisi

| | | |
|--|--|--|
| <p>8. To consider and if thought fit pass the following resolution which shall be proposed as an ordinary resolution:</p> <p><i>Subject to obtaining the approval of the relevant regulatory authorities, the Directors of the Company be and are hereby authorized to issue up to 4,054,831,586 (Four Billion, Fifty-Four Million, Eight Hundred and Thirty-One Thousand, Five Hundred and Eighty-Six) ordinary shares of 50 (Fifty) kobo each in the authorized share capital of the Company to identified investor(s), by way of a private placement, at a price per share dependent on the pricing of the Company's shares in connection with the Company's contemplated Initial Public Offer, or such other price or pricing mechanics approved by the Securities and Exchange Commission and on such other terms and conditions, and at such time, as the Directors may deem fit.</i></p> | | |
| <p>9. To consider and if thought fit pass the following resolution which shall be proposed as an ordinary resolution:</p> <p><i>That the authorized share capital of the Company be and is hereby increased from N8,726,514,000 (Eight Billion, Seven Hundred and Twenty-Six Million, Five Hundred and Fourteen Thousand Naira) divided into 17,136,962,414 (Seventeen Billion, One Hundred and Thirty Six Million, Nine Hundred and Sixty-Two Thousand, Four Hundred and Fourteen) ordinary shares of 50 (Fifty) kobo each and 316,065,586 (Three Hundred and Sixteen Million, Sixty-Five Thousand, Five Hundred and Eighty-Six) convertible preference shares of 50 (Fifty) kobo each to N10,753,932,000 (Ten Billion, Seven Hundred and Fifty Three Million, Nine Hundred and Thirty-Two Thousand Naira) by the creation of:</i></p> <p><i>a. 4,054,831,586 (Four Billion, Fifty-Four Million, Eight Hundred and Thirty-One Thousand, Five Hundred and Eighty-Six) ordinary shares of 50 (Fifty) kobo each in the capital of the Company; and</i></p> <p><i>b. 4,414 (Four Thousand, Four Hundred and Fourteen) convertible preference shares of 50 kobo each in the capital of the Company</i></p> | | |
| <p>10. Having passed the resolution in agenda item 9, to consider and if thought fit pass the following resolution which shall be proposed as a special resolution:</p> <p><i>That the Memorandum of Association of the Company be and is hereby amended by deleting Clause F of the Memorandum and substituting it with the following new clause:</i></p> <p><i>"The authorized share capital of the Company is N10,753,932,000 (Ten Billion, Seven Hundred and Fifty Three Million, Nine Hundred and Thirty-Two Thousand Naira) divided into 21,191,794,000 (Twenty One Billion, One Hundred and Ninety One Million, Seven Hundred and Ninety Four Thousand) ordinary shares of 50 (Fifty) kobo each in the capital of the Company and 316,070,000 (Three Hundred and Sixteen Million, Seventy Thousand) convertible preference shares of 50 (Fifty) kobo each, in the capital of the Company. The Company may increase its share capital by the issue of new shares of such amount as it thinks expedient. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively, preferential, deferred or other special rights, privileges, conditions or restrictions".</i></p> | | |

| | | |
|--|--|--|
| <p>11. To consider and if thought fit pass the following resolutions which shall be proposed as special resolutions:</p> <p>a. "That the Articles of Association of the Company be and are hereby amended as follows:</p> <p><i>i. By deleting Article 1 and substituting it with the following new Article 1:</i></p> <p><i>"In these Articles, 'The Act' means the Companies and Allied Matters Act Chapter C20, Laws of the Federation of Nigeria 2004 (as amended, repealed or replaced from time to time); 'Applicable Law' means all applicable constitutions, treaties, statutes, laws, ordinances, regulations, directives, codes, decrees, orders, by-laws and common law or any other rule or requirement having the force of law to which the Company is subject from time to time; 'CREST' means the Certificateless Registry for Electronic Share Transfer in the United Kingdom; 'Group' means the Company and its subsidiaries; 'Record Book' means a record book of the foreign shareholders which is maintained in a country other than Nigeria; and unless the context otherwise requires, words or expressions contained in these regulations bear the same meanings as in the Act."</i></p> <p><i>ii. By deleting Article 4 and substituting it with the following new Article 4:</i></p> <p><i>" Subject to the provisions of the Investments and Securities Act, the power to allot shares shall be vested in the Company, which may delegate it to the directors, subject to the conditions or directions that may be imposed in these Articles or from to time by the Company in general meeting."</i></p> <p><i>iii. By deleting Article 4A and substituting it with the following new Article 4A:</i></p> <p><i>"Subject to the provisions of sections 136 and 137 of the Act, the Company may issue shares in return for payment in cash, for valuable consideration other than cash or payment partly in cash and partly by valuable consideration other than cash."</i></p> <p><i>iv. By deleting Article 5 and substituting it with the following new Article 5:</i></p> <p><i>"Unless otherwise directed by the Company in a general meeting, any shares for the time being unissued shall, before they are issued, be offered to all the holders in proportion, as nearly as may be, to the number of shares held by them. In so far as the new shares shall not be applied for by the holders, the same shall be at the disposal of the Directors who may allot, grant options over, or otherwise dispose of them to such persons and such terms as they shall think fit. The Directors may, in like manner, dispose of any such shares as aforesaid which by reason of the proportion borne by them to the number of shares held by the holders entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered in the manner herein before provided."</i></p> | | |
|--|--|--|

v. *By deleting Article 7 and substituting it with the following new Article 7:*

“Any person becoming entitled to a share in the consequence of the death or bankruptcy of a member shall upon evidence being produced as may from time to time be required by the directors have the right either to be registered as a member in respect of the share or instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made.”

vi. *By the insertion of a new Article 9 as follows:*

“The Company may from time to time, in general meeting, whether all the shares for the time being authorized shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its capital by the creation of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the general meeting resolving upon the creation thereof shall direct. Subject and without prejudice to any rights for the time being attached to the shares of any special class, any share in such increased capital may have attached thereto, such special rights or privileges as the general meeting resolving upon the creation thereof shall by resolution determine and in particular any such shares may be issued with a preferential, deferred or qualified right to dividends or in the distribution of assets and to the extent permitted under the Act with a special right of voting.”

vii. *By the insertion of a new Article 10 as follows:*

“Subject to the provisions of the Act, the Company may reduce its share capital, any capital redemption reserve or share premium account.”

viii. *By the insertion of a new Article 11 as follows:*

“Subject to the provisions of the Act, the Company may purchase any of its own shares (including any redeemable shares).”

ix. *By the insertion of a new Article 12 as follows:*

a) *“Every new share certificate shall be issued under the common seal of the Company (or under a securities seal or, in the case of shares on the Record Book, an official seal for use in the relevant territory), which shall only be affixed with the authority of the directors, except where the transfer or issuance was effected electronically through the Central Securities Clearing System or CREST or other applicable clearing system. The Directors are authorized to make such arrangements as they may think fit in order to enable shares in the Company to be represented by and exchanged for depositary interests which are eligible to be held and transferred in uncertificated form in a computer-based system whether located in the Federal Republic of Nigeria or in any other country. Any such arrangements shall be notified to the shareholders in such manner as the Directors may decide. No provision of these Articles shall apply or have effect to the extent that it limits the holding or transfer of such depositary interests or the shares of the Company they represent.*

b) *Provisions of these Articles shall not apply to shares of any class which are in uncertificated form to the extent that such provisions are inconsistent with:*

(i) the holding of shares of that class in uncertificated form;

*(ii) the transfer of title to shares of that class by means of a computer-based system; or
 (iii) any Applicable Law.”*

x. By the insertion of a new Article 13 as follows:

“All share certificates issued to replace ones that have been worn out, lost or destroyed shall be issued without charge, and where the holder has sold part of his holding, he shall be entitled to a certificate for the balance without charge.”

xi. By deleting Article 11 and substituting it with the following new Article 16:

“The Company shall, in each year, hold a general meeting as its annual general meeting. Unless provided otherwise in the Act, not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next and the Company shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and location, as the directors shall appoint.”

xii. By deleting Article 14 and substituting it with the following new Article 19:

“The notice required for all types of general meetings shall be at least twenty-one days’ notice in writing. The notice of all annual general meetings must be published in at least two widely read newspapers. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and in the case of special business, the general nature of that business and shall be given in the manner hereinafter mentioned, to such persons as are, under the Act, entitled to receive such notices from the Company; Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these Articles be deemed to have been duly called if it so agreed; in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat and in the case of an extraordinary general meeting by a majority in number of members having a right to attend and vote at the meeting, being a majority holding not less than ninety-five percent (95%) of the nominal value of the shares of the Company.”

xiii. By the insertion of a new Article 20 as follows:

“A printed copy and/ or electronic copy of every consolidated and separate statement of financial position (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors’ report, shall not less than twenty-one days before the date of the meeting be delivered or sent by post or electronically to the registered address of every member of the Company.”

xiv. By deleting Article 15 and substituting it with the following new Article 21:

“The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice or an error or omission in a notice with respect to the place, date, time or general nature of the business shall not invalidate the proceedings at that meeting.”

