MIXTA AFRICA

Future-Proofing:
Scalable Affordable Housing

ANNUAL REPORT 2023

"Investing in affordable housing is investing in the future of Nigeria."

Yemi Osinbajo

NOTICE OF 16TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 16th Annual General Meeting of **Mixta Real Estate Plc (the "Company")** will be held at The Civic Centre, Ozumba Mbadiwe Road, Victoria Island, Lagos State, Nigeria on **Thursday, 1st August 2024 at 11am prompt,** to transact the following business:

Ordinary Business

1. To receive the Audited Financial Statements for the year ended 31st December 2023 and the Reports of the Directors and Auditors thereon;

2. To re-elect directors;

3. To authorize the Directors to appoint Deloitte & Touche as External Auditors for the Financial Year ending 31st December 2024 and to fix their remuneration;

4. To elect members of the Audit Committee; and

5. To disclose the remuneration of the Managers of the Company.

Special Business

6. To consider and if thought fit, pass the following resolution as a special resolution:

   "That the Articles of Association of the Company be and is hereby amended by the deletion of Article 37 and substitution with the following new clause:

"The Company shall have at least five (5) directors and unless and until otherwise determined by the Company in a general meeting, the number of directors shall not exceed twelve (12) directors.

7. To ratify the appointment of Mrs. Enitan Rewane as a Director of the Company, with effect from 17th May 2024.

8. To ratify the appointment of Mr. Larry Ettah as a Director of the Company, with effect from 17th May 2024.

9. To ratify the appointment of D. Olatunde Laoye as a Director of the Company, with effect from 17th May 2024.

10. To ratify the appointment of Mr. Wale Odutola as a Director of the Company, with effect from 1st July 2024.

11. To consider and if thought fit, pass the following resolution as an ordinary resolution:

"That the remuneration of the Directors as proposed by the Board at its meeting of 18th December 2023 be and is hereby fixed at N42,500,000 (Forty-Two Million Five Hundred Thousand Naira only) and at N34,600,000 (Thirty-Four Million Six Hundred Thousand Naira only) for the Chairman.

Dated this 26th day of June 2024
By Order of the Board

UGOCHUKWU NDUBUISI
COMPANY SECRETARY

NOTES

Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his stead. 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. A proxy form is printed at the back of the Audited Financial Statements.

Closure of Register & Transfer Books

NOTICE IS HEREBY GIVEN that the Register of Members and Transfer Books of the Company will be closed on 25th July 2024.

Audit Committee

As stipulated in Section 404(6) of the Companies and Allied Matters Act, 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

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.

TABLE OF CONTENTS

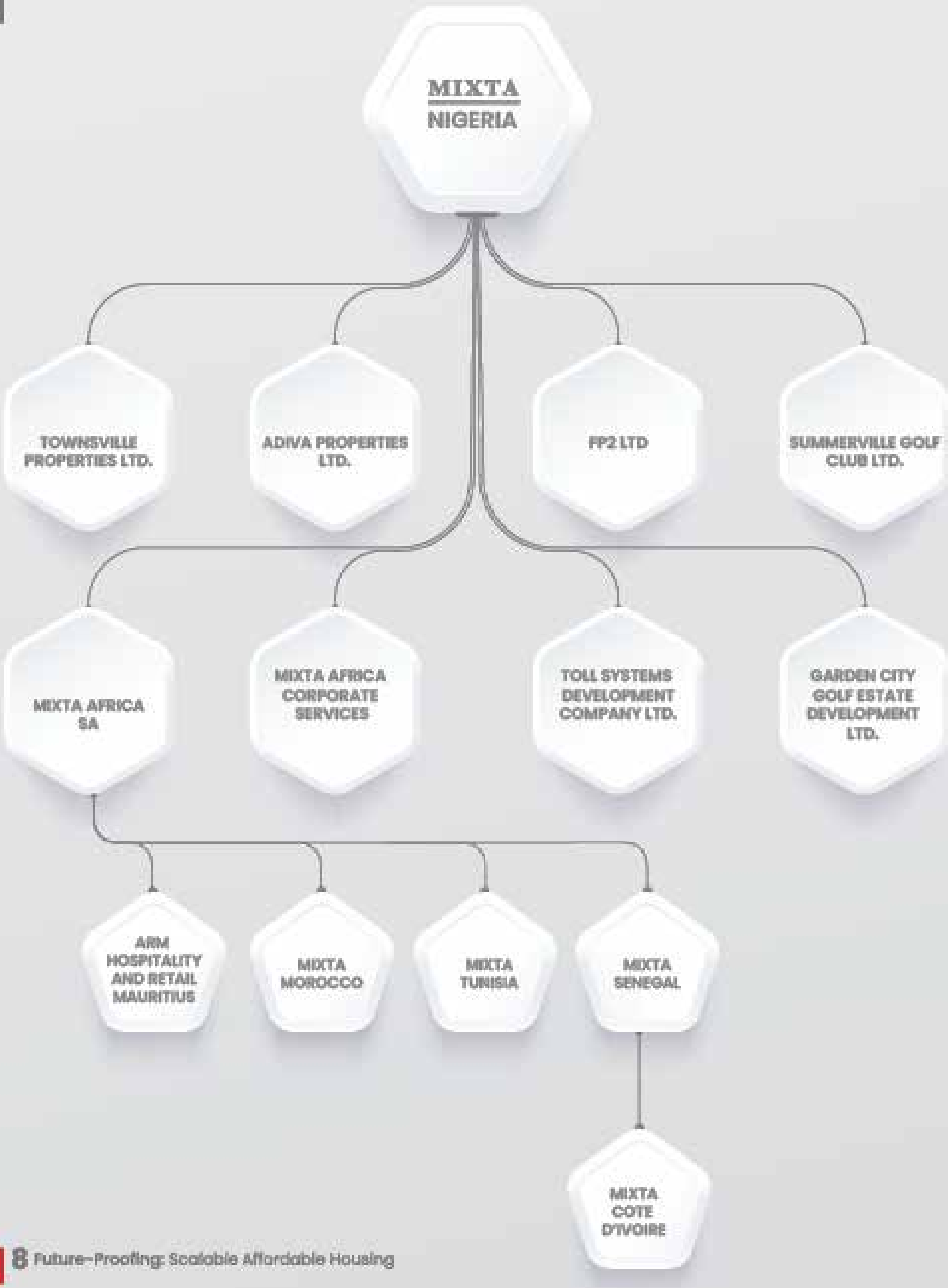
About Mixta Africa

Established in 2005, Mixta Africa has been at the forefront of real estate initiatives spanning Nigeria and Africa as a whole. Operating in five African countries, including Tunisia, Morocco, Senegal, and Côte d'Ivoire, Mixta Africa holds the distinction of being Nigeria's premier real estate entity.

With close to 30,000 residential and retail units delivered, Mixta Africa is the epitome of excellence within the real estate sector. Our flagship project in Nigeria, Lagos New Town, highlights our unwavering dedication to pioneering innovation and sustainable growth in urban environments.

Driven by a singular mission, Mixta Africa strives to leave an enduring impact while cultivating communities across the African continent. Guided by principles of sustainability, economic empowerment, and social harmony, we hope to shape a brighter tomorrow for generations to come.

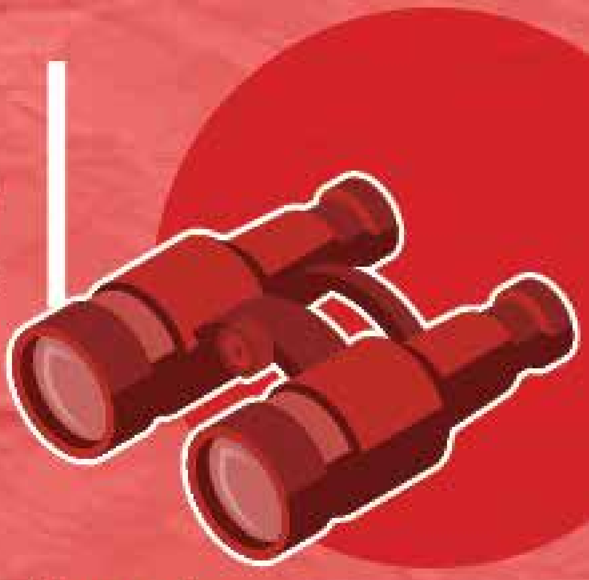
HOLDING STRUCTURE



MIXTA'S GEOGRAPHICAL PRESENCE

Mission

Creating value for clients by delivering innovative solutions



Vision

To be Africa's foremost real estate developer

Purpose

Creating value for clients by delivering innovative solutions

Core Values

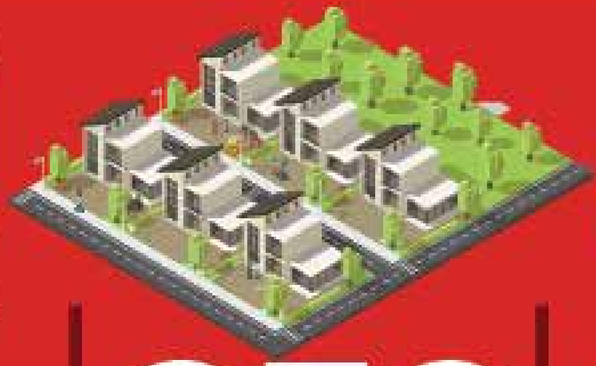
- Excellence in Product Delivery
- Strong Relationships
- Continuous Learning
- Innovative Solutions

2023 PERFORMANCE HIGHLIGHTS

KEY PERFORMANCE INDICATORS

17.0
BILLION NAIRA

Total Revenue



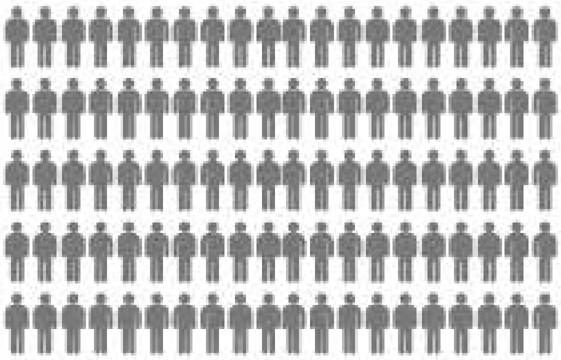
650
Units Delivered

35%
Land Bank Improvement

duo

Rent to Own Scheme first release

SOLD OUT



x 10

1000+ Individuals

Empowered through educational and business initiatives.

> We are dedicated to future-proofing our business, ensuring sustainability, innovation, and adaptability in an ever-evolving market landscape.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to welcome you to the 16th Annual General Meeting of your Company and to present the Annual Report and Financial Statements for the 2023 Financial Year. While reflecting on the prevailing challenges affecting the real estate sector, I must acknowledge the effectiveness of our business strategy as well as the resilience of our management, both of which have enabled us to navigate existential risks faced by all players in the industry.

Despite the unprecedented headwinds, your Company showcased exceptional resilience and flexibility in responding to these challenges This has enabled us to maintain a steadfast commitment to our vision of becoming Africa's foremost real estate company and through which we aim to create value for our clients by delivering innovative and exceptional real estate solutions.

BACKGROUND AND OPERATING ENVIRONMENT

In 2023, just as major markets began to adjust to the lingering effects of the pandemic, new challenges arose on the back of global economic recession and various geopolitical conflicts. These resulting economic disruptions had ripple effects across different sectors, including real estate.

In like manner, the energy crisis resulting from the conflict in Ukraine led to increased costs of construction inputs and transportation, leading to lower demand for new housing and housing affordability.

AFRICA'S ECONOMY

Through out the financial year, the African economy showed resilience amidst significant challenges. Although initial projections anticipated a robust recovery with economic growth estimates of ca. 4.0% by the World Bank, a series of headwinds dampened growth; notably, faltering global economic recovery, which impacted demand for African exports. In addition, inflationary pressures eroded purchasing power and increased the cost of living across Africa.

Tighter monetary policies by major central banks to combat currency weakness further reduced global liquidity and hindered investment. Coupled with a downturn in commodity prices, large economies like Nigeria, Ethiopia, and Egypt, according to the IMF, recorded only moderate growth of around 4.0% in 2023.

Real estate markets, relative to other sectors of the economy, faced more significant hurdles due to high cost of home deliveries, paucity of credit to fund long term mortgages and lower cost of living occasioned by currency weakness in some countries. Notwithstanding, there were oases of real estate opportunities, particularly in countries like Kenya, Nigeria, and South Africa, where urbanisation and population growth drove demand for land and housing as well as commercial properties.

REAL ESTATE IN NIGERIA

In Nigeria, key concerns for investors during the period leading to the elections in 2023 were risks of inconsistent economic policies as well as political stability unfolding thereafter.

The new administration's plan to focus on economic recovery, job creation, and infrastructure development and to complement these with policies aimed at improving access to housing finance, reducing construction costs, and enhancing regulatory frameworks to address housing affordability and supply issues, provide a positive outlook for the affordable housing segment of the real estate sector, but only if successfully implemented.

Given this background, there was only a benign demand for residential real estate nation-wide, with slightly stronger demand in urban centres such as Lagos, Abuja, and Port Harcourt, although residential vacancy rates reached record lows.

To this end, several government policies and initiatives aimed at boosting the sector have been announced. Notably, the Federal Government's National Housing Program, under the Renewed Hope Program, focuses on increasing the supply of affordable homes through public-private partnerships and improving access to housing finance. Also, the digitization of land records and the introduction of electronic land titling systems are measures intended to enhance transparency and efficiency in land transactions. These reforms are expected to boost investor confidence. In the coming months, your Company will actively participate in bridging this gap, in partnership with the Federal Government.

FINANCIAL PERFORMANCE

Your Company recorded revenues - Group and Company - of N17Bn & N12.7Bn respectively, from the sale of 618 plots and 31 homes, representing a 9% decrease and 101% improvement, relative to prior year results. Mixta Nigeria accounted for 94% of total revenue and 98% of units sold in the 2023 financial year.

The Group recorded operating profit position of N34.7Bn, representing an increase of 215%, relative to prior year position of N11Bn. This significant increase is attributable to improved operational efficiency, better cost management and considerably higher fair value gain compared with the FY22 position, buoyed by sustained investment in infrastructure on our land bank in Nigeria. This performance was achieved despite a 20% increase in aggregate finance costs amortized in 2023 (relative to prior year) and a 17% increase in gross finance costs due to increased debt level as well as higher costs of borrowing.

Consequently, the value of the Company's total assets rose by 29% due to the improved land valuation. Total liabilities also grew by 24%, due to increased aggregate borrowings, higher cost of financing and interest capitalization on existing loans.