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| <p>xv. <i>By deleting Article 16 and substituting it with the following new Article 22:</i></p> <p><i>“All the business that is transacted at an extraordinary general meeting shall be deemed special, and also all business that is transacted at an annual general meeting shall be deemed special with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring, the appointment and fixing of the remuneration of the auditors and the appointment of members of the audit committee which shall be ordinary business.”</i></p> <p>xvi. <i>By deleting Article 17 and substituting it with the following Article 23:</i></p> <p><i>“No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Quorum at all general meetings shall require the presence of Members or their proxies, who hold at least 25% of the issued ordinary capital of the Company at the start and throughout the duration of such meeting. A Corporation being a Member of the Company shall be deemed for the purposes of this Article to be personally present if represented by a proxy in accordance with the provisions of section 231 of the Act.”</i></p> <p>xvii. <i>By deleting Article 29 and substituting it with the following new Article 35:</i></p> <p><i>“A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid had been received by the Company’s registrar or by Company at its registered office address before the commencement of the meeting or adjourned meeting at which the proxy is used”.</i></p> <p>xviii. <i>By deleting Article 31 and substituting it with the following new Article 37:</i></p> <p><i>“The Company shall have at least five Directors and unless and until otherwise determined by the Company in general meeting the number of Directors shall not exceed ten. The Board should should comprise of executive and non-executive directors, with at least half the board of directors comprising independent non-executive directors ”</i></p> <p>xix. <i>By the insertion of a new Article 39 as follows:</i></p> <p><i>“The Company in general meeting shall have power by ordinary resolution to remove any director (including managing director but without prejudice to any claim for damages) in accordance with Section 262 of the Act before the expiration of his term of office.”</i></p> <p>xx. <i>By deleting Article 33 and substituting it with the following new Article 40:</i></p> <p><i>“The Directors shall have power to appoint new Directors to fill any casual vacancy arising out of death, resignation, retirement or removal and a person so appointed shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.”</i></p> | | |
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xxi. *By the insertion of a new Article 43 as follows:*

“Subject to the provisions of the Act, the Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. The meeting and proceedings of each committee shall be governed by its terms of reference.”

xxii. *By the insertion of a new Article 44 as follows:*

“A Director must declare to the other Directors any situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company.”

xxiii. *By the insertion of a new Article 45 as follows*

“The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by Applicable Law:

45.1.1 any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);

45.1.2 a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of this Article 45 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises, provided that for this purpose the Director in question and any other interested Director (the “Conflicted Director”) are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.”

xxiv. *By the insertion of a new Article 46 as follows:*

“If a matter, or office, employment or position, has been authorised by the Directors in accordance with these Articles then:

46.1 the Conflicted Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;

46.2 the Conflicted Director may absent himself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and

46.3 the Conflicted Director may make such arrangements as such Director thinks fit for board and committee papers to be received and read by a professional adviser on behalf of that Director.”

xxv. *By the insertion of a new Article 47 as follows:*

“A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors pursuant to these Articles (subject in any such case to any limits or conditions to which such approval was subject).”

xxvi. By the insertion of a new Article 48 as follows:

“A Director who is in any way, directly or indirectly interested in a proposed or existing contract, transaction or arrangement with the Company must forthwith declare the nature and extent of that interest to the other Directors unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.”

xxvii. By the insertion of a new Article 49 as follows:

“Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him) is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at the meeting in relation to any resolution on which he is debarred from voting.”

xxviii. By the insertion of a new Article 50 as follows:

“Subject to the provisions of these Articles, a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

50.1 the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;

50.2 the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

50.3 any contract or arrangement by a Director to participate in the underwriting or sub-underwriting of any offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription, purchase or exchange;

50.4 any contract or arrangement concerning any other company in which the Director and any persons connected with him do not to his knowledge hold an interest in shares representing ten percent or more of either any class of the equity share capital or the voting rights in such company. For the purpose of this paragraph, there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director’s interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder;

50.5 any arrangement for the benefit of Directors or employees of the Company or directors or employees of any of its subsidiaries which does not award him any privilege or benefit not generally awarded to the other persons to whom such arrangement relates;

50.6 any proposal concerning any insurance which the Company is empowered to purchase and/or maintain exclusively for or for the benefit of inter alia such Directors of the Company.”

xxix. By the insertion of a new Article 51 as follows:

“Subject to Applicable Laws, where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) or subject to the provisions of the Act, the termination of appointment (including fixing or varying the terms of such termination) of two or more Directors to or from offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and counted in the quorum) in respect of each resolution except that concerning his own appointment or termination of appointment.”

xxx. By the insertion of a new Article 52 as follows:

“If any question shall arise at any time as to the materiality of a Director’s interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting (or if the Director concerned is the chairman to the other Directors at the meeting) and his or their ruling (as the case may be) shall be final and conclusive except in a case where the nature or extent of the interests of such Director has not been fairly disclosed.”

xxxi. By the insertion of a new Article 53 as follows:

“Subject as otherwise provided in the Applicable Law or in these Articles, a Director may be in any way, directly or indirectly, interested in any contract or arrangement or transaction with the Company and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof. For the avoidance of doubt, the Company shall have no claim arising from, or in consequence of, the Director’s interest in any contract or arrangement or transaction within the scope of this Article 53 and Article 44 and the Director shall not breach any of his duties to the Company as a result of having that interest.”

xxxii. By the insertion of a new Article 54 as follows:

“For the purposes of this Article 54 and Article 44 above, an interest of a person who is, connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has.”

xxxiii. By the insertion of a new Article 55 as follows:

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| <p><i>“An interest of a Director may be declared at a meeting of Directors, by notice in writing pursuant to Section 277 of the Act and the directors shall at all times comply with the provisions of the Act.”</i></p> <p><i>xxxiv. By the insertion of a new Article 56 as follows:</i></p> <p><i>“The business of the Company shall be managed by the Directors, who shall act in accordance with the provisions of the Act and these Articles.”</i></p> <p><i>xxxv. By the insertion of a new Article 57 as follows:</i></p> <p><i>“The Board is accountable and responsible for the performance and affairs of the Company and shall oversee the effective performance of the management of the Company. The Board shall ensure that the Company carries out its business in accordance with its Memorandum and Articles of Association and in conformity with all Applicable Laws.”</i></p> <p><i>xxxvi. By deleting Article 36 and substituting it with the following new Article 58:</i></p> <p><i>“There shall be a Board of Directors of the Company constituted by the current directors of the Company at every time. The Directors shall appoint amongst themselves a Chairman who shall preside over the meetings of the Board of Directors but if the Chairman is not present within five minutes after the time appointed for holding the meeting, the Directors may choose one of their number to be Chairman of the meeting. At all times, the position of the Chairman of the Board and the Chief Executive Officer shall be separate and held by different individuals.”</i></p> <p><i>xxxvii. By deleting Article 38 and substituting it with the following new Article 60:</i></p> <p><i>“The Board of Directors shall hold meetings as many times during the year as they deem necessary, provided that such meetings are held not less than four times in a year, once every quarter.”</i></p> <p><i>xxxviii. By deleting Article 39 and substituting it with the following new Article 61:</i></p> <p><i>“Unless and until otherwise determined by the Board of Directors, there shall be given fourteen days’ notice in writing to all directors entitled to receive notice of meeting of directors.”</i></p> <p><i>xxxix. By the insertion of a new Clause 65 as follows:</i></p> <p><i>“All or any of the Directors or any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is. Subject to the Act, all business transacted in such manner by the Directors or a committee of the Directors shall be deemed to be validly and effectively transacted at a meeting of the Directors or a committee thereof notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place.”</i></p> | | |
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xl. By deleting Article 44(3) and substituting it with the following new Article 69:

“In addition to the appointment of a Managing Director, the Board of Directors may from time to time, subject to complying with Applicable Law, appoint Executive Directors for a fixed term or subject to regulatory ceiling as to the period for which they are to hold such office, and may from time to time remove any Executive Director from the office and appoint another or others in his or their place or places”

xli. By deleting Article 45.

xlii. By deleting Article 47 and substituting it with the following new Article 71:

“The Board of Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party. Provided that the amount for the time being remaining undischarged of moneys borrowed or secured by or on behalf of the Company and its subsidiaries (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business and exclusive of borrowings owing by one member of the Group to another member of the Group) shall not at any time without the previous sanction of the Company in a general meeting exceed 100 times the aggregate of the amount for the time being paid up on the share capital of the Company and the amount standing to the credit of the Company’s reserves so however that no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit is observed. In exercising the power conferred by this Article 71, the Board of Directors shall be bound to obey the directions and instructions which may from time to time be pronounced by the members in general meeting.”

xliii. By the insertion of a new Article 74 as follows:

“The Board of Directors of the Company shall from time to time determine, by a majority vote, whether to recommend to the Company that dividends should be declared, and the extent of such dividends. Dividends shall be declared by the Company in general meeting, but no dividends shall exceed the amount recommended by the Directors.”

xliv. By the insertion of a new Article 75 as follows:

“No dividends shall be paid otherwise than out of the profits and the declaration of the Directors as to the amount of profits of the Company shall be conclusive.”

xlv. By the insertion of a new Article 76 as follows:

“Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividends is paid.”

xlvi. By the insertion of a new Article 77 as follows:

“In accordance with the provisions of section 382 of the Act, all unclaimed dividends may be invested in an investment outside the Company for the

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| <p><i>Company's benefit until claimed, and no interest shall be paid on dividends."</i></p> <p><i>xlvi. By the insertion of a new Article 78 as follows:</i></p> <p><i>"The Company reserves the right to forfeit unclaimed dividends which remain unclaimed for a period of 12 years after the declaration of the dividend. Such unpaid dividend shall be properly reflected on the Company's account."</i></p> <p><i>xlviii. By deleting Article 50 and substituting it with the following new Article 79:</i></p> <p><i>"(A) The Directors shall cause accounting records to be kept with respect to:</i></p> <ul style="list-style-type: none"> <i>i). Entries from day to day of all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;</i> <i>ii). All sales and purchases of goods by the Company;</i> <i>iii). A record of the assets and liabilities of the Company;</i> <i>iv). Statements of stocks held by the Company at the end of each year;</i> <i>v). All statements of stocktaking from which any such statement of stock as is mentioned in (iv) above has been or is to be prepared; and</i> <i>vi). Except in the case of goods sold by way of ordinary retail trade, statements of all goods sold and purchased, showing the goods and the buyers and sellers in sufficient detail to enable all these to be identified.</i> <p><i>(B). Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.</i></p> <p><i>(C) A printed copy of every consolidated and separate statement of financial position (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall not less than twenty-one days before the date of the meeting be delivered or sent by post or electronically to the registered address of every member.</i></p> <p><i>xlix. By the insertion of a new Article 82 as follows:</i></p> <p><i>"Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act or any applicable regulation for the time being in force."</i></p> <p><i>l. By deleting Article 53 and substituting it with the following new Article 83:</i></p> <p><i>"A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if he has no registered address within Nigeria) to the address, if any, within Nigeria supplied by him to the Company for the giving of notice to him. When a notice is 12</i></p> <p><i>sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and such notice shall be deemed to be effected, in the case of a notice of meeting, on the seventh day after the day on which the letter containing the same was posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post."</i></p> <p><i>By the insertion of a new Article 85 as follows:</i></p> <p><i>"Every director, managing director, agent, auditor, secretary and any other officer for the time being of the Company, shall be so far as is lawful,</i></p> | | |
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| <p><i>indemnified out of the assets of the Company against any liability incurred by him in or about the execution and discharge of the duties of the office.”</i> <i>By the insertion of a new Article 86 as follows:</i> <i>A Shareholder, shall to the extent applicable, notify the Company of its percentage holding in compliance with the notification requirement of all Applicable Laws including the rules of any exchange on which the shares of the Company are listed or traded</i></p> | | |
| <p>12. To consider and if thought fit pass the following resolution which shall be proposed as an ordinary resolution:</p> <p><i>a. “That the Company be and is hereby authorized to establish and adopt a management share option scheme pursuant to the Company’s Share Option Policy (the “Policy”) which sets out the option grants, vesting schedule and other terms and conditions of the scheme;</i></p> <p><i>b. That the shareholders hereby waive their preemptive rights over the shares and hereby delegate to the directors the power to allot shares from time to time in furtherance of the management share option scheme;</i></p> <p><i>c. The total number of shares of the Company that will be held under the Policy or management share option scheme will not exceed ten (10%) percent of the issued share capital of the Company;</i></p> <p><i>d. That the Board of Directors, management and officers of the Company be and are hereby authorized to perform all such other acts and do all such other things as may be necessary to give effect to the foregoing resolutions.”</i></p> | | |
| | | |
| <p>Please indicate with an “X” in the appropriate column, how you wish your votes to be cast on the resolutions set out above.</p> | | |

This proxy form should **NOT** be completed and sent to the registered office of the Registrar if the member would be attending the Meeting in person.

NOTES

1. A member (shareholder) who is unable to attend an Annual General Meeting is allowed to vote by proxy. This proxy form has been prepared to enable you exercise your vote if you cannot personally attend. All proxy forms should be deposited at the registered office of the Registrar (as stated in the notice) not later than 48 hours before the meeting.
2. 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 *) the name of any person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
3. In the case of joint shareholders, any of them may complete the form, but the names of all joint shareholders must be stated.
4. If executed by a corporation, the proxy form should be sealed with the common seal or under the hand of some officers or an attorney duly authorized.
5. The proxy must produce the Admission form sent with the Report and Accounts to obtain entrance at the Meeting.

IF YOU ARE UNABLE TO ATTEND, PLEASE DO THE FOLLOWING:

- a. Write the name of your proxy (if any) where marked *
- b. Ensure that the form is signed by you

- c. Tear the proxy Form along the perforated lines and post so as to reach the registered office of the Registrar not later than 48 hours before the time of holding the Meeting.





MIXTA REAL ESTATE PLC.

No 8 Kasumu Ekemode Street,
Off Saka Tinubu Street,
Victoria Island,
Lagos.

+234 (1) 270 1093-6

www.mixtafrica.com

ADMISSION FORM

MIXTA REAL ESTATE PLC.
Annual General Meeting admission

Please admit

To the 12th Annual General Meeting of Mixta Real Estate Plc which will be held via Zoom at The Corporate Lodge, Lakowe Lakes Golf & Country Estate, Ibeju-Lekki, Lagos, Nigeria.

IMPORTANT NOTICE:

The admission card must be presented by the Shareholder or his proxy in order to obtain entrance to the Annual General Meeting. Shareholders or their proxies are requested to sign the admission card in the appropriate place before attending the Meeting.

ARM TRUSTEES LIMITED

Company Secretary

.....THE ANNUAL
GENERAL MEETING TO BE HELD via Zoom AT THE CORPORATE LODGE, LAKOWE LAKES
GOLF & COUNTRY ESTATE, IBEJU-LEKKI, LAGOS, NIGERIA
ON THE 20TH OF AUGUST, 2020 AT 12 NOON.

I/We _____ * being a Shareholder/Shareholders of MIXTA
REAL ESTATE PLC. hereby appoint _____ * of
_____ or failing him the Chairman of the Meeting as my/our proxy
to act and vote for me/us at the Annual General Meeting of Mixta Real Estate Plc. to be held on 20th August,
2020 at 12 noon.

Dated this _____ day of _____, 2020

Signature _____

* Kindly fill in CAPITAL LETTERS.

Please indicate with an “X” in the appropriate column, how you wish your votes to be cast on the resolutions set out above.

DIRECTORS

Mr. Oluwadapo Oshinusi (Chairman), Mr. Daji Ali, Mr. Daniel Fort (Specialist), Mrs. Clarette Anani, Mr. Sadiq Mohammed,
Mr. Kola Ashiru-Balogun (Managing), Mr. Benson Ajayi, Mr. Ugochukwu Ndubuisi



E-DIVIDEND MANDATE ACTIVATION FORM

INSTRUCTION

Please complete all section of this form to make it eligible for processing and return to the address below.

The Registrar

Africa Prudential Plc
 220B, Ikorodu Road, Palmgrove, Lagos.