Despite achieving several favourable financial metrics during the financial year, your Board regrets its inability to recommend the payment of Dividend to shareholders due to weaker than expected liquidity ratios. This situation requires us to conserve funds to execute on the Company's strong pipeline of homes to be delivered to clients.

This situation is not expected to persist throughout 2024 owing to plans that have advanced and due for implementation. Directors, therefore, solicit the support and understanding of Shareholders in this regard and commit to a resumption in the payment of dividend in the shortest possible time.

CONCLUSION

FY2023 was a year of significant challenges and notable achievements for your Company. Despite global economic instability, geopolitical conflicts and the tumultuous performance of the local economy occasioned by a weakened currency and dwindling purchasing, we have shown resilience and adaptability. Our commitment to delivering exceptional real estate solutions has enabled us to navigate these turbulent times.

In Nigeria, together with the public sector, your Company has been actively working on a few mass affordable housing initiatives that is expected to alter its growth trajectory and transform its results from 2024.

We remain committed to embracing the right partnerships, proffering sustainable and innovative financing solutions to empower our customers as well as our stakeholders.

Thank you for your continued support and trust.

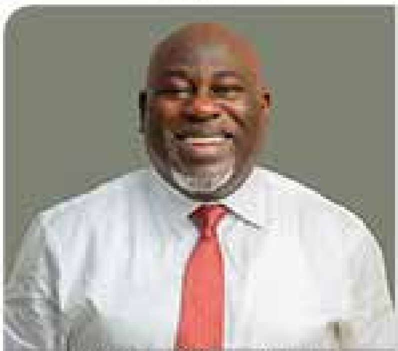
Oladapo Oshinusi
Chairman

BOARD OF DIRECTORS

Mr. Dapo Oshinusi
Chairman

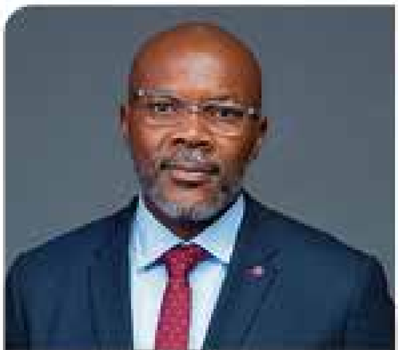
Mr. Deji Alli
Chief Executive Officer

Ms. Monica Musonda
Independent Non-Executive Director



Mr. Seyi Owodunni
Independent Non-Executive Director

Ms. Soula Proxenos
Independent Non-Executive Director



Mr. Wale Odutola
Non-Executive Director

Mrs. Enitan Rewane
Non-Executive Director

Mr. Larry Ettah
Non-Executive Director

D. Olatunde Laoye
Non-Executive Director

Mr. Benson Ajayi
Executive Director, Finance

Mr. Ugochukwu Ndubuisi
Executive Director, Legal & Corporate Services

Management


Mr. Pekun Ozolua
Head, Risk And Audit


Mr. Tola Akinsulire
Chief Commercial Officer


Olufunke Ekpikie
Senior Finance Manager


Titilayo Banjo
Senior Project Development Manager


Andrea Cameron-Cole
Head, Sales And
Business Development

COUNTRY MANAGERS

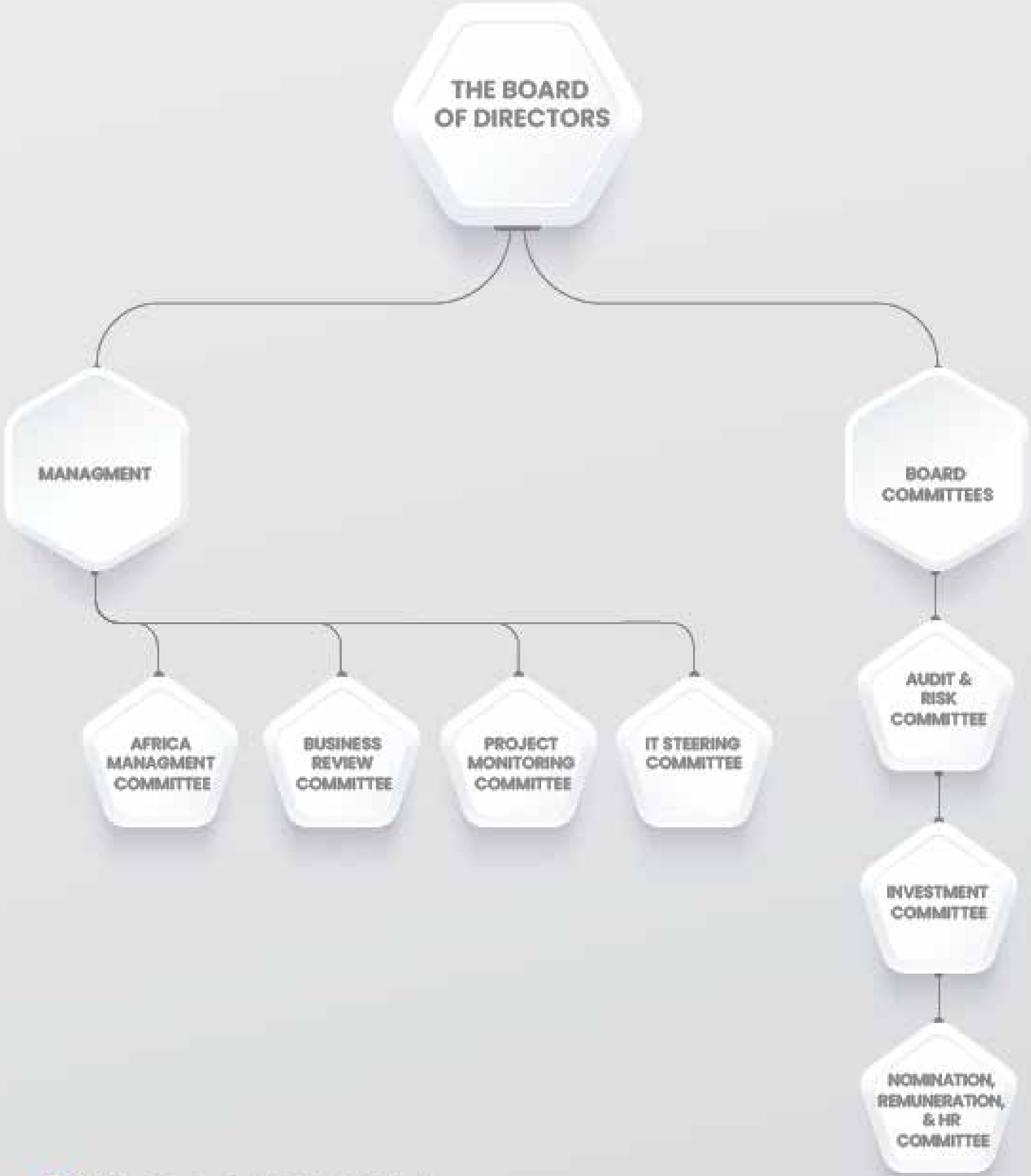

Mrs. Sade Hughes
Country Manager,
Mixta Nigeria


Mr. Ridha Ellouze
Co-Founder & Country Manager,
Mixta Tunisia


Mr. Hussein Afraoui
Country Manager,
Mixta Morocco


Mrs. Seynabou Dieng
Country Manager, Mixta Senegal
& Cote D'Ivoire

CORPORATE GOVERNANCE FRAMEWORK



OVERVIEW

At the core of our business lies a strong commitment to corporate governance and sustainability. This unwavering resolve serves as the beacon for our strategic thinking and approach to decision-making. Driving this commitment is a Board of Directors composed of highly accomplished professionals with enviable track records. Our board is dedicated to ensuring Management does business in a sound manner, delivering long-term value to shareholders and promoting sustainable growth for the benefit of all stakeholders.

We observe best corporate governance best practices as recommended by the Companies and Allied Matters Act (CAMA) 2020, the Nigerian Code of Corporate Governance [NCCG] 2018, the 2021 Securities and Exchange Commission (SEC) Corporate Governance Guidelines for Public Companies and other international best standards.

The various categories below, explain how corporate governance principles have been applied to suit the unique organizational context of the Company, while still achieving outcomes such as enhancing business integrity and driving sustainability in business operations.

BOARD OF DIRECTORS

During the period under review, the Board was composed of eight (8) Directors, comprising of four (4) Independent Non-Executive Directors (INED), one (1) Non-Executive Director (NED) and three (3) Executive Directors (ED). This aligns with the recommendations of the NCCG 2018, provisions of CAMA 2020, the Securities and Exchange Commission (SEC) corporate governance guidelines for public companies and global best practices that encourage majority of the Board to be Independent Non-Executive Directors.

The composition of the Board, including the names and responsibilities of each of the Directors, during the year are as set out below:

BOARD OF DIRECTORS

S/N	DIRECTORS	
1.	Mr. Oladapo Oshinusi	Chairman
2.	Mr. Deji Alli (OFR)	Chief Executive Officer
3.	Mr. Sadiq Mohammed	Non-Executive Director*
4.	Ms. Monica Musonda	Independent Non-Executive Director
5.	Ms. Soula Proxenos	Independent Non-Executive Director
6.	Mr. Oluwaseyi Owodunni	Independent Non-Executive Director
7.	Mr. Benson Ajayi	Executive Director
8.	Mr. Ugochukwu Ndubuisi	Executive Director

**Mr. Sadiq Mohammed has retired by rotation and will not be presenting himself for re-election at the FY2023 Annual General Meeting (AGM).*

Post the review period, the following directors were appointed to the Board, subject to approval of members:

a. Mrs. Enitan Rewane
b. Mr. Larry Ettah
c. Mr. D. Olatunde Laoye
d. Mr. Wale Odutola

These appointments will be presented to Shareholders for ratification at the 16th (FY23) Annual General Meeting.

Membership and Attendance at Board Meetings for FY 2023

Members of the Board met five (5) times throughout the financial year and attendance at each of its scheduled meetings are set out below:

S/N	Names	16th March 2023	28th April 2023	19th July 2023	30th October 2023	18th December 2023	Total
1	Mr. Oladapo Oshinusi	✓	✓	✓	✓	✓	5/5
2	Mr. Deji Alli	✓	✓	✓	✓	✓	5/5
3.	Ms. Soula Proxenos	✓	✓	✓	✓	✓	5/5
4.	Ms. Monica Musonda	✓	✓	✓	✓	✓	5/5
5.	Mr. Sadiq Mohammed	✓	✓	✓	✓	✓	5/5
6.	Mr. Oluwaseyi Owodunni	✓	✓	✓	✓	✓	5/5
7.	Mr. Benson Ajayi	✓	✓	✓	✓	✓	5/5
8.	Mr. Ugochukwu Ndubuisi	✓	✓	✓	✓	✓	5/5

Board Roles and Responsibilities

The Board provides direction to Management by overseeing implementation of the approved strategy and ensuring that sustainable growth is delivered in a systemic manner. The Board seeks to ensure that Management remains focused on the long- term growth of the business, while delivering on short-term objectives. The Board's responsibilities include:

- Providing direction on the strategic objectives and policies of the Company to achieve long-term shareholder value;
- Consideration and approval of short- and long-term strategies, the Company's financial objectives and the annual operating budget, as well as monitoring the implementation of these strategies and objectives by Management;
- Overseeing implementation of relevant laws, corporate governance principles and global best practices;
- Maintaining effective internal controls and risk management processes, procedures and policies, to identify, assess and mitigate business risks and also safeguard shareholders' investments and Company assets;
- Ensuring Board quality and effectiveness by determining the most optimal Board structure, composition and succession plan for both Board and Senior Management;

- Establishing, promoting, and demonstrating a system of ethical culture and responsible corporate citizenship, to enhance investors' confidence and reputation of the Company;

- Identifying and managing the Company's relationship with shareholders and other stakeholders;

- Maintaining adequate accounting records in compliance with applicable laws and standards, and ensuring the integrity of annual reports & accounts presented to Regulators and other stakeholders; and

- Overseeing the Company's sustainability practices in terms of its social and economic obligations.

Induction and Continuous Training

All newly appointed Directors receive an induction tailored to meet their individual requirements, upon appointment to the Board and to Board Committees. This induction is arranged by the Company Secretary and is designed 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 and for this purpose, continuously offers training and education to its Directors, to enhance their performance on the Board and the different committees to which they belong. All the Directors of the Company attended training programs during the period.

BOARD AND MANAGEMENT COMMITTEES

During the period under review, the Board carried out its oversight functions using the Company's Committee System, which consists of both Board and Management Committees. This allowed for deeper attention to specific matters on behalf of the Board. The Committees followed statutory and regulatory requirements and are consistent with corporate governance and international best practices.

The Committees' roles and responsibilities are set out in the sections below. Each of these committees have formal charters that set out the composition, scope of authority and procedures for reporting to the Board.

The Board and Management Committees are as follows:

AUDIT AND RISK COMMITTEE

This Committee provides oversight functions for both the Company's financial statements and its internal control and risk management functions. As specified in its charter, the Committee meets as many times as it is called to, meeting by resolution of the Committee itself or of its Chairman and at least four times a year.

Memberships and attendance at Committee meetings

The Committee is composed of three (3) shareholder representatives and two (2) directors, in line with the requirements of the Companies and Allied Matters Act 2020. The Committee met five (5) times in 2023.

Names	Designation/ Membership	25th January 2023	26th April 2023	13th July 2023	19th September 2023	24th October 2023	Total
Mr. Ralph Osayameh	Chairperson	✓	✓	✓	✓	✓	5/5
Mr. Esan Ogunleye	Member	✓	✓	✓	✓	✓	5/5
Mr. Bunmi Akinremi	Member	✓	✓	✓	✓	✓	5/5
Mr. Sadiq Mohammed	Member	✓	✓	✓	✓	✓	5/5
Mr. Seyi Owodunni	Member	✓	✓	✓	✓	✓	5/5

Roles and Responsibilities

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

The Committee has oversight of 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, for the review period.

The Committee's main responsibilities include oversight of the activities of the Group Internal Audit function, including approval of the Internal & External Audit Plan, review of Internal Audit reports and safeguarding the independence of the Internal Audit function; approval of audited financial statements; reviewing the scope, nature and effectiveness of the external and internal audit functions and recommending proposed changes to the Board; and overseeing the Company's sustainability practices.

KEY ACTIVITIES IN FY23

Audit Committee Actions

- The Committee reviewed and approved the 2023 Internal Audit Plan at its meeting in January 2023;
- The Committee reviewed and approved the External Audit plan for the FY2022 audit, as presented by the External Auditors;
- The Committee reviewed and approved the audited financial statements for the 2022 Financial Year, for recommendation to the Board. The Committee also reviewed the Management Letter for the same period and monitors implementation of the recommendations thereto.
- The Committee reviewed and approved the Environmental and Social Management System (ESMS) policy, for recommendation to the Board;
- The Committee reviewed quarterly Internal Audit, Risk and Compliance Reports as presented by the Group Head of Audit & Risk Management. These reports presented an overview of internal audit activities during the period, identified risks facing the business and reviewed adequacy of mitigating measures deployed by Management to manage these risks.
- The Committee received updates on revenue recognition efforts during the period and made appropriate recommendations to the Board for approval.