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my /our bank detailed below:

Bank Verification Number (BVN):

Bank Name:

Bank Account Number:

Account Opening Date: DD MM YYYY

SHAREHOLDER ACCOUNT INFORMATION

Gender: Male Female

Surname/Company's Name First Name Other Name

Address

City State Country

Previous Address (if any)

Clearing House Number (CHN) (if any) Name of Stockbroking Firm

Mobile Telephone 1 Mobile Telephone 2

E-mail Address

Signature: Signature: Company Seal (if applicable)

Joint/Company's Signatories

DISCLAIMER

"In no event shall Africa Prudential Plc be liable for any damages, losses or liabilities including without limitation, direct or indirect, special, incidental, consequential damages, losses or liabilities, in connection with your use of this form or your inability to use the information, materials, or in connection with any failure, error, omission, defect, delay in operation or transmission, or system failure, even if you advise us of the possibility of such damages, losses or expenses, whether express or implied in respect of such information."

Please tick against the company(ies) where you have shareholdings

CLIENTELE


1. AFRICA PRUDENTIAL PLC
2. ABBEY MORTGAGE BANK PLC
3. AFRILAND PROPERTIES PLC
4. ALUMACO PLC
5. A & G INSURANCE PLC
6. A.R.M LIFE PLC
7. ADAMAWA STATE GOVERNMENT BOND
8. BECO PETROLEUM PRODUCTS PLC
9. BUA GROUP
10. BENUE STATE GOVERNMENT BOND
11. CAP PLC
12. CAPP AND D'ALBERTO PLC
13. CEMENT COY. OF NORTHERN NIG. PLC
14. CSCS PLC
15. CHAMPION BREWERIES PLC
16. CWG PLC
17. CORDROS MONEY MARKET FUND
18. EBONYI STATE GOVERNMENT BOND
19. GOLDEN CAPITAL PLC
20. INFINITY TRUST MORTGAGE BANK PLC
21. INVESTMENT & ALLIED ASSURANCE PLC
22. JAIZ BANK PLC
23. KADUNA STATE GOVERNMENT BOND
24. LAGOS BUILDING INVESTMENT CO. PLC
25. MED-VIEW AIRLINE PLC
26. MIXTA REAL ESTATE PLC *(formerly ARM Properties Plc)*
27. NEXANS KABLEMETAL NIG. PLC
28. OMOLUABI MORTGAGE BANK PLC
29. PERSONAL TRUST & SAVINGS LTD
30. P.S MANDRIDES PLC
31. PORTLAND PAINTS & PRODUCTS NIG. PLC
32. PREMIER BREWERIES PLC
33. RESORT SAVINGS & LOANS PLC
34. ROADS NIGERIA PLC
35. SCOA NIGERIA PLC
36. TRANSCORP HOTELS PLC
37. TRANSCORP PLC
38. TOWER BOND
39. THE LA CASERA CORPORATE BOND
40. UACN PLC
41. UNITED BANK FOR AFRICA PLC
42. UNITED CAPITAL PLC
43. UNITED CAPITAL BALANCED FUND
44. UNITED CAPITAL BOND FUND
45. UNITED CAPITAL EQUITY FUND
46. UNITED CAPITAL MONEY MARKET FUND
47. UNITED CAPITAL NIGERIAN EUROBOND FUND
48. UNITED CAPITAL WEALTH FOR WOMEN FUND
49. UNIC DIVERSIFIED HOLDINGS PLC
50. UNIC INSURANCE PLC
51. UAC PROPERTY DEVELOPMENT COMPANY PLC
52. UTC NIGERIA PLC
53. WEST AFRICAN GLASS IND PLC

OTHERS:

e-SHARE REGISTRATION APPLICATION FORM

Dear Registrar,

Please take this as authority to activate my account(s) on your SharePortal where I will be able to view and manage my investment portfolio online with ease.

*** = Compulsory fields**

1. *SURNAME/COMPANY NAME:

2. *FIRST NAME:

3. OTHER NAME:

4. *E-MAIL:

5. ALTERNATE E-MAIL:

6. *MOBILE NO.: 7. SEX: MALE FEMALE

8. ALTERNATE MOBILE NO.:

9. *POSTAL ADDRESS:

10. CSCS CLEARING HOUSE NO.: **C**

11. NAME OF STOCKBROKER:

DECLARATION

"I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details."

Signature:

Signature:

Joint/Company's Signatories

Company Seal (if applicable)

DISCLAIMER

"In no event shall Africa Prudential Plc be liable for any damages, losses or liabilities including without limitation, direct or indirect, special, incidental, consequential damages, losses or liabilities, in connection with your use of this form or your inability to use the information, materials, or in connection with any failure, error, omission, defect, delay in operation or transmission, or system failure, even if you advise us of the possibility of such damages, losses of expenses, whether express or implied in respect of such information."

Please tick against the company(ies) where you have shareholdings

CLIENTELE

- | | |
|---|--------------------------|
| 1. AFRICA PRUDENTIAL PLC | <input type="checkbox"/> |
| 2. ABBEY MORTGAGE BANK PLC | <input type="checkbox"/> |
| 3. AFRILAND PROPERTIES PLC | <input type="checkbox"/> |
| 4. ALUMACO PLC | <input type="checkbox"/> |
| 5. A & G INSURANCE PLC | <input type="checkbox"/> |
| 6. A.R.M LIFE PLC | <input type="checkbox"/> |
| 7. ADAMAWA STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 8. BECO PETROLEUM PRODUCTS PLC | <input type="checkbox"/> |
| 9. BUA GROUP | <input type="checkbox"/> |
| 10. BENUE STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 11. CAP PLC | <input type="checkbox"/> |
| 12. CAPP AND D'ALBERTO PLC | <input type="checkbox"/> |
| 13. CEMENT COY. OF NORTHERN NIG. PLC | <input type="checkbox"/> |
| 14. CSCS PLC | <input type="checkbox"/> |
| 15. CHAMPION BREWERIES PLC | <input type="checkbox"/> |
| 16. CWG PLC | <input type="checkbox"/> |
| 17. CORDROS MONEY MARKET FUND | <input type="checkbox"/> |
| 18. EBONYI STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 19. GOLDEN CAPITAL PLC | <input type="checkbox"/> |
| 20. INFINITY TRUST MORTGAGE BANK PLC | <input type="checkbox"/> |
| 21. INVESTMENT & ALLIED ASSURANCE PLC | <input type="checkbox"/> |
| 22. JAIZ BANK PLC | <input type="checkbox"/> |
| 23. KADUNA STATE GOVERNMENT BOND | <input type="checkbox"/> |
| 24. LAGOS BUILDING INVESTMENT CO. PLC | <input type="checkbox"/> |
| 25. MED-VIEW AIRLINE PLC | <input type="checkbox"/> |
| 26. MIXTA REAL ESTATE PLC (formerly ARM Properties Plc) | <input type="checkbox"/> |
| 27. NEXANS KABLEMETAL NIG. PLC | <input type="checkbox"/> |
| 28. OMOLUABI MORTGAGE BANK PLC | <input type="checkbox"/> |
| 29. PERSONAL TRUST & SAVINGS LTD | <input type="checkbox"/> |
| 30. P.S MANDRIDES PLC | <input type="checkbox"/> |
| 31. PORTLAND PAINTS & PRODUCTS NIG. PLC | <input type="checkbox"/> |
| 32. PREMIER BREWERIES PLC | <input type="checkbox"/> |
| 33. RESORT SAVINGS & LOANS PLC | <input type="checkbox"/> |
| 34. ROADS NIGERIA PLC | <input type="checkbox"/> |
| 35. SCOA NIGERIA PLC | <input type="checkbox"/> |
| 36. TRANSCORP HOTELS PLC | <input type="checkbox"/> |
| 37. TRANSCORP PLC | <input type="checkbox"/> |
| 38. TOWER BOND | <input type="checkbox"/> |
| 39. THE LA CASERA CORPORATE BOND | <input type="checkbox"/> |
| 40. UACN PLC | <input type="checkbox"/> |
| 41. UNITED BANK FOR AFRICA PLC | <input type="checkbox"/> |
| 42. UNITED CAPITAL PLC | <input type="checkbox"/> |
| 43. UNITED CAPITAL BALANCED FUND | <input type="checkbox"/> |
| 44. UNITED CAPITAL BOND FUND | <input type="checkbox"/> |
| 45. UNITED CAPITAL EQUITY FUND | <input type="checkbox"/> |
| 46. UNITED CAPITAL MONEY MARKET FUND | <input type="checkbox"/> |
| 47. UNITED CAPITAL NIGERIAN EUROBOND FUND | <input type="checkbox"/> |
| 48. UNITED CAPITAL WEALTH FOR WOMEN FUND | <input type="checkbox"/> |
| 49. UNIC DIVERSIFIED HOLDINGS PLC | <input type="checkbox"/> |
| 50. UNIC INSURANCE PLC | <input type="checkbox"/> |
| 51. UAC PROPERTY DEVELOPMENT COMPANY PLC | <input type="checkbox"/> |
| 52. UTC NIGERIA PLC | <input type="checkbox"/> |
| 53. WEST AFRICAN GLASS IND PLC | <input type="checkbox"/> |

OTHERS:

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos. Tel: 07080606400

ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja. Tel: 09-2900873

PORT-HARCOURT: Oklen Suite Building (2nd Floor), No. 1A, Evo Road, GRA Phase 2. Tel: 084-303457

E-MAIL: cfc@africaprudential.com | www.africaprudential.com | @afriprud



E-SERVICE/DATA UPDATE FORM

KINDLY FILL AND RETURN FORM TO ANY OF OUR OFFICE ADDRESSES STATED BELOW | * = COMPULSORY FIELDS

1. *SURNAME/COMPANY NAME

2. *FIRST NAME 3. OTHER NAME

4. *GENDER M F 5. E-MAIL

6. ALTERNATE E-MAIL 7. *DATE OF BIRTH

8. *MOBILE (1) (2) DD MM YY YY

9. *ADDRESS

10. OLD ADDRESS (if any)

11. *NATIONALITY 12. *OCCUPATION

13. *NEXT OF KIN NAME MOBILE

14. *MOTHER'S MAIDEN NAME

15. BANK NAME 16. A/C NO.

17. A/C NAME 18. A/C OPENING DATE DD MM YY YY

19. BANK VERIFICATION NO. (BVN) 20. NAME OF STOCKBROKING FIRM

21. CSCS CLEARING HOUSE NO. (CHN) C

DECLARATION

"I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details."

Signature:

Signature:

Joint/Company's Signatories

Company Seal (if applicable)

DISCLAIMER

"In no event shall Africa Prudential Plc be liable for any damages, losses or liabilities including without limitation, direct or indirect, special, incidental, consequential damages, losses or liabilities, in connection with your use of this form or your inability to use the information, materials, or in connection with any failure, error, omission, defect, delay in operation or transmission, or system failure, even if you advise us of the possibility of such damages, losses or expenses, whether express or implied in respect of such information."

Please tick against the company(ies) where you have shareholdings

CLIENTELE

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4. ALUMACO PLC
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7. ADAMAWA STATE GOVERNMENT BOND
8. BECO PETROLEUM PRODUCTS PLC
9. BUA GROUP
10. BENUE STATE GOVERNMENT BOND
11. CAP PLC
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13. CEMENT COY. OF NORTHERN NIG. PLC
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E-MAIL: cfc@africaprudential.com | www.africaprudential.com | @afriprud





UNCLAIMED DIVIDEND LIST

| S/N | Holder Name | | |
|-----|--|----|----------------------------------|
| 1 | ARM INVESTMENT MANAGERS LIMITED (NOMINEE) | 30 | OZOH IKECHUKWU BONIFACE |
| 2 | JOHA GLOBAL SOLUTION | 31 | MASTERMINDS GLOBAL RESOURCES LTD |
| 3 | ADIC INSURANCE PLC | 32 | EDOZIEN NDIDI |
| 4 | LION BUILDINGS LIMITED | 33 | ABIOLA AYOBOLA OLUWAFEMI |
| 5 | AKOMAYE EMMANUEL | 34 | MAJEKODUNMI KOFOWOROLA ADEDAMOLA |
| 6 | OYEWOLE OLUMUYIWA | 35 | BLUESTONE CAPITAL NIG LTD |
| 7 | LOKPOBRI HEINEKEN | 36 | OHIWEREI OKIEMUTE GLORIA |
| 8 | SALAG LIMITED | 37 | KUPOLATI FUNLOLA |
| 9 | MR& MRS V.O.DANIA | 38 | OGUNSULIRE YINKA |
| 10 | ADELE-ADEWOLE RASAQ ADEAGBO | 39 | OCHADA GREGORY ONYEBUCHI |
| 11 | VGARDEN INVESTMENT LTD | 40 | CECILIA MADUEKE |
| 12 | AXIAL NIGERIA LTD | 41 | ILORI EYITAYO JNR |
| 13 | OLADUNNI AYODEJI | 42 | ADEWOLE ADESUA OMOLEGHO |
| 14 | VETIVA NOMINEES A/C IMPACT INVESTMENT CLUB | 43 | NNAMDI MELIE |
| 15 | VETIVA NOMINEES A/C VIMP 1083 | 44 | OGBIMI JOSHUA OKIREMUTE |
| 16 | ALHASSAN MOHAMMED SANI | 45 | SIDI NASIRU SHEHU |
| 17 | OGUNBIYI THEOPHILUS AYO JAMES | 46 | EMMANUEL PAULKER |
| 18 | ESEKA JOSEPH ONUORA | 47 | KOHOL MIKE TYONONGU |
| 19 | VETIVA NOMINEES A/C VIMP 1143 | 48 | ODUTAYO GBOLAHAN OLADIPO |
| 20 | MAJEKODUNMI OMOWUNMI OYINKANSOLA | 49 | ONASANYA ONABANJO S |
| 21 | BAJAH DORIS OMERESAN | 50 | ADEBOYE FOLUKE |
| 22 | NIGEL ABIODUN SOSAN | 51 | DABUGAT TUKDAT |
| 23 | BIMSUKA INVESTMENTS LTD | 52 | OHIWEREI EHINMIGBAI OTOIDE |
| 24 | GIWA SHAMSUDEEN ADEMOLA | 53 | GARBA JUSTICE MUSA |
| 25 | EZENACHUKWU STELLA ITEMIMIE | 54 | ESTATE OF DR. OLUKAYODE ADELAJA |
| 26 | SAGOE AYODELE KOFI | 55 | HARLEQUIN INVESTMENTS LIMITED |
| 27 | EZENACHUKWU OBIANUJU NADINE | 56 | NYAKO HALIMA |
| 28 | GBOLAHAN FUNSHO | 57 | ODOGWU KENNY |
| 29 | S-DOUGLAS IBITROKO | 58 | BUNU KANAA IBRAHIM |

UNCLAIMED DIVIDEND LIST

| | | | |
|----|--------------------------------------|-----|-----------------------------------|
| 59 | BAKEL VIRGINUS | 89 | CHUKWU CLEMENT OBINWANNE |
| 60 | MAYUKU TAIWO | 90 | ORUENE IKIOENE WORIPAGA |
| 61 | STOCKOGEST NIG. LTD | 91 | AKINSANYA OLADAPO OLUSOLA |
| 62 | VETIVA NOMINEES A/C ANTHONY RICKETTS | 92 | EKPO SUNDAY JIMMY |
| 63 | SHODUNKE ADEKUNLE | 93 | BUHARI MANNIRA |
| 64 | IHEKWUMERE UTO | 94 | AKPATA OLUMIDE |
| 65 | AWOYEMI OBAFEMI | 95 | OGHIDE ANTHONY IDAHOSA |
| 66 | RANDLE FOLASADE | 96 | KAYLOPE COY LTD |
| 67 | LAWAL ISIOMA | 97 | ESEKA CHUKA JNR. |
| 68 | AGODI KAREEM ADISA | 98 | JIMOH RAUFU MUIDEEN |
| 69 | NDIFE EDWIN O | 99 | OKONKWO JOSEPH CHIBUZO |
| 70 | CHIWETALU UCHE | 100 | OGUNSANWO JOSEPH MOTUNRAYO |
| 71 | ADEMOLA ADIGUN | 101 | FADIPE CHINEZE MAUREEN |
| 72 | IMASEKHA ABIEYUWA | 102 | AZUBUIKE UCHE |
| 73 | SUARA ADEYEMI MISBAU | 103 | IMASUEN OSAGIE ESEOGHENE HARRISON |
| 74 | AJAO ROTIMI | 104 | EJIM CHINENYE NWAOGO CHUKWU |
| 75 | ONI TEMITOPE ADEMOLA | 105 | METANOIA CONCEPTS |
| 76 | EZEKIEL OSASUMWEN | 106 | AKINYOMBO OLUGBENGA AKINTUNDE |
| 77 | EDUN OLUYEMISI | 107 | EZE CHUKA CELESTINE |
| 78 | AWOYEMI OLUBUNMI | 108 | SHONEKAN OLATUNDE |
| 79 | OGHENEKARO IGHOJOVBE WINIFRED | 109 | OKARO NDUBUISI |
| 80 | IYAMABO PATRICK | 110 | ALIYU MOHAMMED LAWAL |
| 81 | AKINLUYI KIKELOMO CHRISTY | 111 | AJOSE-ADEOGUN ABAYOMI OKURIYIKE |
| 82 | FOLAWIYO MF | 112 | OLADUNJOYE MUSTAPHA OLUSOLA |
| 83 | ABOABA GEORGE OLUMUYIWA | 113 | AIKHUEMELO TOPE-PHILLIPS OSOBASE |
| 84 | EGBUZIE CLETUS UZODIMAH | 114 | ALELE-WILLIAMS GRACE AWANI |
| 85 | ONASANYA OLAYINKA MODUPE | 115 | OYEWOLE JOSEPH OYETUNDE |
| 86 | ONAFOWOKAN OLUBUNMI ADEPEJU | 116 | GHEYSEN REAL LIMITED |
| 87 | UME-EZEOKE CHUKWUDI PHILIP | 117 | OSHOSANYA JUMOKE |
| 88 | KARIM AYODEJI ADEBAYO | 118 | GENITY LTD |