NOMINATION, REMUNERATION AND HUMAN RESOURCES COMMITTEE (REMCO)

The Committee is responsible for determining the criteria for Board appointments, setting the framework for remuneration and other Human Capital Management processes across the Group. The Committee is required to meet at least two (2) times in a financial year and additional meetings may be convened when necessary.

Memberships and attendance at Committee meetings

The Committee was composed of two (2) Independent Non-Executive Directors during the period under review and met two (2) times in 2023.

Names	Designation/ Membership	6th July 20, 2023	6th October 2023	Total
Ms. Monica Musonda	Chairperson	✓	✓	2/2
Mr. Sadiq Mohammed	Member	✓	✓	2/2

Roles and Responsibilities

The Committee has oversight responsibility for ensuring that the composition of the Board in terms of size, skills and experience is sufficient to effectively discharge its responsibility. In addition, the Committee is responsible for establishing the criteria and processes for Board and Senior Management's nomination, training, and evaluation.

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 implemented. The functions of the committee are outlined below:

KEY ACTIVITIES IN FY2023

Nomination, Remuneration and Human Resources Committee Actions

- The Committee received the report of the Board Evaluation Consultants, following the Board Appraisal Exercise carried out in respect of the 2022 Financial Year and presented the consultants' recommendations to the Board for adoption.

- The Committee considered updates on the activities of the Human Capital Management Team on a quarterly basis.

- The Committee considered and recommended to the Board for approval, proposals for renewal of Directors' Terms of Appointment.

- The Committee considered and recommended to the Board for approval, Management's proposal for a review of Non-Executive Directors' remuneration.

- The Committee considered and recommended to the Board for approval, the engagement of Board Appraisal consultants for the 2023 Financial Year.

INVESTMENT COMMITTEE (IC)

The Committee is tasked with the responsibility of providing strategic guidance on investment and other finance-related activities.

Memberships and attendance at Committee meetings

The Committee consists of five (5) Members; three (3) Non-Executive Directors and two (2) Executive Directors. The Committee met three (3) times in 2023.

Names	Designation/ Membership	18th April, 2023	6th July, 2023	7th December 2023	
Ms. Soula Proxenos	Chairperson	✓	✓	✓	3/3
Ms. Monica Musonda	Member	✓	✓	✓	3/3
Mr. Oluwaseyi Owodunni	Member	✓	✓	✓	3/3
Mr. Deji Alli	Member	✓	✓	✓	3/3
Mr. Benson Ajayi	Member	✓	✓	✓	3/3

Roles and Responsibilities

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.

KEY ACTIVITIES IN FY2023

Investment Committee Actions

- The Committee considered in detail, updates on progress of approved ongoing projects.
- The Committee considered in detail, Management's financing initiatives and debt management strategies.

AFRICA MANAGEMENT COMMITTEE (AMC)

The remit of the Africa Management Committee (AMC) is to provide strategic leadership for the Company, govern the day-to-day operations of the Group and its subsidiaries, pre-approve investment and project proposals on behalf of the Board Investment Committee as well as approve payments and contracts within the Committee's authority limits.

PROJECT MONITORING COMMITTEE (PMC)

The purpose of the Project Monitoring Committee (PMC) is to review and approve annual project work plans, monitor progress in the execution of all projects across the Group and ensure adherence to the approved project model. The Committee is required to provide strategic guidance and direction and address stakeholder issues and risks related to projects. The committee is also required to oversee the progress of Management in the implementation of the ESMS policy as well as sustainability initiatives of the Company.

BUSINESS REVIEW COMMITTEE

The Business Review Committee (BRC) drives and monitors the financial performance of the Group and its individual subsidiaries and their projects. The Committee is also responsible for driving the realization of business plans, assessing the company's risk position and ensuring efficient treasury and liquidity management.

All Management Committees met quarterly during the period under review.

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. In recognition of efforts at creating an inclusive, conducive, and safe workspace for all employees, the Company has been certified as a "Great Place to Work" by the Great Place to Work Initiative.

Employment of Physically Disabled Persons

The Company gives the 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 effective communication with its stakeholders, which enables them to understand our business, financial conditions, operating performance and trends. Apart from our annual report and accounts, proxy statements and formal shareholders' meetings, we maintain a vibrant website which provides information on a wide range of issues for all stakeholders.

In addition, 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 Board and Management engage with Shareholders as required.

REGISTER OF DIRECTORS SHAREHOLDING: FY 2023

None of the sitting directors held shares in the Company either directly or indirectly by the end of the 2023 Financial Year.

S/N	Directors	Direct	Indirect
1.	Mr. Oladapo Oshinusi	Nil	Nil
2.	Mr. Deji Alli (OFR)	Nil	Nil
3.	Mr. Sadiq Mohammed	Nil	Nil
4.	Ms. Monica Musonda	Nil	Nil
5.	Ms. Soula Proxenos	Nil	Nil
6.	Mr. Oluwaseyi Owodunni	Nil	Nil
7.	Mr. Benson Ajayi	Nil	Nil
8.	Mr. Ugochukwu Ndubuisi	Nil	Nil

PRINCIPAL SHAREHOLDERS IN FY2023

S/N	Directors	Percentage (%) Holding	Number of Shares Held
1.	Asset & Resource Management Holding Company Limited	60.10%	69,875,779
2.	Watford Properties Limited	18.97%	22,420,048
3.	Gairloch Limited	16.57%	19,575,570

Marula Park

MIXTA AFRICA

Excellence In Design
For Greater Efficiencies

Edge

CERTIFIED

SOCIETY FOR CORPORATE GOVERNANCE NIGERIA
Leadership and Integrity

BOARD EVALUATION REPORT FOR THE BOARD OF MIXTA REAL ESTATE PLC FOR THE YEAR ENDED 31 DECEMBER 2023

EXECUTIVE SUMMARY

The Society for Corporate Governance Nigeria was engaged to conduct an independent evaluation/assessment of the performance of the Board of Mixta Real Estate Plc for 2023 as part of stipulated regulatory requirements. This executive summary provides a concise overview of the comprehensive Board evaluation conducted.

INTRODUCTION

The Board Evaluation Report provides an in-depth analysis of the governance practices and performance of the Board of Directors of Mixta Real Estate Plc during the evaluation period. This executive summary highlights key findings and recommendations to enhance governance effectiveness and drive organizational success.

METHODOLOGY

The evaluation process involved a combination of self-assessment surveys, peer assessment surveys, desk reviews, and individual interviews. These methods ensured a comprehensive and unbiased understanding of the Board's dynamics and adherence to corporate governance principles.

SCOPE

The evaluation covered the following areas:

- Composition, commitment, and alignment of the skills/qualifications of directors with business requirements and performance
- Composition/effectiveness of the committees
- Compliance with existing regulatory requirements
- Effectiveness of directors in delivery of their fiduciary responsibilities
- Effective transparency and disclosure channels

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SOCIETY FOR CORPORATE GOVERNANCE NIGERIA
Leadership and Integrity

KEY FINDINGS

The evaluation highlighted several strengths of Mixta Real Estate Plc's governance practices, including strong leadership characterized by proactive engagement in strategic decision-making, commitment to upholding ethical standards, and adherence to regulatory requirements. Additionally, the composition of the Board emerged as a strength, with diverse expertise and backgrounds contributing to well-rounded discussions and informed decision-making. The Board demonstrated effective communication channels, robust oversight mechanisms, and a culture of accountability. However, an area for improvement was identified and outlined in the Board Evaluation Report.

Implementing the recommendation will strengthen the Board's effectiveness, ensuring it remains adaptive and aligned with the highest standards of corporate governance.

CONCLUSION

The Board has demonstrated its dedication and commitment to governance excellence and the growth and success of the Company. This is demonstrated by individual contributions and performance, attendance at Board and Committee meetings, and the depth of discussions and resolutions arrived at during these meetings. There is also an alignment between the competencies of directors and the requirements/needs of the Company.

Overall, it is with satisfaction that we affirm Mixta Real Estate Plc Board's conduct of its affairs for the year 2023. The Board's performance met acceptable and satisfactory standards, demonstrating diligence, effectiveness, and adherence to best practices in corporate governance.

SOCIETY FOR CORPORATE GOVERNANCE NIGERIA

Chioma Mordi (Mrs.)
Chief Executive Officer
FRC/2014/NIM/00000007899

FY23 ESG Report

1. LETTER FROM CEO

Dear Shareholders,

At Mixta, our purpose is to create and promote sustainable communities across Africa, which has informed the decisions taken and strategies deployed towards achieving our vision of becoming Africa's foremost real estate developer. Today, as we publish our inaugural Sustainability Report, we are honored to invite you along as we continue the walk towards a more sustainable future.

Sustainability has been a core principle of the company since its inception and a key consideration in our developments over the years. We remain committed to this ideal, even amidst rapidly changing macro-economic fundamentals, fiscal changes, and the highly inflationary business environment.

Our corporate values guide us in ensuring that we continue to build in a resource efficient, cost effective, high-performing, and sustainable manner. As part of our approach and to further strengthen our resolve, we took decisive steps in FY2023 towards formalizing and reinvigorating our sustainability agenda.

Highlights are set out immediately below and discussed in greater detail in the report; thereby giving stakeholders the opportunity to evaluate our progress and hold us accountable.

We encourage your feedback, as it is through this and your support that we will continue to enhance our ESG performance.

I would like to express my gratitude to our stakeholders for their unwavering support and collaboration on this journey towards sustainability. Thank you for your continued trust and confidence.


CO2

ESG HIGHLIGHTS

In 2023, our commitment to creating a positive impact from an Environmental, Social and Governance (ESG) perspective was reflected in the following key achievements and projects:

a. *Approval of the ESMS Policy*

The Board of Directors formally approved implementation of an Environmental and Social Management System (ESMS) policy. This approval reinforces our dedication to sustainability at the highest levels of the organization.

b. *Energy Audits*

We conducted energy audits with two (2) solar service providers to assess the feasibility of solar power systems for our hospitality asset. The results of these audits assisted us in our efforts to reduce diesel consumption and CO2 emissions.

c. IFC EDGE *Certification*

We are actively working towards obtaining the IFC Edge certification for our affordable housing project: Marula Park. This initiative underscores our commitment to building sustainable and energy-efficient properties.

d. *Local Material Sourcing*

We deployed a 'local only' procurement policy. By sourcing materials locally, we have significantly reduced carbon footprints associated with international transportation, and also supported local economies.

e. *Waste Minimisation*

We implemented strategies to minimise waste through the recycling of construction materials and the development of comprehensive waste management plans for each project.

f. *Energy-Efficient Building Designs*

Our building designs prioritise energy efficiency, incorporating cutting-edge technologies such as SMART meters, LED lighting, energy-efficient HVAC systems, and smart thermostats to reduce energy consumption.

g. Corporate sustainability features at our Head Office

These include LED lighting, digital workflow, flexi-work, teleconferencing to reduce the need for travel to physical meetings, and the introduction of solar energy systems to significantly reduce dependence on diesel.

h. Water Conservation

We achieved water savings by using low-flow toilets, faucets, and showerheads. Additionally, our landscape designs focus on native and drought-resistant plants which require less irrigation and contribute to significant water conservation.

i. Certified Great Place to Work

Mixta Nigeria has, yet again, been recognised as a Great Place to Work, reaffirming our commitment to fostering a positive and inclusive workplace culture.

E: ENVIRONMENT

Across the business, our efforts were aligned with Sustainable Development Goals (SDGs) such as SDG6 (Clean water and Sanitation), SDG7 (Affordable and clean energy), SDG 9 (Industry, Innovation and Infrastructure), SDG11 (Sustainable Cities and Communities), SDG 13 (Climate Action) and SDG 15 (life on land).

a. Clean Water and Sanitation

To ensure optimal sanitation practices across our projects, we developed a comprehensive Waste Management Plan which identified all potential waste streams, from construction debris to operational waste. These plans outline specific measures for responsible waste management. We also prioritized waste reduction through careful planning and material selection, thereby ensuring that waste is handled responsibly throughout every project's lifecycle.

In 2023, our waste management strategies led to the evacuation of waste from our estates through a total of 96 rear-loading garbage trucks. This translated to 1,728 tons of waste based on an 18-ton capacity per truck.

Pollution prevention was also a key consideration in our project design practice in 2023. To this end, we were intentional in selecting non-toxic materials and deploying design systems that prevented air and water pollution.

To support water conservation, in 2023, we incorporated water-efficient design principles such as low-flow toilets, faucets, and showerheads in our homes. Our landscape designs also prioritized native and drought-resistant plants, which require less irrigation and contribute to significant water savings.

In 2024, we plan to install water meters with remote monitoring at primary sources to ensure data is captured accurately and water supply cycle is managed optimally.

b. *Affordable/Clean Energy & Climate Action*

In 2023, our efforts in this regard were focused primarily on reducing Green House Gas (GHG) emissions through innovative landscape designs (e.g. strategic tree planting to reduce heat absorption) and energy efficiency initiatives for operations and in construction.

To this end, over 200 trees were planted across our Estates in 2023 to reduce the GHG Emissions and to beautify the environment.

In terms of energy efficiency strategies, we deployed centralized systems for power, water supply and treatment, and sewage treatment for mixed-use developments under our management, which reduced embodied and operational energy, compared to individual systems for residents. This enabled central monitoring of resource utilization and associated emissions.

Additionally, in Q4 2023, solar service providers were engaged to conduct energy audits and propose a feasible solar power system aimed at reducing diesel consumption, operational costs, and CO2 emissions.
In construction, reusable formwork and alternative methods are being explored to reduce waste and embodied energy associated with development activities.

Furthermore, we are actively working towards obtaining the IFC EDGE certification for our affordable housing project: Marula Park. This would serve as our pilot sustainable residential project and is forecast to significantly reduce traditional energy demand. The development will feature a mini solar grid, communal car park areas, reduced window-to-wall ratios, energy-efficient lighting, water-saving fixtures in all fully finished units and a tenant fit-out guide to ensure shell units meet sustainable design standards. This will result in 984 residential units obtaining globally recognized green certification upon completion. Preliminary certification is targeted to be obtained in 2024.

We have also embedded energy efficiency considerations in procurement practices and in project design.

We employ SMART meters which are energy management systems that optimize power supply, monitor energy usage, and ensure fuel source reliability.

Our projects utilize cutting-edge technologies such as LED lighting, energy-efficient HVAC systems, and smart thermostats. These technologies are designed to provide optimal performance while minimizing energy consumption, thereby reducing the environmental impact of our buildings and lower overall operating costs.

Additionally, we source finishing materials with low embodied energy for construction which further reduces energy consumption and carbon footprint associated with our supply chain. Approximately 4.844 GWh of Electricity was generated in 2023 using 1.1M liters of Diesel. This resulted in 2,948 tons of CO_2 emissions, based on the emission factor of 2.68 kg CO_2 per liter of diesel.

These figures will serve as the baseline for next year's reporting, with the goal of significantly reducing these numbers through the use of alternative low-emission energy sources.

c. Life on Land

With over 70% of our land bank remaining undeveloped, the company has conserved natural habitats, protected biodiversity, and maintained the ecosystem, and this has helped to achieve significant carbon sequestration in Lagos New Town (LNT) and surrounding environs. This was achieved by implementing controlled construction patterns and pace to mitigate habitat fragmentation and prevent disruption to wildlife populations and ecosystems.

Furthermore, communities in LNT were developed carefully to avoid disturbing native species, and waterways whenever feasible, and we incorporate these features into the preserved open spaces within our developments.

Environmental Impact Assessments have been conducted for projects such as Lakowe Heights, alongside reforestation initiatives at Beechwood Park, Fara Park 2, and Adiva Plainfield during this reporting period.

S: SOCIAL

Our efforts in this regard were from the human capital, occupational health and safety, and community impact perspective.

Human Capital Management

In FY2023, we focused on achieving a diverse workforce, with 101 full-time employees at a **female:male ratio of 37%:63%**

Our recruitment policies are aimed to attract the best talent. We also ensure the most optimal job placement for new employees. Our onboarding process is excellent and assists new employees to integrate into their new roles.

To retain talent, we offer an exceptional employee experience, which includes attractive compensation and benefits, equal opportunities for career growth and development, comprehensive learning platforms through e-learning and classroom instruction. We foster a people-centric work culture with an inclusive environment where everyone feels safe, heard, and treated fairly.

Our employment benefits package includes healthcare, employee assistance programmes, work-life balance initiatives, educational opportunities, and other pecuniary incentives.

Occupational Health and Safety

To ensure continued health and safety of our employees. the following safety trainings were carried out during the year:

- OHS Awareness and Training daily on all our Sites.
- Basic First Aid Training
- Accident Prevention Training
- Fire Safety Training

We continuously monitor and inspect the company's business premises to enforce compliance with Mixta Operational Health and Safety Management System and Reporting.

A total of 50 toolbox meetings, 100 orientation/ inductions, and 50 inspections were carried out within the reporting period.

As a result, we achieved a total recordable incident rate (TRIR) is 0.053% 0% fatality rate.

Community Impact

In 2023, our company continued to lead the way in innovation, empowerment, and sustainability through our dedicated Corporate Social Responsibility (CSR) initiatives. We remain committed to creating value for our shareholders while positively impacting the communities and environment we serve. In 2023, our strategic partnerships and projects further solidified our role as a champion of responsible corporate citizenship.

Empowerment remains at the core of our CSR strategy. Throughout 2023, we engaged in significant collaborations to uplift communities and support the development of individuals:

Daniel Ogechi Akujobi Memorial Foundation
We sponsored the 12th edition of the DOAM Golf Charity Tournament. This partnership aimed to enhance access to education and healthcare

services for the underprivileged, highlighting our ongoing dedication to community upliftment through sustainable empowerment efforts.

Women in Management, Business, and Public Service (WIMBIZ)

Our sponsorship of the annual WIMBIZ conference reinforced our commitment to empowering women in business and public service. By supporting this event, we helped create a platform for over 10,000 women to share knowledge, gain inspiration, and build networks, thereby promoting gender equality and women's advancement in various professional spheres.

Innovation drives our approach to CSR, allowing us to create multifaceted solutions that address complex societal challenges. To this end, we sponsored an exhibition at the Africa Social Impact Summit.

This event provided a platform for us to present our innovative projects and engage with other forward-thinking organizations, fostering an environment of collaborative problem-solving and impactful change.

G: GOVERNANCE

The Board of Directors is committed to serving the best interests of all stakeholders. It is responsible for setting the company's strategy and providing independent and experienced oversight of Management's programmes.

To support its functions, the Board established three standing committees:

- The Audit and Risk Committee,
- The Nomination, Remuneration, and Human Resources Committee, and
- The Investment Committee.

The Board delegated oversight of ESG matters to the Audit and Risk Committee. Therefore, the Committee monitors the implementation of the ESG strategy as well as the ESMS policy and receives updates in this regard from the Project Monitoring Committee.

The Chief Risk Officer serves as the overall ESG champion at the Management level. He reports Management's ESG achievements to the Audit and Risk Committee on a quarterly basis.

Detailed information as to the Company's general governance framework is provided on Page 22.

FY2023 Financials

Content

CORPORATE INFORMATION

DIRECTORS

Oladapo Oshinusi	Chairman of the Board *(Independent Non-Executive Director)*
Deji Alli	CEO/ Executive Director
Sadiq Mohammed	Non-Executive Director
Monica Musonda	Non-Executive Director *(Independent) - Zambian*
Soula Proxenos	Non-Executive Director *(Independent) – South African*
Ugochukwu Ndubuisi	Executive Director
Benson Ajayi	Executive Director
Oluwaseyi Owodunni	Non-Executive Director *(Independent)*

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

Ugochukwu Ndubuisi
8 Kasumu Ekemode Street
Off Saka Tinubu Street
Victoria Island
P.O. Box 52290
Ikoyi, Lagos

REGISTRARS

Africa Prudential Plc
220B Ikorodu Road
Palmgrove, Lagos

BANKERS

Access Bank Limited
Guaranty Trust Bank Limited
FBNQuest Merchant Bank Limited
First Bank of Nigeria Limited
Ecobank
Amen Bank
Ora Bank
Societe Generale
Marocaine De Banques

RC NO.

645036

DIRECTORS' REPORT

The directors have the pleasure of presenting their report on the affairs of Mixta Real Estate Plc ("Mixta Real Estate" or the Company") and its subsidiary companies (together "the Group") together with the consolidated and separate financial statements and auditor's report for the year ended 31 December 2023.

PRINCIPAL ACTIVITY

The Group provides property development and investment services. 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. The Company 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 Real Estate Plc was initially incorporated as ARM Real Estate Investment Plc. on 6 February, 2006. Its name was changed to ARM Properties Plc on December 21, 2007. The name ARM Properties Plc was subsequently changed to Mixta Real Estate Plc on 28 September 2015.

The Company currently has eight (8) direct subsidiaries; Adiva Properties Limited (99.9%), Toll System Development Company Limited - TSD (100%), Summerville Golf Club Limited (95.6%), FP2 Limited (100%), Townsville Properties Limited (100%), Mixta Affordable Housing Limited (100%), Mixta Africa Corporate Services Limited (100%) and Mixta Africa SA (100%).

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

OPERATING RESULTS

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

In thousands of Naira	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
Profit before income tax	26,908,955	4,465,049	9,247,880	2,775,626
Income tax	(5,327,663)	(1,154,502)	(1,422,365)	(243,003)
Profit for the year	21,581,292	3,310,547	7,825,515	2,532,623
Non-controlling interest	(107,519)	(25,401)	-	-
Profit attributable to shareholders	**21,688,811**	**3,335,947**	**7,825,515**	**2,532,623**
Basic and diluted earnings per share (kobo)	**3208k**	**3208k**	**2435k**	**2435k**
Dividend per share - DPS in kobo	0k	0k	0k	0k

DIVIDENDS

The Board of Directors, pursuant to the powers vested in it by the provisions of section 426 of the Companies and Allied Matters Act (CAMA 2020) of Nigeria, did not propose a dividend for FY2023 (2022: Nil).

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were:

Oladapo Oshinusi	-	Chairman *(Independent)*
Deji Alli	-	CEO/ Managing Director
Sadiq Mohammed	-	Non-Executive Director
Monica Musonda	-	Non-executive director *(Independent)*
Soula Proxenos	-	Non-executive director *(Independent)*
Benson Ajayi	-	Executive Director
Ugochukwu Ndubuisi	-	Executive Director
Oluwaseyi Owodunni	-	Non-Executive Director *(Independent)*

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:

	Direct Holding	
Names	31 December 2023	31 December 2022
Oladapo Oshinusi	Nil	Nil
Deji Alli	Nil	Nil
Anastacia Proxenos	Nil	Nil
Monica Musonda	Nil	Nil
Benson Ajayi	Nil	Nil
Ugochukwu Ndubuisi	Nil	Nil
Sadiq Mohammed	Nil	Nil
Oluwaseyi Owodunni	Nil	N/A

For the purpose of sections 301 and 302 of the Companies and Allied Matters Act of Nigeria 2020, the Directors have declared that they do not have any indirect interest in the shares of the Company.

DIRECTOR'S INTEREST IN CONTRACTS

For the purpose of section 303 of the Companies and Allied Matters Act 2020, none of the existing directors had direct or indirect interests in contracts or proposed contracts with the Company during the year.

SUBSTANTIAL INTEREST IN SHARES

According to the register of members as at 31 December 2023, no shareholder held more than 5% of the issued share capital of the Company except the following:

	31 December 2023		31 December 2022	
Shareholders	Number of shares held	Percentage of Shareholding	Number of shares held	Percentage of Shareholding
Asset and Resource Management Holding Company Limited	69,875,779	60.10%	69,875,779	60.10%
Watford Properties Limited	22,420,048	18.97%	22,420,048	18.97%
Gairloch Limited	19,575,570	16.57%	19,575,570	16.57%

PROPERTY AND EQUIPMENT

Information relating to changes in property and equipment is given in note 17 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 subscribes to top-class private Health Management Organization (HMO's) where medical care is 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. The Group had no employees with physical disability as at 31 December 2023.

EVENTS AFTER REPORTING PERIOD

Asset and Resource Management Holding Company Limited – holders of 60.1% of the Ordinary Shares of Mixta Real Estate plc transferred 100% of their holdings to Senghor Lane Estate Limited subsequent to the reporting period. This event does not have any material effect on the balances as at the reporting date.

AUDITORS

The Auditors Messrs. Deloitte & Touche (Chartered Accountants) have indicated their willingness to continue in office in accordance with section 401(1) of the Companies and Allied Matters Act, 2020.

BY ORDER OF THE BOARD

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

25 June 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors of Mixta Real Estate Plc are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view of the financial position of the company as at 31 December 2023, and the results of its operations, cash flows and changes in equity for the year ended 31 December 2023, 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
- Assessing the Company's ability to continue as a going concern in the year ahead.

Oladapo Oshinusi	Deji Alli
Chairman	Chief Executive Officer
FRC/2013/IODN/00000004529	FRC/2013/IODN/00000002752
25 June, 2024	25 June, 2024

Benson Ajayi
Chief Financial Officer
FRC/2013/ICAN/00000001498
25 June, 2024

CERTIFICATION OF FINANCIAL STATEMENTS

In accordance with section 405 of the Companies and Allied Matters Act 2020 of Nigeria, the Chief Executive Officer and the Chief Financial Officer certify that the financial statements have been reviewed and based on our knowledge, the

(i) Audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and

(ii) Audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the company as of and for, the periods covered by the audited financial statements.

We state that Management and Directors:

(i) Are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the entity is made known to the officer by other officers of the company, particularly during the period in which the audited financial statement report is being prepared,

(ii) Have evaluated the effectiveness of the entity's internal controls within 90 days prior to the date of its audited financial statements, and

(iii) Certify that the company's internal controls are effective as of that date;

WE HAVE DISCLOSED:

(i) All significant deficiencies in the design or operation of internal controls which could adversely affect the entity's ability to record, process, summarize and report financial data, and had identified for the entities auditors any material weaknesses in internal controls, and

(ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the entity's internal control; and

(iii) as indicated in the report, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The financial statements of Mixta Real Estate Plc for the year ended 31 December 2023 were approved by the Board of Directors on 25 June 2024.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Deji Alli
Chief Executive Officer
FRC/2013/IODN/00000002752
25 June, 2024

Benson Ajayi
Chief Financial Officer
FRC/2013/ICAN/00000000149625
25 June, 2024

AUDIT COMMITTEE REPORT

TO THE MEMBERS OF MIXTA REAL ESTATE PLC

In accordance with the provisions of Section 404 of the Companies and Allied Matters Act 2020, the members of the Audit Committee of Mixta Real Estate Plc hereby report on the financial statements for the year ended 31 December 2023 as follows:

- We have exercised our statutory functions under Section 404 of the Companies and Allied Matters Act 2020 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 year ended 31 December 2023 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.

Mr. Ralph Osayameh
Chairperson, Audit Committee
FRC/2013/CIBN/00000003190

14 June, 2024

Members of the audit committee are:

1. Mr. Ralph Osayameh *(Chairman)*
2. Mr. Esan Ogunleye *(Member)*
3. Mr. Bunmi Akinremi *(Member)*
4. Mr. Sadiq Mohammed *(Member)*
5. Mr. Seyi Owodunni *(Member)*

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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 consolidated and separate financial statements of **Mixta Real Estate Plc** and its subsidiaries (the Group and Company) set out on pages 18 to 93, which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, the notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

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 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020 and Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of consolidated and separate Financial Statements in Nigeria.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 39 in the financial statements, which indicates The Group and Company have net current liability of N21,169,415,000 and N18,195,751,000 as at 31 December 2023 respectively, recurring negative net operating cashflows and a high gearing ratio over the last four years. These events or conditions, along with other matters as set forth in note 39, indicate that a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

MAKING AN
IMPACT THAT
MATTERS
since 1845

Deloitte.

Key Audit Matters

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

Key Audit Matter	
Valuation of investment property	
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. Management engaged Messrs. Knight Frank Nigeria Estate Surveyors and Valuers (FRC/2013/NIESV/00000000584) for the valuation of the Investment Property as at 31 December 2023. Investment property for the Group accounts for a significant portion of the Group's Non-current assets at a value of N154billion (91%) as detailed in note 17 of the consolidated and separate financial statement. The audit of investment properties is considered a key audit matter because of the significance of the estimates, judgement and size of the account balance.	Our procedures include the following among others: 1. Evaluated the qualification of the external experts engaged by management to ensure that they were qualified to carry out the valuation. 2. Assessed 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. Engaged the Deloitte & Touche property specialist and evaluated the reasonableness of assumptions made for the valuation of the investment property of the company. Based on our review, we found that management estimates and assumptions in determining the fair value of investment property in the financial statements were reasonable and appropriate in the circumstance. We consider disclosure of investment properties to be adequate, relevant and appropriate.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Mixta Real Estate Plc Annual Reports and Consolidated Financial Statements for the year ended 31 December 2023", which includes the Directors' Report, Statement of Directors Responsibilities, Certification of Financial Statements, Audit Committee's Report, and Other National Disclosures as required by the Financial Reporting Council of Nigeria which we obtained prior to the date of this 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 and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information 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 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 IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023 and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company'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.