UNCLAIMED DIVIDEND LIST

| | | | |
|-----|----------------------------------|-----|-------------------------------|
| 119 | GBAJABIAMILA AMINAT | 146 | EDUN AYODEJI OLUTOSIN |
| 120 | SANYAOLU JONATHAN AYO | 147 | OLOWU ABIOLA GBOLAGUNTE |
| 121 | AKINWUNMI AYODELE PATRICK | 148 | EDUN AYOYIMIKA OLUWATOBI |
| 122 | AYORINDE TAIWO OLUFUNKE | 149 | ARASTUS BARNABAS INYAWEBOWE |
| 123 | SONEYE OLUYEMI BABATUNDE | 150 | ILORI JOSEPH OSUNTOLA |
| 124 | ONYENWENU ONYEMACHI MICHAEL | 151 | FARINDE OLUWAKEMI |
| 125 | GOSEN INTERNATIONAL AGENCIES LTD | 152 | BAYO ALI |
| 126 | AGBI OLUBAYODE ABIMBOLA | 153 | OLUGHU WILLIAMS CHIDOZIE |
| 127 | AJAYI EMEKA OLATUNJI | 154 | OGHWIE OKPAKO FRANCIS |
| 128 | OWONUBI OLUWAKEMI ABIODUN | 155 | AGBESE SAMUEL AGBESE |
| 129 | EDUN AYODIWURA OLUWABUSAYO | 156 | ESAN JACOB |
| 130 | AJIBOLA OMOSALEWA MORIAMO | 157 | OGIRRI ROBERT OSHIOKE |
| 131 | ONIOVOKUKOR LUCKY OCHUKO | 158 | LADEJO MARY KEHINDE |
| 132 | DANMOLA ADEOLA | 159 | OKOLO UCHENNA VIVIAN |
| 133 | MOHAMMED IYABO | 160 | HAWKSWORTH INVESTMENT LIMITED |
| 134 | ALADE SUNDAY | 161 | RAMADAN AYUBA |
| 135 | SHELL COOPLAG/ OLANIYAN OLAYINKA | 162 | AKINSEYE OLUWABUNKUNMI |
| 136 | ALIYU GARBA FATIMA | 163 | FABOLUDE OLADEJO ADEBOLA |
| 137 | AMADI VALETINE CHUKWUEBUKA | 164 | UBA BISIKE OBIOHA |
| 138 | KIRTAP (HOLDINGS) LIMITED | 165 | MR & MRS UKEJE |
| 139 | ADEWUNMI OLUSHOLA OMOWUNMI | 166 | KOLAWOLE ZAID AYODEJI |
| 140 | BIOBAKU ZUBIEDAT BOLARIN | 167 | OKALLA CHRISTIAN CHUKWUEMEKA |
| 141 | CAPGEMINI INVESTMENTS LIMITED | 168 | AKINOLA ADESOLA OLUWASEUN |
| 142 | OSINUBI PATIENCE ADEPEJU | 169 | IKEOKWU VIVIAN CHIOMA |
| 143 | FABOLUDE EMUOBOSA HELEN | 170 | OLA-SHODUNKE IFEDEYI |
| 144 | ROTIS NIGERIA LIMITED | 171 | SOMORIN DAVID OLALEKAN |
| 145 | OJEIKERE OMOLEGHO | 172 | OBIJIAKU PRINCE TOOCHUKWU |
| 146 | EDUN AYODEJI OLUTOSIN | 173 | OKOH MODUPE & BABATUNDE |
| 147 | OLOWU ABIOLA GBOLAGUNTE | 174 | ADEJUWON OLUMUYIWA |
| 148 | EDUN AYOYIMIKA OLUWATOBI | 175 | IRELE MODUPEOLA |

UNCLAIMED DIVIDEND LIST

| | | | |
|-----|-------------------------------|-----|---------------------------------|
| 149 | ARASTUS BARNABAS INYAWEBOWE | 179 | ILO DANIEL CHINEDUM |
| 150 | ILORI JOSEPH OSUNTOLA | 180 | AIKU ADEYOJU PETER |
| 151 | FARINDE OLUWAKEMI | 181 | OSIYALE BOLARINWA OLUGBENGA |
| 152 | BAYO ALI | 182 | DURU VITALIS CHUKWUEMEKA |
| 153 | OLUGHU WILLIAMS CHIDOZIE | 183 | PETERS FUNKE |
| 154 | OGHWIE OKPAKO FRANCIS | 184 | MUSA RAHMAT AZUMI |
| 155 | AGBESE SAMUEL AGBESE | 185 | KOLA ASHIRU-BALOGUN |
| 156 | ESAN JACOB | 186 | FAGBUYI OLALEKAN OLADIPUPO |
| 157 | OGIRRI ROBERT OSHIOKE | 187 | ALIU SOLA |
| 158 | LADEJO MARY KEHINDE | 188 | OSAZUWA PETER OSAGIE |
| 159 | OKOLO UCHENNA VIVIAN | 189 | LENBOROGGH BUSINESS CONCERN LTD |
| 160 | HAWKSWORTH INVESTMENT LIMITED | 190 | NWOSU NJIDEKA ROSEMARY |
| 161 | RAMADAN AYUBA | 191 | POPOOLA NOJEEEM OLALEKAN |
| 162 | AKINSEYE OLUWABUNKUNMI | 192 | OKE OLATUNBOSUN AYOTUNDE |
| 163 | FABOLUDE OLADEJO ADEBOLA | 193 | OYEWUMI LATEEF ADELEKE |
| 164 | UBA BISIKE OBIOHA | 194 | AHANEKU ESURU |
| 165 | MR & MRS UKEJE | 195 | EDUN MOJISOLA FOLUKE |
| 166 | KOLAWOLE ZAID AYODEJI | 196 | AKINSANYA FELIX ADEOLU |
| 167 | OKALLA CHRISTIAN CHUKWUEMEKA | 197 | MR & MRS EYO |
| 168 | AKINOLA ADESOLA OLUWASEUN | 198 | MOGAJI MOSHOOD OLUSEGUN |
| 169 | IKEOKWU VIVIAN CHIOMA | 199 | BAJO OLADIPO BABATUNDE |
| 170 | OLA-SHODUNKE IFEDEYI | 200 | MAHOUD SHARFUDDREEN ZUBAIR |
| 171 | SOMORIN DAVID OLALEKAN | 201 | ADEBAYO BASHIR GBOLAGADE |
| 172 | OBIJIAKU PRINCE TOOCHUKWU | 202 | AKINLOYE YETUNDE OLAJUMOKE |
| 173 | OKOH MODUPE & BABATUNDE | 203 | OLA-SHODUNKE INIOLUWA |
| 174 | ADEJUWON OLUMUYIWA | 204 | EMEKENE OWHOLOGBO DANIEL |
| 175 | IRELE MODUPEOLA | 205 | ONYEBUCHI NNAMDI CYRIACUS |
| 176 | EBONG INA ROSE | 206 | ADEWOYE OLUWAFEMI ABIODUN |
| 177 | ARIJE RASHEED ORİYOMI | 207 | ONOH ONUBOGU MOSES |
| 178 | GEORGE TITILAYO ESTHER | 208 | ISMAIL OLUGBENGA OLADIPUPO |

UNCLAIMED DIVIDEND LIST

| | | | |
|-----|--------------------------------|-----|------------------------------------|
| 209 | OWO OLUWASEYI SOLOMON | 239 | ESEGINE GLORIA EJIROGHENE |
| 210 | EGBEJULE DAVID OYEH | 240 | AHMED AISHA SHAMSUNA |
| 211 | OLA-SHODUNKE IFEJOLADE | 241 | FAJIMI EBUNOLUWA ADELOMO |
| 212 | COCODIA ENERE | 242 | OROPO ABDULSALAM OLALEKAN |
| 213 | OWOTURO OLUWAFEMI OLUDARA | 243 | OBI THOMPSON J |
| 214 | MAJEKODUNMI OLUMUYIWA OLUJINMI | 244 | SULE BASHIR UMAR |
| 215 | IRONTA JOHN | 245 | OHAGWU UCHENNA JOSEPH |
| 216 | AILEOBINI ABDULHAREEM EKHA | 246 | IKE SARAH CHINWENDU |
| 217 | FALOLA KAYODE OLADELE | 247 | GOUCHOEKPON GREGOWA |
| 218 | ADEWALE EMMANUEL OLUFEMI | 248 | AONDONA-ATE BLESSING |
| 219 | ABIMBOLA HENRY TUESDAY | 249 | BAMISHILE-RICHARDS DAVID OLUWANIYI |
| 220 | EMUH EVELYN EGHOGHO | 250 | FADAIRO OLUTUNDE ADEYANJU |
| 221 | UDEOGARANYA OBINNA PATRICK | 251 | UDOH IMOH SUNDAY |
| 222 | LADEJO OLUTOSIN CHARLES | 252 | OBUA IFEANYI |
| 223 | OBELE BROWNSON OBARIDOA | 253 | ODUTOLA IYABO |
| 224 | SOLA-ADEYEMI ADEBISI JOSEPHINE | 254 | SOLANKE ADEDAMOLA ABIODUN |
| 225 | IBEABUCHI ANANABA | 255 | RAJI SAIDI OLADIMEJI |
| 226 | ANIBABA AFOLABI ISRAEL | 256 | DINA DEBO |
| 227 | FATUNBI MICHAEL | 257 | BULUKU OGHENEKEVWE PAUL |
| 228 | ANUWE OMOLARA EBELE | 258 | EZEKWEM UGONNA GRACE |
| 229 | AZOM PRINCE NNAMDI | 259 | AMOS OLUFUNKE ESTHER |
| 230 | EZEM MAUREEN FAITH | 260 | PARIOLA ANGEL |
| 231 | NZEKA CHUKA | 261 | NOBLE FAITH CATERERS |
| 232 | ADELEYE TAIWO ADEWALE | 262 | ADEKEYE ADEBUKOLA |
| 233 | ITSUELI MARY ENOREDIA | 263 | NWODIKA OBIANUJU OGOCHUKWU |
| 234 | OMODELE BABATOPE AYODELE | 264 | DADA ABIMBOLA JANET |
| 235 | KETIKU OMOBAYODE OLUWASEUN | 265 | ABAYOMI MICHEAL OLUTAYO |
| 236 | NWOWU EUNICE | 266 | ABAMIC RESERVES LIMITED |
| 237 | OLU-DANIEL OMOSEEKE ODUNAYO | 267 | AJIJOLA MARIAN ENIOLA |
| 238 | ORAGWU CHINNEZE THOMAS | 268 | AMINU OLUBUNMI |

UNCLAIMED DIVIDEND LIST

| | | | |
|-----|-----------------------------------|-----|------------------------------------|
| 269 | BALOGUN OLATUNDE BAYO | 299 | AWANI JUDE EDEMA |
| 270 | OBIAKOR KINGSLEY .A & NGOZI L | 300 | BODUNRIN REIM |
| 271 | FARINDE OLUWATOFARATI MOTOROLA | 301 | UKAH CHRISTOPHER OGBONNAYA |
| 272 | UME-EZEOKE CHUKWUNONSO ANGELINA | 302 | ALAO-SAMSON OLARENWAJU |
| 273 | UGOCHUKWU UZONDU MARCELLINIUS | 303 | EBE DAISY OMOYEMWEN |
| 274 | MONYEH MARGARET NWAKANMA | 304 | MBAEGBU IJEOMA KELECHI |
| 275 | FETUGA TOLULOPE BABATUNDE | 305 | NJERE JOY CHIAKA |
| 276 | OSENI MORUFU BABALOLA | 306 | OJO ADEREMI ALABI |
| 277 | ONWUKA CHINYERE MARTINA | 307 | GIDADO TAOFEEK TAIWO |
| 278 | OBOT IDORENYIN | 308 | ALABI OMOWONUOLA.O & BABAJIDE .T |
| 279 | ALLEN ADEDOJA SHERIFAT | 309 | ALAKIJA ADEYEMO CUDJOE |
| 280 | AKUNNA CHARLES | 310 | AMOO BABAMAYOWA |
| 281 | EBADIN MARIA EHIIOGHILEN | 311 | CHUKWUEBUKA SOLOMON N |
| 282 | ATOBATELE OLUWATOSIN OPEYEMI | 312 | DANIEL-ADEBAYO OLUYEMISI MOPELOLA |
| 283 | OTUDERO VICTORIA OLU DAMILOLA | 313 | ANOCHE IFEYINWA MAUREEN |
| 284 | TARIBO PAUL IJIOMA | 314 | OLAGUNJU DEBORAH AJOKE |
| 285 | AKINBOBOYE AKINOLA AFOLABI | 315 | ANOCHE CHIMEZIE |
| 286 | ONIYANGI ASMAU GOGO | 316 | EREBOR OSAYUWARE |
| 287 | ONAJIN TOLULOPE OLAMIDE OLAJUMOKE | 317 | ASHI-SULAIMAN OLUFEMI ABDUL-HAFEEZ |
| 288 | OGU B N | 318 | OWOLABI GBENGA OLANREWAJU |
| 289 | ANIMASHAUN AL-FURQAN FOLORUNSHO | 319 | MUTAIRU HABEEBULLAH OLORUNNISHOLA |
| 290 | ADEDIRAN OLANIKE TOLULOPE | 320 | EJIM BERNARD CHIDOZIE |
| 291 | OMOTOLA OMOLOLA OLUWABUNMI | 321 | ADASEN UFUOMA |
| 292 | OLORUNYOMI ALICE | 322 | MARINHO IBIKUNLE JOSEPH |
| 293 | SHITTU OREOLUWA ZAINAB | 323 | ADENIYI OLANIYI |
| 294 | ANNAM (MINOR) DANIEL U | 324 | OPUZI NATHANIEL OYINKURO |
| 295 | ANIMASHAUN NADIA OLAOLUWA | 325 | EZE NKERIRUKA FAVOUR |
| 296 | AKELE DOKPE OHONMOIME | 326 | ALONGE FOLAKEMI BOSEDE |
| 297 | TARIBO MARKSON | 327 | ONIANWA AZUKA ANDRE |
| 298 | AKINSEYE ADENIKE BOLANLE | 328 | ADEFILA BIODUN EBUN |