Deloitte.

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 judgement and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 related to events or conditions that may cast significant doubt on the Group's and the 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current 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 report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte.

Report on Other Legal and Regulatory Requirements
In accordance with the Fifth Schedule of Companies and Allied Matters Act we expressly state that:

i) 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.

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

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

Michael Osinloye
FRC/2013/ICAN/00000000819
For: Deloitte and Touche
Chartered Accountants
Lagos, Nigeria

9 July 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Group		Company	
In thousands of Naira	**Note**	**2023**	**2022**	**2023**	**2022**
Revenue-sales of trading properties	9	17,037,645	18,756,574	12,708,964	6,324,472
Other income (Net)	10	43,621,132	15,200,469	17,203,461	7,850,418
Total income		**60,658,777**	**33,957,043**	**29,912,425**	**14,174,890**
Cost of sales- trading properties	11	(15,634,471)	(14,229,260)	(5,939,977)	(3,852,770)
Total profit before expenses		**40,750,040**	**16,395,254**	**17,910,031**	**8,910,473**
Net impairment loss on assets	12	(4,274,266)	(3,332,529)	(6,062,417)	(1,411,647)
Personnel expenses	13	(3,071,103)	(2,584,585)	(1,386,494)	(952,893)
Operating expenses	14	(2,649,604)	(2,390,269)	(1,007,299)	(963,248)
Depreciation	17	(345,585)	(403,314)	(104,367)	(124,294)
Total expenses		**(6,066,262)**	**(5,378,168)**	**(2,498,160)**	**(2,040,435)**
Profit before finance costs		**34,683,778**	**11,017,086**	**15,411,871**	**6,870,038**
Finance costs	15	(7,525,039)	(6,274,201)	(5,914,208)	(3,816,577)
Share of loss of equity-accounted investment	20(c)	(249,783)	(277,836)	(249,783)	(277,836)
Profit before income tax		**26,908,955**	**4,465,049**	**9,247,880**	**2,775,626**
Income tax expense	27(b)	(5,327,663)	(1,154,502)	(1,422,365)	(243,003)
Profit after income tax		**21,581,292**	**3,310,547**	**7,825,515**	**2,532,623**
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		**21,581,292**	**3,310,547**	**7,825,515**	**2,532,623**
Profit attributable to:					
Equity holders		21,688,811	3,335,947	7,825,515	2,532,623
Non-controlling interests		(107,519)	(25,401)	-	-
Total Profit		**21,581,292**	**3,310,547**	**7,825,515**	**2,532,623**
Total comprehensive income attributable to:					
Equity holders		21,688,811	3,335,947	7,825,515	2,532,623
Non-controlling interests		(107,519)	(25,401)	-	-
Total Profit		**21,581,282**	**3,310,546**	**7,825,515**	**2,532,623**
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)	**16**	**20854k**	**3208k**	**7524k**	**2435k**

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

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

		Group		Company	
As at 31 December 2023	**Note**	**2023**	**2022**	**2023**	**2022**
Non-current assets					
Goodwill	19(c)	56,106	56,106	-	-
Property, plant and equipment	17	12,274,372	12,447,377	1,151,814	1,187,982
Investment property	18	154,227,173	114,605,905	23,389,000	17,500,000
Investment in subsidiaries	19	-	-	54,977,101	54,977,011
Equity-accounted investment	20	516,838	766,621	515,588	765,371
Loans to related entities	21	957,354	4,493,963	43,252,750	40,148,937
Debtors and prepayments	23	829,325	742,820	16,539,171	13,893,989
Deferred tax asset	25	-	-	-	58,676
Total non-current assets		**168,861,169**	**133,112,792**	**139,825,424**	**128,531,966**
Current assets					
Loan to related entities	21	90,362	78,556	-	-
Trading properties	22	53,527,197	39,930,131	22,100,980	8,206,105
Debtors and prepayments	23	17,613,545	11,982,499	28,710,317	18,262,380
Cash and cash equivalents	24	3,453,015	4,182,283	768,170	2,708,838
Total current assets		**74,684,119**	**56,153,469**	**51,579,467**	**29,177,323**
Total assets		**243,545,288**	**189,266,261**	**191,404,891**	**157,709,289**
Non-current liabilities					
Borrowings	26	37,972,522	36,985,536	17,909,819	19,820,743
Deferred tax liabilities	25	11,860,453	6,796,381	1,274,511	-
Other liabilities and accruals	28	1,594,336	1,480,797	37,090,424	26,563,040
Total non-current liabilities		**51,427,311**	**45,262,714**	**56,274,754**	**46,383,783**
Current liabilities					
Borrowings	26	52,850,527	45,869,348	50,056,987	41,964,342
Current income tax liability	27	1,384,453	1,132,983	304,340	225,744
Other liabilities and accruals	28	27,941,008	17,225,609	15,628,201	7,284,720
Deferred revenue-deposit from customers	29	13,677,543	8,303,317	3,785,691	4,321,297
Total current liabilities		**95,853,531**	**72,531,257**	**69,775,219**	**53,796,103**
Total liabilities		**147,280,842**	**117,793,971**	**126,049,973**	**100,179,886**

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION *(contd.)*

		Group		Company	
As at 31 December 2023	Note	2023	2022	2023	2022
Equity					
Share capital	30	5,908,451	5,908,451	5,908,451	5,908,451
Share premium	31	50,985,022	50,985,022	50,985,022	50,985,022
Common control acquisition deficit	32(a)	(21,017,433)	(19,189,781)	(2,156,000)	(2,156,000)
Retained earnings	32(b)	50,088,986	28,400,175	10,617,445	2,791,930
Translation Reserve	32(c)	10,649,096	5,610,581	-	-
		96,614,123	71,714,448	65,354,918	57,529,403
Non-controlling interest	33	(349,677)	(242,158)	-	-
Total equity		96,264,446	71,472,290	65,354,918	57,529,403
Total liabilities and equity		243,545,288	189,266,261	191,404,691	157,709,289

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Oladapo Oshinusi
Chairman
FRC/2013/IODN/00000004529
25 June, 2024

Deji Alli
Chief Executive Officer
FRC/2013/IODN/00000002752
25 June, 2024

Benson Ajayi
Chief Financial Officer
FRC/2013/ICAN/00000001496
25 June, 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

As at 31 December 2023

COMPANY
For the year ended 31 December 2023

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Total equity
At 1 January 2023	5,808,451	50,985,022	2,791,930	(2,156,000)	57,529,403
Total comprehensive income for the year:					
Profit for the year	-	-	7,825,515	-	7,825,515
	5,808,451	50,985,022	10,617,445	(2,156,000)	65,354,918
Transactions with equity holders					
Dividend paid	-	-	-	-	-
Balance at 31 December 2023	5,808,451	50,985,022	10,617,445	(2,156,000)	65,354,918

For the year ended 31 December 2022

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Total equity
At 1 January 2022	5,808,451	50,985,022	850,152	(2,156,000)	55,587,625
Total comprehensive income for the year:					-
Profit for the year	-	-	2,532,623	-	2,532,623
	5,808,451	50,985,022	3,382,775	(2,156,000)	58,120,248
Transactions with equity holders					
Dividend paid	-	-	(590,845)	-	(590,845)
Balance at 31 December 2022	5,808,451	50,985,022	2,791,930	(2,156,000)	57,529,403

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY *(contd.)*

As at 31 December 2023

GROUP

For the year ended 31 December 2023

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Non controlling interest	Translation Reserves	Total equity
At 1 Jan 2023	5,908,451	50,885,022	28,400,175	(19,189,781)	(242,158)	5,610,581	71,472,290
Group restructuring adjustments (see Note 32a)	-	-	-	(1,827,651)	-	-	(1,827,651)
Translation differences	-	-	-	-	-	5,038,515	5,038,515
Total comprehensive income for the year:							-
Profit for the year	-	-	21,668,811	-	(107,519)	-	21,561,292
	5,908,451	50,885,022	50,068,986	(21,017,432)	(349,677)	10,649,096	96,264,445
Transactions with equity holders							
Dividend paid	-	-	-	-	-		-
Balance at 31 December 2023	5,908,451	50,885,022	50,068,986	(21,017,432)	(349,677)	10,649,096	96,264,445

Group restructuring adjustments*

This represents the restructuring adjustment recognized on acquisition of Mixta Corporate Services limited by Mixta Real Estate Plc from Mixta Africa S.A.

For the year ended 31 December 2022

In thousands of naira	Share capital	Share premium	Retained earnings	Common control acquisition deficit	Non controlling interest	Translation Reserves	Total equity
At 1 January 2022	5,908,451	50,885,022	25,655,073	(19,189,781)	(216,757)	4,549,453	67,591,451
Translation differences	-	-	-	-	-	1,061,128	1,061,128
Total comprehensive income for the year:	-	-	-	-	-	-	-
Profit for the year	-	-	3,335,947	-	(25,401)	-	3,310,546
Other comprehensive income, net of tax	-	-	-	-	-	-	-
	5,908,451	50,885,022	28,991,020	(19,189,781)	(242,158)	5,610,581	72,063,136
Transactions with equity holders							
Dividend paid	-	-	(590,845)	-	-		(590,845)
	-	-	(590,845)	-	-		(590,845)
Balance at 31 December 2022	5,908,451	50,885,022	28,400,175	(19,189,781)	(242,158)	5,610,581	71,472,290

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

In thousands of naira		Group		Company	
	Notes	2023	2022	2023	2022
Operating activities:					
Profit for the year		21,581,292	3,310,546	7,825,515	2,532,623
Income tax expense	27(b)	5,327,663	1,154,502	1,422,365	243,003
Profit before income tax		26,908,955	4,465,048	9,247,880	2,775,626
Adjustments to reconcile profit before taxation to net cash flow from operating activities:					
- Depreciation	17	345,555	403,314	104,367	124,294
- Loss of disposal of assets		197	(1,005)	-	-
- Net impairment loss in financial assets	12	4,274,266	3,832,529	6,082,417	1,411,547
- Fair value gain on investment property	10.1	(43,929,849)	(14,980,005)	(5,889,000)	(3,888,521)
- Interest income earned	10.2	(594,170)	(646,521)	(4,363,497)	(3,946,601)
- Interest expense incurred	15	7,399,839	6,225,178	5,801,189	3,781,309
- Exchange loss/(gain)	10	1,751,129	(21)	(6,280,352)	152,483
- Share of loss of equity-accounted investment	20(a)	249,783	277,836	249,783	277,836
Net cash flow from operating activities before changes in operating assets and liabilities		(3,594,294)	(423,647)	4,952,788	686,073
Changes in:					
- Loan to related entities	34(a)	(404,246)	(202,186)	(3,420,016)	(3,220,866)
- Trading properties	34(b)	(7,952,164)	4,149,266	(13,894,875)	1,197,120
- Debtor and prepayments	34(c)	(7,139,728)	(456,210)	(3,501,223)	(3,943,142)
- Other liabilities and accruals	34(d)	10,828,938	2,539,514	18,870,865	3,400,985
- Deferred revenue- customer deposits	34(f)	5,374,225	(881,978)	(535,606)	1,094,493
		(2,987,257)	4,224,759	2,461,933	(783,338)
Income tax paid	27(a)	(12,121)	(43,506)	(10,682)	-
Interest paid	26(d)	(6,274,221)	(3,636,524)	(3,707,332)	(2,613,681)
Net cash (used in)/generated from operating activities		(9,243,441)	544,729	(1,917,448)	(3,397,019)
Investing activities:					
Additional investment in subsidiaries	19	-	-	(90)	20
Acquisition of property and equipment	17	(172,747)	(1,785,559)	(68,199)	(1,067,518)
Disposal of property and equipment		-	1,630	-	-
(Disposal)/Acquisition of investment property		4,308,581	(5,405,055)	-	(2,111,479)
Net cash generated from/ (used in) investing activities		4,135,834	(7,189,984)	(68,289)	(3,178,977)
Financing activities:					
Movement in Equity	32(a)	(1,827,662)	-	-	-
Movement in Translation		5,038,515	1,051,129	-	-
Net proceeds from borrowings	26(d)	52,650,461	56,176,435	48,890,367	57,748,318
Principal repayment of borrowings	26(d)	(52,482,984)	(48,503,598)	(48,845,298)	(48,384,684)
Dividend paid	SOCIE	-	(590,846)	-	(590,846)
Net cash (used in)/ generated from financing activities		(1,660,175)	8,146,122	45,069	8,772,788
Net (decrease) /increase in cash and cash equivalents		(729,268)	1,499,867	(1,940,667)	2,196,792
Cash and cash equivalent as at beginning of the year	24	4,182,283	2,682,416	2,708,838	512,046
Cash and cash equivalent as at period end	24	3,453,015	4,182,283	768,170	2,708,838

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1. REPORTING ENTITY

Mixta Real Estate Plc is domiciled in Nigeria. The registered address of the Company's office 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 2023 include those of 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.

Mixta Real Estate Plc is a subsidiary of Asset & Resource Management Holding Company Limited. Asset & Resource Management Company Limited offers its clients 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 IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria 2020 and the Financial Reporting Council of Nigeria Act(Amendment)2023.

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 has 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.

iii) loans and receivables and other financial liabilities measured at amortized cost using the effective 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.

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 note 8 to the account.

d. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the company's annual financial statements for the year ended 31 December 2023. The entity has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(i) Standards and interpretations effective during the reporting period

IFRS 17 Insurance contracts

IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023.

Amendments to IFRS 17

Amends IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 Insurance Contracts was published in 2017. The main changes are:

- Deferral of the date of initial application of IFRS 17 by two years to annual periods beginning on or after 1 January 2023.

- Additional scope exclusion for credit card contracts and similar contracts that provide insurance coverage as well as optional scope exclusion for loan contracts that transfer significant insurance risk

- Recognition of insurance acquisition cash flows relating to expected contract renewals, including transition provisions and guidance for insurance acquisition cash flows recognized in a business acquired in a business combination.

- Clarification of the application of IFRS 17 in interim financial statements allowing an accounting policy choice at a reporting entity level.

- Clarification of the application of contractual service margin (CSM) attributable to investment-return service and investment-related service and changes to the corresponding disclosure requirements

- Extension of the risk mitigation option to include reinsurance contracts held and non-financial derivatives.

- Amendments to require an entity that at initial recognition recognizes losses on onerous insurance contracts issued to also recognize a gain on reinsurance contracts held.

- Simplified presentation of insurance contracts in the statement of financial position so that entities would present insurance contract assets and liabilities in the statement of financial position determined using portfolios of insurance contracts rather than groups of insurance contracts.

- Additional transition relief for business combinations and additional transition relief for the date of application of the risk mitigation option and the use of the fair value transition approach.

IFRS 17 does not apply to the entity, as it does not have insurance contracts

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

The amendments require that an entity discloses its material accounting policies, instead of its material accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Definition of Accounting Estimates (Amendments to IAS 8)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12)

The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.

Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17)

The amendment permits entities that first apply IFRS 17 and IFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before.

(ii) Standards issued but not yet effective

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

Lack of Exchangeability (Amendments to IAS 21)

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

Non-current Liabilities with Covenants (Amendments to IAS 1)

The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendment defers the effective date of the January 2020 amendments by one year, so that entities would be required to apply the amendment for annual periods beginning on or after 1 January 2024. The amendments in Classification of Liabilities as Current or Non-current (Amendments to IAS 1) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;

- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and

- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

4. MATERIAL 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.

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. Unrealized 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.

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 recognized 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. Unrealized 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.

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 ventures are 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 recognized 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 recognized in OCI are reclassified to profit or loss) are recognized 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 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.

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 recognizes 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 recognized 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 recognized 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.

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 profit before tax.

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 exits. 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 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 asif 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.

(iv) 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.

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 a 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 recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses 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 derecognized, the cumulative gain/loss previously recognized 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 recognized 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 2023, the Group does not hold any debt instrument measured at fair value through other comprehensive income (FVOCI).

Debt instruments Fair value through profit or loss

Financial assets at FVTPL are:

Assets with contractual cashflows 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 remeasurement ecognised 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 recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Impairment

The Group recognizes 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 Effective Interest Rate (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 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 recognized. 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 derecognized 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 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 recognized 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 derecognizes 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 recognizes 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 recognize the financial asset and also recognizes a collateralized 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 recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized 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 recognize under continuing involvement, and the part it no longer recognizes 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 recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain/loss allocated to it that had been recognized in OCI is recognized in profit or loss. A cumulative gain/loss that had been recognized in OCI is allocated between the part that continues to be recognized and the part that is no longer recognized 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 recognized in OCI is not subsequently reclassified to profit or loss.

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 recognized 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 unfavorable 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 recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain/loss is recognized 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'.

(i) 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.

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 containing one or more embedded derivatives, and IFRS 9 permits the entire hybrid (combined) contract to be designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains/losses arising on remeasurement recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized 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 date.

*(ii) **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.

*(iii) **Derecognition of financial liabilities***

The Group derecognizes 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 derecognized and the consideration paid and payable is recognized 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.

(h) 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.

(i) 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.

(j) 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 & office equipmnt	5 years

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.

(k) 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 (see Note 5 (d). 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.

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.

(i) 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.

(m) **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 N1,825,000 or less):

(i) Recognise a Right Of Use (ROU) asset and a corresponding liability equal to the present value (PV) of all future unavoidable payments due on the lease.

(ii) Recognise a depreciation expense and an interest expense separately in the income statement.

(iii) Separate the total amount of cash paid into a principal portion (presented under financing activities) and interest (typically presented either under operating or financing activities) in the cash flow statement.

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

(n) 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.

(o) 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.

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

(p) 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.

(q) 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 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 realizable 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
- Capitalized borrowing costs in relation to qualifying assets

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

Expense recognition

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

(r) 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.

(s) 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 basis 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 asset 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 represent 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 costs of a previous period that is 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.

(t) 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.

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 2023

In thousands of naira	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	24	3,453,015	-	3,453,015
Loans to related entities	21	1,047,716	-	1,047,716
Debtors and receivables (excluding prepayments)		18,442,870	-	18,442,870
		22,943,601	-	22,943,601
Borrowings	26	-	90,823,049	90,823,049
Other liabilities (excluding statutory deductions)	28	-	24,961,715	24,961,715
		-	115,784,763	115,784,763

31 December 2022

In thousands of naira	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	24	4,182,283	-	4,182,283
Loans to related entities	21	4,572,519	-	4,572,519
Debtors and receivables (excluding prepayments)	23	12,705,319	-	12,705,319
		21,460,121	-	21,460,121
Borrowings	26	-	82,854,883	82,854,883
Other liabilities (excluding statutory deductions)	28	-	15,744,626	15,744,626
		-	98,599,509	98,599,509

Company

31 December 2023

In thousands of naira	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	24	768,170	-	768,170
Loans to related entities	21	43,252,750	-	43,252,750
Debtors and receivables (excluding prepayments)	23	45,252,794	-	45,252,794
		89,273,715	-	89,273,715
Borrowings	26	-	67,966,806	67,966,806
Other liabilities (excluding statutory deductions)	28	-	51,854,947	51,854,947
		-	119,821,753	119,821,753

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(contd.)*

31 December 2022

In thousands of naira	Note	Loans and receivables	Other financial liabilities	Total carrying amount
Cash and cash equivalents	24	2,708,838	-	2,708,838
Loans to related entities	21	40,148,937	-	40,148,937
Debtors and receivables (excluding prepayments)	23	29,049,529	-	29,049,529
		71,907,304	-	71,907,304
Borrowings	26	-	61,785,085	61,785,085
Other liabilities (excluding statutory deductions)		-	33,847,760	33,847,760
		-	95,632,845	95,632,845

8. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the 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 33.3% in Lakowe Lakes Golf Club Limited ("Lakowe"), Mixta Real Estate Plc has an 100% stake in Toll Systems Development Company which in turn holds a 33.3% stake in Lakowe. However, having considered the fact and circumstances, 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, these are residential property and Land that the Group develops and intends to sell before or on completion of construction.

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. Also, about 100 Hectares of Land held by the Group holding company, Mixta Real Estate Plc is classified as Investment Property.

(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 in the arrangement arising from the subsequent acquisition from ARM Holding Company Limited) classified its interests as joint venture 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.

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

(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***

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 analyzed 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 recognized 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.

Furtherdetailsofthejudgementsandassumptions made in the valuation of investment property are disclosed in note 20(f).

(iii) Estimation of net-realizable value for trading properties

Trading properties are stated at the lower of cost and net realizable 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.

(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 realizable 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.

9	REVENUE-SALES OF TRADING PROPERTIES	Group		Company	
	In thousands of naira	2023	2022	2023	2022
	Sales of trading properties*	17,037,645	16,766,674	12,708,964	6,324,472

** This relates of income from sale of homes, land and rental income*

10.	OTHER INCOME (NET)	Group		Company	
	Fair value gain on investment property (see 10.1 below)	43,929,849	14,980,005	5,889,000	3,888,521
	Interest income (see 10.2 below)	780,746	794,129	4,408,422	4,076,097
	Fees and Others (see 10.3 below)	661,666	191,626	625,687	38,283
	Exchange gain/(loss)	(1,751,129)	(765,291)	6,280,352	(152,483)
	Net Other Income	43,621,132	15,200,469	17,203,461	7,850,418

10.1.	FAIR VALUE GAIN ON INVESTMENT PROPERTY				
	Gain on fair valuation of investment property	43,929,849	14,980,005	5,889,000	3,888,521

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 18).

10.2 INTEREST INCOME

Interest income on instruments measured at amortized cost:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Loans to related entities (see note (a) below	694,170	646,521	4,363,497	3,946,601
Cash and cash equivalents	86,576	147,608	44,925	129,496
Total Interest Income	780,746	794,129	4,408,422	4,076,097

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

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Summerville Golf Club Limited	-	-	3,099,940	2,746,212
Mixta Africa Structural Systems	-	-	176,650	164,948
Mixta Cote d'Ivoire	-	-	56,596	11,779
Hotel Goree	-	-	7,179	3,820
Garden City Golf Estate Development Limited*	365,750	365,750	365,750	365,750
Mixta Senegal	-	-	79,811	30,087
Lakowe Lakes Golf Club Limited*	318,581	270,862	204,838	170,526
Lakowe Lakes Hospitality Limited*	9,115	9,115	9,115	9,115
Mixta Africa S.A	-	-	228,637	320,898
FP2 Limited	-	-	125,946	114,776
Townsville Properties Limited	-	-	9,035	9,089
Beechwood Property Development Company Limited*	725	794	-	-
Total interest income from related entities	**694,170**	**646,521**	**4,363,497**	**3,946,601**

** represent entities that are not consolidated by the Group*

10.3 FEES AND OTHERS

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Income from other management services (see (i) below)	919,836	189,057	885,434	38,283
Rental income (see (ii) below)	1,578	2,569	-	-
Realized (loss)/gain	(259,747)	-	(259,747)	-
Total Other Income	**661,666**	**191,626**	**625,687**	**38,283**

i. **Income from other management services**

This represents amounts reimbursable by other entities for employees time and agency fees on the sale of real estate products to third party customers.

ii. **Rental income**

This represents income earned from sub- lease of office space.

11. **COST OF SALES- TRADING PROPERTIES**

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Carrying value of properties sold	15,634,471	14,229,260	5,939,977	3,852,770

12. **NET IMPAIRMENT LOSS ON ASSETS**

Allowance for losses comprise:

Loans from related parties				
Impairment charge/(credit) on loans to related parties (see note 21 (c))	4,623,218	(341,844)	4,679,700	(427,313)
Debtors and Prepayments				
Specific impairment charge for doubtful receivables (see note 23(d))	(348,952)	1,892,223	1,382,717	1,838,960
Trading Properties				
Impairment charge on inventory*	-	1,782,150	-	-
Net impairment per income statemen	4,274,266	3,332,529	6,062,417	1,411,647

* Impairment charge on inventory represents Company's estimate of land inventory imparted by encroachment activities on the Company's Land Bank. Stakeholders' engagement occurs on an on-going basis complemented by appropriate policing and security enforcement of the Company's rights over its land assets.

13. **PERSONNEL EXPENSES**

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Wages and salaries	2,677,804	2,164,042	1,273,244	784,171
Other employment related costs	393,299	420,843	113,250	168,722
Total Personnel Expenses	3,071,103	2,584,885	1,386,494	952,893

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(contd.)*

(a) **Staff costs**

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

	Group		Company	
	2023	2022	2023	2022
	Number	Number	Number	Number
Below ₦2,000,000	2	16	2	1
Above ₦2,000,000	134	122	102	105
Total Number of Employees	136	138	104	106

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

	Group		Company	
	2023	2022	2023	2022
	Number	Number	Number	Number
Management staff	17	17	13	14
Others	119	121	91	92
Total Number of Employees	136	138	104	106

iii. The breakdown of staff across geographical locations is as follows

	Group		Company	
	2023	2022	2023	2022
	Number	Number	Number	Number
Nigeria	104	106	104	106
Rest of Africa*	32	32	-	-
Total Number of Employees	136	138	104	106

*These employees are in subsidiaries in Morrocco, Tunisia, Senegal and Cote d' Ivoire.

(b) **Directors**

i. Directors' remuneration was paid as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
- Executive compensation	219,757	196,212	197,782	176,591
Sitting allowances (Independent NEDs)	26,989	11,476	26,989	11,476
Total Director' remuneration	246,747	207,688	224,771	188,067

ii. Directors' remuneration shown above (excluding pension contributions and certain benefits) include:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Chairman	22,000	22,000	22,000	22,000
Highest paid director	123,324	110,978	123,324	110,978

14. OPERATING EXPENSES:

(a) Operating expenses comprise:

	Group		Company	
In thousands of naira	**2023**	**2022**	**2023**	**2022**
Audit fees	75,191	70,571	43,560	43,070
Advertising and Marketing costs	235,801	398,674	110,186	183,695
Donations	10,850	21,350	6,447	12,432
Professional fees	428,939	452,990	147,838	209,428
Security expenses	192,992	269,891	53,031	63,476
Other operating expenses*	1,705,832	1,176,793	646,238	451,146
Total operating expenses	2,649,604	2,390,269	1,007,299	963,248

* Included in other operating expenses are fees paid to Deloitte and Touche as professional fees for the provision of non-audit service relating to tax matters. The total amount of non-audit services provided by the firm during the year was N29.5 million.

These services in the Group's opinion, did not impair the independence and objectivity of the external auditors.

15. FINANCE COSTS

Finance costs were incurred as follow:

		Group		Company	
	In thousands of naira	**2023**	**2022**	**2023**	**2022**
	Interest on Borrowings (See 15b)	7,399,839	6,226,178	5,801,189	3,781,309
	Bank charges	24,220	25,733	23,732	24,481
	Others	100,980	23,290	89,286	10,787
	Total finance costs	7,525,039	6,274,201	5,914,208	3,816,577
15b.	Interest on Corporate Bond	1,034,194	1,214,032	838,896	748,193
	Interest on Commercial Papers	2,551,388	2,340,084	2,069,582	1,442,165
	Interest on Bank Loans	349,423	104,244	179,880	64,244
	Interest on Loan Notes	2,969,161	2,078,487	2,194,205	1,159,141
				518,846.4	
	Interest on Related party Loans	495,682	488,331	2	367,867
	Total interest charged on borrowings	7,399,839	6,226,178	5,801,189	3,781,309

16. EARNINGS AND DIVIDEND PER SHARE

(a) Earnings per share (EPS)

Basic and diluted earnings per share have been computed based on profit after taxation and the number of ordinary shares of 118,169,024 (2022: 118,169,024) in issue during the year.

	Group		Company	
In thousands of naira	**2023**	**2022**	**2023**	**2022**
Profit attributable to Group shareholders	21,688,88	3,335,947	7,826,816	2,532,623
Number of ordinary shares in issue at year end	118,169	118,169	118,169	118,169
Weighted average number of shares during the year	104,003	104,003	104,003	104,003
Earnings per share - EPS in kobo	20854k	3208k	7524k	2435k

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

(b) Dividend per share (DPS)

Dividend per share is based on the dividend proposed and the number of ordinary shares of 118,169,020 (2022: 118,169,020) in issue during the year. The Board of Directors did not propose any dividend during the year (2022: NIL) from its retained earnings as at December 31, 2023. This will be presented for ratification by the Shareholders at the Annual General Meeting.