UNCLAIMED DIVIDEND LIST

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| 329 | MOMODU-MUSA JAMILA | 359 | OBURO NGOZICHUKWUKA ANDREW |
| 330 | DAN-MUSA EYITAYO | 360 | OKAFOR CAROLINE NKECHI |
| 331 | FAMUREWA OLUWAMODUPE EBENEZER | 361 | GREEN-NWODIM EMILY |
| 332 | ESOMOJUMI ADEMOLA | 362 | OMOEJE OBINNA BENJAMIN |
| 333 | NDUDIRIN CHIEDOZIEM | 363 | OGUNNOWO OLUSOLA OLURANTI |
| 334 | AMINU OLUWATOFUNMI | 364 | SHODIMU OYEYEMI JULIUS |
| 335 | OGUINE NONYELUM BENNY | 365 | OMOREGIE FRIDAY NOSA |
| 336 | ANNAM (MINOR) ARIT O | 366 | OKOLI IKECHUKWU EZEKIEL |
| 337 | BELEJIT AYISIOGAK | 367 | ADENIJI OLUKEMI |
| 338 | DIVINE NOBLE FAITH VENTURES | 368 | ADEYEMI JESUTOFUNMI |
| 339 | ABDULLAHI HAFSATU | 369 | OMOLOLA OLAITAN ODUNUGU |
| 340 | GENESIS 1 SCULPTURE ENT | 370 | OKORO IKONMWOSA CLARA |
| 341 | IGBOKWE AHAMEFULA | 371 | ODUMOSU ABIMBOLA |
| 342 | DADA ODUNAYO AFOLABI | 372 | OJO BABATUNDE OPEYEMI |
| 343 | TAIRU RASHEED | 373 | NNOKA JULIET OGECHUKWU |
| 344 | AILENBUADE CHRISTOPHER | 374 | OLORUNYOMI OLUREMI |
| 345 | DAPO-MAKANJUOLA IFEJESUDAMISI EBUNJESU | 375 | UTOMI LOVE ONYEJIZURU |
| 346 | SIYANBADE REVEREND AKINDELE OLUSEGUN | 376 | NDUDIRIM N EUCHARIA |
| 347 | ADEGBITE GIDEON OLUWASEGUN | 377 | AJIBADE ADEOLA ABOSEDE |
| 348 | IFEJIOFOR EBERECHUKWU CHUKWUDIOGO | 378 | ADESINA AYOKUNLE EBENEZER |
| 349 | ADEPOJU GBENGA ABIOLA | 379 | NDUDIRIM CHIBUEZE F |
| 350 | OGU NDUDIRIM BETHRAND | 380 | IWUALA CHUKWUNOMNSO EDMOND |
| 351 | USMAN MURTALA | 381 | ODUWOLE OLUSEUN |
| 352 | EWUZIE CHINEDUM CHIKA | 382 | ODEYEMI AKINTUNDE OLANIYI |
| 353 | EMMANUEL IKE NAOMI AMARACHUKWU | 383 | OKIKE REX OKORIE |
| 354 | MAMUKUYO OLUBUNMI | 384 | YUSUPH MEDINAH OLUWABIMPE |
| 355 | ADISA AYOOLA | 385 | EDAFE OGHENERUKEWE ALEXANDER |
| 356 | OLUGBENGA NSE-ABASI | 386 | AKUNYIBA EMEKA |
| 357 | POPOOLA OLUWASEUN SUNDAY | 387 | EZEANOWAI-OBIEZU COSMAS OKECHUKWU |
| 358 | OLOGE STANLEY OWORUA | 388 | OJI MICHAEL OGBONNAYA |

UNCLAIMED DIVIDEND LIST

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| 389 | ANYANWU EMMANUEL OKECHUKWU | 419 | ADELEKAN ABIOYE |
| 390 | YUSUF SUNDAY | 420 | KAMSON ABISOLA |
| 391 | OYEWOLE OLANREWAJU BAMIDELE | 421 | OMONFOMAN AKHERE PHILIP |
| 392 | MAMUKUYO ADESOLA | 422 | SOWEMIMO OLUKEMI SUSAN |
| 393 | LAWANI OLUWATOSIN | 423 | ETIM CHRISTOPH |
| 394 | ESOMOJUMI EBUNOLUWA | 424 | SHOLUMADE TITILAYO |
| 395 | ESOMOJUMI FOLARIN | 425 | OHWOVORIOLE AKPIFO ONOME |
| 396 | AIMIUWU DONNA OSASUMWEN | 426 | ONIWINDE ADEBOYE TAIWO |
| 397 | UGWU STEPHEN IKECHUKWU | 427 | EMENUWA & IJEOMA JAJA-WACHUKU |
| 398 | EDENARU MABEL EHIOSU | 428 | ONIWINDE ADEBOYE TAIWO |
| 399 | IJADIMINI ABIOLA ABIODUN | 429 | ANIMASHAUN OMOWUNMI |
| 400 | ADEBAJO ADEGBOYEGA | 430 | OGUNLEYE AKINWALE GBENGA |
| 401 | ALONGE OLUBUSAYO EZEKIEL | 431 | RABIU TAJUDEEN OLAWALE |
| 402 | OLANIYAN BANJI | 432 | GANIYU KUDIRAT MOTUNRAYO |
| 403 | VETIVA NOMINEE OLUSEGUN OYEKANMI | 433 | ONIWINDE KEHINDE OLUSEGUN |
| 404 | ADEFOPE ADEDOTUN OLUWATOSIN | 434 | ONIWINDE TAIWO ADEWUNMI |
| 405 | EHIEDU AGHARINMA | 435 | ADETUTU SIYONBOLA GANIAT |
| 406 | ONWUKA IJEOMA | 436 | SAIDI BANKOLE |
| 407 | AKINRO OLADAPO | 437 | IBIROGBA F.M. |
| 408 | COKER ADEDOYIN APINKE | 438 | AKINDELE BABATUNDE SALAMI |
| 409 | ADEWUNMI OPEYEMI HELEN | 439 | OYEFESO J.O. |
| 410 | OKUNUBI GABRIEL ADETOLA | 440 | ELENITOLA-JOHNSON OMOLOLA |
| 411 | OBUKEOWHO OGHENEWAWARE BRIGHT | 441 | DUROJAIYE ANTHONIA O. |
| 412 | OLOLADE ATOLOYE | 442 | ABDULYEKINI MAKANJUOLA OLADAYO |
| 413 | ONAWUNMI OLAWUNMI YETUNDE | 443 | MAUDLINE UZOHO |
| 414 | JIBOWU ADEALAFIA | 444 | AYODELE OLUMIDE BABATUNDE |
| 415 | OPEODU IBUKUN OLUGBENGA | 445 | OMOTAYO TAIWO |
| 416 | FATOGUN ENIOLA OLUFISAYO | 446 | AJADI YEKINI OLAREWAJU |
| 417 | IWUAJOKU CHINYERE BEATRICE | 447 | OGUN O. |
| 418 | OLUSOJI-OKE OLAIDE OLUWATOYIN | 448 | ONIWINDE YINKA |

UNCLAIMED DIVIDEND LIST

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| 449 | ADEDIGBA OLAEISI | 479 | ROBSON EMMANUEL |
| 450 | OLUYOMI ONIWINDE | 480 | AZEEZ KAMAR |
| 451 | ODIBA D.E. | 481 | ALUGWE NDUBUISI |
| 452 | OLAJIDE DOYIN | 482 | OYELEKE KEHINDE |
| 453 | MAKANJUOLA MORAYO | 483 | OLUSANYA FEYI |
| 454 | ADEMOLA OGUNFOLU | 484 | OKORONKWO CHIJI |
| 455 | OLUGBOSUN ARIYO AYO | 485 | ODETOLA KAYODE |
| 456 | AREGBESOLA KOLAWOLE FRANCIS | 486 | OLUWASHINA KEMI |
| 457 | OLAWALE E.O. | 487 | MOHAMMED SADIQ |
| 458 | OLABISI ADEBISI | 488 | ALABI BUNMI |
| 459 | ALICE ONYEN ADEJO | 489 | NWANKWO NGONZI |
| 460 | EJIKE IGBOKWE LAMBERT | 490 | EZE EMMANUEL |
| 461 | IGBASANMI JOHN OLATOMIDE | 491 | OLOMO OPE |
| 462 | NNAMDI PATRICK UGOCHUKWU | 492 | OGUNSOLA LATEEF |
| 463 | OYEDELE ABDULAZEEZ ADEMOLA TAIWO | 493 | AGUSIOBO OGO |
| 464 | TUNDE MOSHOOD ISIAKA | 494 | OTUFOWORA BOSE |
| 465 | SHEHU MALLAM MIKAIL | 495 | OLATOYE MAYOWA |
| 466 | BINUYO SHARAFA TEJU | 496 | ADEPOJU TEMITAYO |
| 467 | ALADE WILLIAMS | 497 | TUNDE-ANJIOUS DEJI |
| 468 | LUKMAN YUSUF OLAITAN | 498 | AKINLEYE LOLA |
| 469 | ERINFOLAMI BALOGUN GAFAR OLOLADE | 499 | AJAYI BENSON |
| 470 | BANJI OLUGBOSUN | 500 | POPOOLA OLUFEMI |
| 471 | ALABI STEPHEN ABAYOMI | 501 | ISMAIL OLUSHOLA |
| 472 | OKUBANJO SEGUN | 502 | OLADEHIN FEMI |
| 473 | FAGBEMI OLOYEDE | 503 | ALLI DEJI |
| 474 | CHUKWUKERE GABRIEL CHIDIEBERE | 504 | OLOWOKANDE NIKE |
| 475 | CHIDI-EZIRIM LILLIAN | 505 | EKEZIE OGOCHUKWU SYLVIA |
| 476 | ODUTOLA WALE | 506 | ALLINSON BUNMI |
| 477 | ABOSI KALU | 507 | OGEIMUDIA OSAHON |
| 478 | ADETUGBO TOLU | | |