17. PROPERTY AND EQUIPMENT

(a) Company

In thousands of Naira	Computer Hardware - Others	Furniture & Fittings	Building	Office Equipment	Motor Vehicles	Plant & Machinery	Software - Others	Total
COST								
Balance at 1 January 2022	61,520	90,660	154,775	35,997	195,354	1,681	50,565	590,853
Additions	36,303	4,327	1,000,050	9,606	16,072	-	940	1,067,518
Balance at 31 December 2022	97,823	94,988	1,154,825	45,603	211,426	1,681	51,505	1,658,371
Balance at 1 January 2023	97,823	94,988	1,154,825	45,823	211,426	1,681	51,505	1,658,371
Additions	12,681	24,088	19,348	11,252	830	-	-	68,199
Balance at 31 December 2023	110,504	119,076	1,174,173	57,075	212,256	1,681	51,505	1,726,270
ACCUMULATED DEPRECIATION								
Balance at 1 January 2022	21,803	82,776	120,628	19,190	71,153	739	29,508	346,096
Charge for the year	14,517	3,171	42,922	5,840	47,455	396	9,393	124,294
Balance at 31 December 2022	36,320	85,947	163,550	25,029	118,608	1,135	38,901	470,390
Balance at 1 January 2023	36,320	85,947	163,550	25,029	118,608	1,135	38,901	470,390
Charge for the year	18,441	4,828	20,574	7,332	43,026	396	9,770	104,367
Balance at 31 December 2023	54,761	90,775	184,124	32,361	161,634	1,531	48,671	574,757
Net book value at 31 December 2023	61,504	9,041	991,275	20,794	92,817	546	11,704	1,187,981
Net book value at 31 December 2023	55,743	28,301	990,050	24,714	50,622	150	1,835	1,151,614

As at 31 December 2023, the net book value of property, plant and equipment was significantly less than 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 2023 (2022 : nil)

17. PROPERTY AND EQUIPMENT

(b) Group

In thousands of Naira	Leasehold Land*	Building	Golf Course Improvements	Plant and Machinery	Motor Vehicle	Furniture & Fittings	Computer and Office Equipment	Software -Others	Revive Sport Centre	Total
Balance at 1 January 2022	6,781,631	455,808	5,217,412	215,675	392,875	226,011	210,352	159,942	-	13,629,234
Impairment	-	-	-	-	-	-	(4,774)	-		(4,774)
Additions	-	1,000,050	-	-	52,073	6,494	54,808	940	676,968	1,790,333
Disposals	-	-	-	-	(1,875)	-	(3,661)	-	-	(5,556)
Reclassification	-	85,730	(40,571)	3,687	(89,779)	8,494	(128,325)	(105,325)	-	(265,090)
Balance at 31 December 2022	6,781,631	1,541,588	5,176,841	219,362	322,994	240,999	128,210	55,457	676,968	15,144,048
Balance at 1 January 2023	6,781,631	1,541,608	5,176,841	219,362	322,994	240,999	128,210	55,457	676,968	15,144,048
Additions	-	94,433	-	-	10,611	31,395	34,549	1,458	-	172,747
Disposals	-	-	-	-	-	-	(488)	-	-	(488)
Balance at 31 December 2023	6,781,631	1,636,118	5,176,841	219,362	333,605	272,394	162,280	56,915	676,968	15,316,294
ACCUMULATED DEPRECIATION										
Balance at 1 January 2022	605,775	150,801	925,926	115,169	245,044	160,030	129,462	151,621	-	2,583,478
Charge for the year	76,198	48,010	103,557	17,379	51,265	4,700	79,728	9,993	11,488	403,314
Disposals	-	-	-	-	(1,349)	-	(3,661)	-	-	(5,030)
Reclassification	-	37,347	-	32,116	(108,906)	31,719	(138,927)	(118,437)	-	(265,088)
Balance at 31 December 2022	781,971	236,057	1,029,483	164,690	186,074	196,449	66,600	43,077	11,488	2,696,869
Balance at 1 January 2023	781,971	236,057	1,029,483	164,690	186,074	196,449	66,600	43,077	11,488	2,696,869
Charge for the year	76,197	29,691	103,557	14,811	57,605	7,040	34,980	8,614	13,539	345,555
Disposals	-	-	-	-	-	-	(301)	-	-	(301)
Balance at 31 December 2023	858,168	265,788	1,132,995	179,500	243,679	203,490	101,279	51,691	25,027	3,041,623
Net book value at 31 December 2022	6,019,660	1,304,628	4,147,378	54,672	136,920	44,550	61,610	12,380	665,480	12,447,278
Net book value at 31 December 2023	5,943,283	1,370,329	4,043,841	39,866	90,327	68,904	60,681	4,924	651,941	12,274,372

*Included in leasehold land is the golf course parcel of land with a fair value of N45billion. As a result, the net book value of property, plant and equipment amounting to N12.45 billion were significantly less than 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 2023 (2022 : nil)

18. INVESTMENT PROPERTY

(a) Investment property comprises

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Land at Lakowe Village, Lekki (see note (b) below)	154,227,173	114,605,905	23,389,000	17,500,000
As at 31 December 2023	154,227,173	114,605,905	23,389,000	17,500,000

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

	2023	2022	2023	2022
At 1 January	114,605,905	94,219,845	17,500,000	11,500,000
Additions during the year	1,155,686	-	-	-
Capitalization	-	5,406,055	-	2,111,479
Unrealized fair value gain (See note 10)	43,929,849	14,980,005	5,889,000	3,888,521
Transfer to inventory (See note 22)	(5,464,267)	-	-	-
As at 31 December 2023	154,227,173	114,605,905	23,389,000	17,500,000

(c) This represents 679.3 hectares of land bank held by Toll Systems Development Company Limited (TSD) and 100 hectares held by Mixta Real Estate Plc. 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) Valuation techniques used for fair valuation of investment property

Investment property is stated at fair value based on valuations performed by Messrs Knight Frank, Estate Surveyors and Valuers (FRC/2013/NIESV/00000000000584) as at 31 December 2023.

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.

18(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 Ibeju-Lekki, Lagos State.	154,327,773	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: a. a willing buyer; b. a reasonable period within which to negotiate the sale taking into account the nature of the property and the state of the market; c. values will remain static throughout the period; d. the property will be freely exposed to the market; e. no account is to be taken of an additional bid by a special purchaser; f. no account is to be taken of expenses of realization, which may arise in the event of a disposal.	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. Site: The site, which is slightly irregular in shape, appears level and well drained. It has a total area of approximately 779.30 hectares. 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.	Price per square meter	Sales price per square meter +/- 10%	17,815,399	21,765,435

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

19. INVESTMENT IN SUBSIDIARIES

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

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Adiva Properties Limited	-	-	100	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	6,901,180
Townsville Properties Limited	-	-	54,553	54,553
Mixta Africa S.A*	-	-	16,413,529	16,413,529
Carrying Value of Investment in Subsidiaries	-	-	54,977,101	54,977,011

* Mixta Africa is the beneficial owner of the holdings of Mixta Real Estate Plc (Mixta Nigeria) in Mixta subsidiaries in Morroco, Tunisia, Senegal and Cote d' Ivoire.

(b) Further details about the subsidiary companies' are as detailed below:

Subsidiaries	Country of Incorporation	Nature of Business	Percentage Holding 31-Dec-23	Percentage Holding 31-Dec-22
Adiva Properties Limited	Nigeria	Real estate	99.9%	99.9%
FP2 Limited	Nigeria	Real estate	99.9%	99.9%
Toll System Development Company Limited	Nigeria	Real estate	100.0%	100.0%
Summerville Golf Club Limited	Nigeria	Real estate	95.6%	95.6%
Townsville Properties Limited	Nigeria	Real estate	99.9%	99.9%
Mixta Africa S.A	Spain	Real estate	100.0%	100.0%
Mixta Affordable Housing	Spain	Real estate	100.0%	100.0%
Mixta Africa Corporate Services	Spain	Real estate	100.0%	0.0%

(c) Goodwill

Goodwill comprises:	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance, beginning of year	56,106	56,106	-	-
Balance, end of year	56,106	56,106	-	-

20. EQUITY ACCOUNTED INVESTMENTS

(a) The movement in equity accounted investees during the year was as a result of movement in the value of investment in Garden City. The movement is as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance, beginning of year	766,621	1,044,457	765,371	1,043,207
Additions during the year	-	-	-	-
Share of loss of equity accounted investee	(249,783)	(277,836)	(249,783)	(277,836)
Balance, end of year	516,838	766,621	515,588	765,371

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

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Garden City Golf Estate Development Limited (See (i))	515,588	765,371	515,588	765,371
Lakowe Lakes Hospitality Limited (See (ii))	1,250	1,250	-	-
Beechwood Property Development Company Limited (iii)	333,333	333,333	-	-
Allowance for impairment	(333,333)	(333,333)	-	-
Total Interest in Equity-accounted Companies	516,838	766,621	515,588	765,371

(i) Garden City Golf Estate Development Limited ("Garden city") was incorporated in Nigeria as a Limited Liability Company in 2013. 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 the company.

(c) Summary of financial information for equity-accounted investees- Garden City

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	
In thousands of naira	**2023**	**2022**
Percentage ownership interest	51%	51%
Income	82,396	63,475
Net Expenses*	(572,166)	(608,251)
Loss for the year	**(489,770)**	**(544,776)**
Share of Loss for the year	(249,783)	(277,836)

(ii) **Statement of financial position**

In thousands of naira	**2023**	**2022**
Percentage ownership interest	51%	51%
Current assets	9,902,598	9,805,798
Non-current assets	5,910	5,783
Current liabilities	(2,002,156)	(1,993,179)
Non-current liabilities	(9,612,257)	(9,034,802)
Net Assets	**(1,706,171)**	**(1,216,400)**
Share of net assets	**(870,147)**	**(620,364)**

The Mark-to-market (MTM) valuation of Garden City Golf Estate exceeded its book value by N40,739,788,000.00 as at 31. 12. 2023.

(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 Lakes Hospitality Limited as the Group has insignificant shareholding in 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 in 2004. The primary business activity of the company is to carry on business as developers of Beechwood Estate.

21. LOANS TO RELATED ENTITIES

Loans to related entities comprise:

		Group		Company	
	In thousands of naira	2023	2022	2023	2022
(a)	**Gross term loans:**				
(i)	**Subsidiaries**				
	Summerville Golf Club Limited (see (e(i)) below)	-	-	28,885,973	28,806,734
	FP2 Limited (see (e(iii)) below)	-	-	1,235,966	1,119,070
	Townsville Properties Limited (see (e(iv) below)	-	-	94,644	85,609
	Mixta Africa S.A (see (e(v)) below)	-	-	6,240,079	2,731,412
	Gross loans to Subsidiaries	-	-	36,456,663	32,742,826
(ii)	***Other related entities***				
	Mixta Africa Corporate Services Limited (see (e(vi)) below)	-	-	-	754,617
	Mixta Africa Structural Systems (see (e(vii)) below)	-	-	3,164,582	1,753,287
	Mixarm	-	-	931,822	-
	Mixta Senegal	-	-	1,166,774	365,920
	Mixta Cote d'Ivoire	-	-	1,121,560	459,340
	Hotel Goree (see (e(viii)) below)	-	-	108,973	44,819
	Lakowe Lakes Golf Club Limited (see (e(ix)) below)	3,393,495	2,670,739	2,542,464	1,933,381
	Lakowe Lakes Hospitality Limited	95,197	86,082	95,197	86,082
	Beechwood Property Development Co Limited	8,272	7,478	-	-
	ARM Company Limited	-	-	-	-
	Gross loans to Other related entities	3,496,964	2,764,298	9,121,372	5,417,446
(b)	***Shareholder loan notes:***				
(i)	***Joint venture/ Associate***				
	Garden City Golf Estate Development Limited (see (e(x)) below)	5,055,218	4,689,468	5,056,218	4,689,468
	Total loans to related parties	8,552,181	7,453,766	50,633,253	42,849,739
	Specific allowance for impairment on loans (See note (c) below	(7,504,466)	(2,881,247)	(7,380,502)	(2,700,803)
	(Current & Non-current assets) See (d) below)	1,047,716	4,572,519	43,252,750	40,148,937

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

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance, beginning of year	2,881,247	3,222,694	2,700,803	3,128,115
Charge/ (Write back) during the year	4,623,218	(341,844)	4,679,700	(427,313)
Balance, end of year	7,504,466	2,881,247	7,380,502	2,700,803

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

In thousands of naira	2023	2022	2023	2022
Due for more than 12 months	957,354	4,493,963	43,252,750	40,148,937
Due within 12 months	90,362	78,556	-	-
Total	1,047,716	4,572,519	50,633,253	40,148,937

22. TRADING PROPERTIES

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

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Land (See (i) below)	39,356,564	30,165,095	14,641,988	3,518,823
Retail shops (See (ii) below)	1,220,684	767,030	-	-
Trading properties under development (See (iii) below)	12,949,948	8,998,006	7,458,992	4,687,282
Total Trading properties	53,527,197	39,930,131	22,100,980	8,206,105

(b) The movement in trading properties during the year was as follows:

GROUP

i. Land (Note 22(a)

31 December 2023

In thousands of naira	Balance at 1 January 2023	Additions	Transfers	Impairment charge/ adjustment	Balance at 31 December 2023
Mixta Real Estate Plc	1,400,371	12,619,610	(4,662,018)	-	9,357,963
Adiva Properties Limited	100,882	47,366	-	(34,986)	113,262
FP2 Limited	232,356	34,926	-	-	267,281
Toll System Development	2,156,886	8,705,140	(10,862,025)	-	-
Summerville Golf Club Limited	19,291,080	4,519,532	(1,989,810)	-	21,820,802
Mixta Africa S.A.	6,983,520	7,374,865	(6,561,129)	-	7,797,256
Total Land Inventory	30,165,095	33,301,438	(24,074,983)	(34,986)	39,356,564

31 December 2022

In thousands of naira	Balance at 1 January 2022	Additions	Disposals/ Transfers	Impairment charge	Balance at 31 December 2022
Mixta Real Estate Plc	3,967,831	227,780	(2,793,332)	(1,909)	1,400,371
Adiva Properties Limited	278,190	1,448,228	(1,625,536)	-	100,882
FP2 Limited	-	8,046	(27,448)	251,759	232,356
Toll System Development	-	2,156,888	-	-	2,156,888
Summerville Golf Club Limited	16,413,008	3,860,799	(5,919,290)	4,936,563	19,291,080
Mixta Africa S.A	10,830,428	-	(2,486,081)	(1,361,826)	6,983,520
Total Land Inventory	31,489,457	7,701,739	(12,850,687)	3,824,587	30,165,095

(ii) Retail shops (Note 22 (a))

31 December 2023

In thousands of naira	Balance at 1 January 2023	Additions	Disposals/ Transfers	Impairment /write off	Balance at 31 Dec 2023
Mixta Africa S.A	767,030	775,318	(321,664)	-	1,220,684
Total Retail shops	767,030	775,318	(321,664)	-	1,220,684

31 December 2022

In thousands of naira	Balance at 1 January 2022	Additions	Disposals/ Transfers	Impairment /write off	Balance at 31 December 2022
Mixta Real Estate Plc	-	-	-	-	-
Adiva Properties Limited	470,138	-	-	(470,138)	-
Mixta Africa S.A	592,456	174,574	-	-	767,030
Total Retail shops	1,062,594	174,574	-	(470,138)	767,030

(iii) Trading properties under development (Note 22(a))

31 December 2023

In thousands of naira	Balance at 1 January 2023	Additions	Disposals/ Transfers	Impairment /write off	Balance at 31 Dec-2023
Mixta Real Estate Plc	4,689,190	3,772,740	(1,001,031)	-	7,460,900
Adiva Properties Limited	18,760	14,494		-	33,254
FP2 Limited	75,548	11,617		-	87,165
Summerville Golf Club Limited	3,737,217	1,249,006	(589,090)	-	4,397,132
Mixta Africa S.A	477,291	529,788	-	(35,582)	971,497
Total Trading properties under development	8,998,006	5,577,645	(1,590,121)	(35,582)	12,949,948

31 December 2022

In thousands of naira	Balance at 1 January 2022	Additions	Disposals/ Transfers	Impairment /write off	Balance at 31 December 2022
Mixta Real Estate Plc	3,318,850	2,246,351	(876,011)	-	4,689,190
Adiva Properties Limited	18,760	-	-	-	18,760
FP2 Limited	464,386	250,931	(138,250)	(501,619)	75,848
Summerville Golf Club Limited	2,330,850	2,407,890	(1,001,524)	-	3,737,217
Mixta Africa S.A	2,324,435	335,605	-	(2,182,749)	477,291
Total Trading properties under development	8,457,282	5,240,777	(2,015,785)	(2,684,268)	8,998,006

Company

31 December 2023

In thousands of naira	Balance at 1 January 2023	Additions	Disposals/ Transfers	Impairment /write off	Balance at 31 December 2023
Land	3,518,823	15,785,184	(4,662,018)		14,641,988
Trading properties under development	4,687,282	3,772,740	(1,001,031)	-	7,458,991
Total Trading Properties	8,206,104	19,557,924	(5,663,049)	-	22,100,979

31 December 2022

In thousands of naira	Balance at 1 January 2022	Additions	Disposals/ Transfers	Impairment charge	Balance at 31 December 2022
Land	6,084,375	227,780	(2,793,332)	-	3,518,823
Trading properties under development	3,318,850	2,246,351	(876,011)	(1,909)	4,687,282
Total Trading Properties	9,403,225	2,474,132	(3,669,343)	(1,909)	8,206,106

23. **DEBTORS AND PREPAYMENTS**

Debtors and prepayments comprise:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Due from related entities *(see (a) below)*	3,477,849	3,162,244	22,404,657	15,948,019
Trade and other receivables *(see (b) below)*	15,278,977	9,870,853	13,367,310	4,387,480
Prepayments and other assets *(see I below)*	7,390,807	7,766,227	15,646,259	16,606,890
Gross debtors and prepayments	26,147,634	20,799,324	51,418,226	36,942,389
Specific allowance for impairment on doubtful receivables (see note (d) below)	(7,704,763)	(8,094,005)	(6,168,738)	(4,786,020)
Net Debtors/Prepayments	18,442,871	12,705,319	45,249,488	32,156,369

23. DEBTORS AND PREPAYMENTS – CONTINUED

		Group		Company	
(a)	**Due from related entities:**	**2023**	**2022**	**2023**	**2022**
(i)	**Subsidiaries**				
	Summerville Golf Club Limited	-	-	2,504,326	-
	Townsville Properties Limited	-	-	31,769	10,703
	Toll Systems Development Co Limited	-	-	13,741,666	10,680,088
	FP2 Limited	-	-	231,023	195,317
	Adiva Properties Limited	-	-	1,802,846	1,742,026
	Total due from Subsidiaries	-	-	18,311,628	12,628,133
(ii)	**Other related entities**				
	Asset & Resource Management Company Limited	477,372	461,432	368,636	383,313
	Mixta Africa Corporate Services Limited	-	-	754,617	-
	Fara Park Limited	994,765	1,002,446	994,712	1,002,392
	Lakowe Lakes Golf Club Limited	937,186	836,320	920,756	760,361
	Lakowe Lakes Hospitality Limited	122,869	62,913	122,869	62,913
	Homestead Court Limited	630,866	629,732	630,966	629,732
	Other related Parties *	252,705	117,317	240,742	421,346
	Total due from other related entities	3,477,849	3,162,244	4,093,029	3,319,886
	Total due from related entities (Note 23)	3,477,849	3,162,244	22,404,657	15,948,019
(b)	***Trade and other receivables***				
	Management fee receivables (see note (i) below)	76,689	49,907	49,907	49,907
	Trade receivables	14,749,858	9,701,984	12,987,706	4,323,261
	Other receivables	105,523	92,469	-	-
	Sundry debtors	348,007	26,494	329,699	14,312
	Total Trade and other receivables (Note 23)	15,278,977	9,870,853	13,367,310	4,387,480

(i) This represents amount on outstanding project income fees from related parties.

		Group		Company	
(c)	**Prepayments and other assets:**				
	Prepayments	356,164	213,652	109,924	100,097
	WHT recoverable	854,381	761,700	785,466	736,510
	VAT recoverable	643,356	363,448	20,583	20,583
	Construction vendor advance	2,529,301	3,077,568	1,763,674	2,249,650
	Subscription for investment *	810,880	810,880	6,279,064	6,279,064
	Other assets	2,196,726	2,538,879	6,687,548	7,220,987
	Total Prepayments and other assets (Note 23)	7,390,807	7,766,227	15,646,259	16,606,890
	Gross debtors and prepayments (Note 23 a, b & c)	26,147,633	20,799,324	51,418,226	36,942,389
	Specific allowance for impairment on doubtful receivables See note (23d) below	(7,704,763)	(8,094,006)	(6,168,738)	(4,786,020)
	Net Prepayments and other assets	18,442,870	12,705,319	45,249,488	32,156,368

*Subscriptions for investment represents deposit for investment in the following entities

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Lakowe Lakes Hospitality Limited	810,880	810,880	-	-
Mixta Affordable Housing Limited	-	-	119,229	119,229
Mixta Africa Corporate Services Limited	-	-	1,786,230	1,786,230
Mixta Affordable Housing Limited	-	-	4,373,606	4,373,606
Total-Subscriptions for investment	810,880	810,880	6,279,064	6,279,064

(d) The movement on borrowings during the year was as follows:

Balance, beginning of year	8,094,006	6,312,486	4,786,020	2,947,060
(Write back)/provisions	(348,962)	1,892,222	1,382,717	1,838,960
Reclassification	(40,289)	(110,702)	-	-
Balance, end of year	7,704,753	8,094,006	6,168,738	4,786,020

(e) The analysis of debtors and prepayments as at end of the year was as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Due after 12 months	829,326	742,820	16,539,171	13,893,989
Due within 12 months	17,613,546	11,962,499	28,710,317	18,262,380
Total Gross Debtors and Prepayments	18,442,871	12,705,319	45,249,488	32,156,369

24. CASH AND CASH EQUIVALENTS

Cash at bank	1,443,604	928,308	768,170	396,837
Short term investments	-	3,454	-	-
Placements with financial institutions	2,009,411	3,250,521	-	2,312,001
Total Cash and Bank balance	3,453,015	4,182,283	768,170	2,708,838

25. DEFERRED TAX LIABILITIES/(ASSET)

(a) The movement in deferred tax liabilities/asset during the period was as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance, beginning of year	6,796,381	6,033,871	(58,676)	(124,281)
Opening year adjustment	-	(74,215)	-	-
(Write-back)/charge during the year (see below and note 27(b))	5,064,072	836,725	1,333,188	65,605
Balance, end of year	11,860,453	6,796,381	1,274,511	(58,676)

(b) Recognized deferred tax liabilities are attributable to the following:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Property, plant and equipment	104,237	84,149	98,782	81,336
Unutilised tax credits	(267,485)	(212,384)	(258,243)	(209,009)
Tax losses	(2,880,737)	(2,161,989)	(1,138,032)	(381,878)
Provisions	(235,100)	(30,794)	-	-
Exchange difference	1,983,184	(110,686)	1,983,184	(87,978)
Fair value adjustments	13,156,433	9,228,095	588,900	538,852
	11,860,532	6,796,381	1,274,591	(58,677)

26. BORROWINGS

Borrowings comprise:	Group		Company	
Borrowings from related entities (See (a) below)	26,034,358	22,860,469	9,972,704	8,820,123
Borrowings from third parties (See (b) below)	65,788,681	59,994,415	57,994,102	52,964,962
Total Borrowings	90,823,049	82,854,884	67,966,806	61,785,085
(a) *Borrowings from related entities*				
Garden City Golf Estate development Company Limited (see note 26(e)(i)	779,691	697,313	-	-
Adiva Properties Limited (see note 26(e)(xiii)	-	-	1,939,854	1,445,452
Beechwood Property Development Company Limited (see note 26(e)(ii)	213,933	193,061	-	-
ARM Holding Coy Limited (see note 26(e)(iii)	24,040,735	21,970,095	8,032,850	7,374,671
Total Borrowings from related entities	26,034,358	22,860,469	9,972,704	8,820,123
(b) *Borrowings from third Parties-Term Borrowings*				
Shelter Afrique (see note (e)(xiv)below)	7,937,115	8,427,739	7,937,115	8,427,739
Summerville Notes (NGN) (see note 26(e)(iv)	1,706,640	1,475,047	-	-
Preferred Notes USD (see note 26(e)(v)	2,886,688	1,330,360	-	-
Mixta Real Estate Plc Notes (see note 26(e)(vi)	30,776,544	17,588,401	30,776,544	17,588,401
Mixta Corporate Bond (see note 26(e)(vii)	-	2,872,881	-	2,872,881
Commercial papers (see note 26(e)(viii)	14,901,433	22,865,092	14,901,433	22,865,092
Secured Bank loan (see note 26(e)(ix,x & xi)	7,580,270	5,728,216	4,379,010	1,510,849
Other borrowings 26(see note (e)(xii)	-	6,879	-	-
Total Third parties Term Borrowings	65,788,681	59,994,415	57,994,102	52,964,962
Gross Borrowings	90,823,049	82,854,884	67,966,806	61,785,085

(c) The aggregate maturity profile of borrowings at the end of the year was as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Due after 12 months	37,972,522	36,985,536	17,909,819	19,820,743
Due within 12 months	52,850,527	45,869,348	50,056,987	41,964,342
Total	90,823,049	82,854,884	67,966,806	61,785,085

(d) The movement on borrowings during the year was as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance, beginning of year	82,854,884	67,738,877	61,785,085	46,596,807
Proceeds from borrowings	82,650,461	56,178,436	48,890,367	57,748,318
Interest expense	7,399,839	6,225,177	5,801,189	3,781,309
Interest capitalised	5,644,912	4,852,516	4,694,262	4,858,016
Interest payments during the year	(5,244,063)	(3,636,524)	(4,368,800)	(2,613,882)
Principal repayments during the year	(52,482,984)	(48,503,598)	(48,845,299)	(48,384,684)
Balance, end of year	90,823,049	82,854,884	67,966,806	61,785,085

(e) The Group/Company granted/obtained secured/unsecured borrowings to/from the following subsidiary Companies and external parties as at December 2023 to support their Operations and working capital. See details belows:

	Counterparty	Interest rate*	Value date**	Maturity date***	Pledged Collateral	GROUP 2023 N'000	GROUP 2022 N'000	Company 2023 N'000	Company 2022 N'000
(i)	Garden City Golf Estate Development Company Limited	12%	14-Nov-22	13-Nov-24	None	779,890.67	697,313	-	-
(ii)	Beachwood Property Development Company Limited	12%	1-Apr-23	31-Dec-25	None	213,933.08	193,081	-	-
(iii)	ARM Holding Company Limited	12%	1-Jan-23	31-Dec-26	None	24,040,736	21,970,095	8,032,850.14	7,374,671
(iv)	Summerville Golf Club Limited Loan Note Holders	12%	30-Apr-23	29-Apr-24	None	1,706,839.63	1,475,047	-	-
(v)	Summerville Golf Club Limited Preferred Loan Note Holders	6%	1-Mar-23	1-May-24	None	2,888,688	1,330,390	-	-
(vi)	Mixta Notes	10%	10-Sep-22	31-Dec-23	None	30,779,544	17,586,400	30,776,644	17,586,401
(vii)	Mixta Corporate Bond	17%	17-Jan-17	12-Oct-23	Bond was secured by Guarantee issued by GuarantCo.	-	2,572,881	-	2,572,881
(viii)	Commercial Papers	10.4%	30-Dec-23	3-Sep-24	None	14,801,433	22,665,093	14,801,433	22,665,092
			1-Dec-20	30-Nov-24	floating assets of Summerville Golf Club Limited. ii. Assignment/domiciliation of all sales proceeds on Lakowe lakes project with Access Bank.	1,380,511	3,310,828	-	-
(x)	Amen Bank**** (Tunisia)	8.8%	29-Mar-18	29-Mar-22	Bank Deposit of 2.1 M € by Mixta Africa with Amen Bank.	1,640,748	805,539	-	-
(xi)	FBNQuest Merchant Bank	19.0%	21-Dec-23	21-Jan-24	i. Tripartite legal mortgage on land located at KM35 Lekki-Epe Expressway.	4,379,010	1,510,849	4,379,010	1,510,849
(xii)	CBAO	6%	31-May-21	30-Apr-24	None	-	8,679	-	-
(xiii)	Adiva Properties Limited	12%	14-Nov-22	13-Nov-24	None	-	-	1,639,854	1,445,452
(xiv)	Shelter Afrique	16%	27-Sep-22	28-Oct-28	i. Legal mortgage on all the parcel of land located at KM35 Lekki-Epe Expressway.	7,937,115	8,427,739	7,937,115	8,427,739

* Represents weighted average rate that prevailed on the borrowings during the year.

**Represents the value date of the earliest note issued in the series.

*** Represents the maturity date of the last note issued in the series.

27. CURRENT INCOME TAX LIABILITY

(a) The movement on this account during the year was as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance, beginning of year	1,132,983	784,498	225,744	48,346
Charge for the year (see note (b) below)	196,144	349,586	89,178	177,398
Reclassification	138,036	158,271	-	-
Payment during the year	(82,710)	(159,372)	(10,582)	-
Balance, end of year	1,384,453	1,132,983	304,340	225,744

(b) The income tax expense comprises:

	Group 2023	Group 2022	Company 2023	Company 2022
Company income tax	190,754	345,315	88,715	177,254
Police Trust Fund	476	-	462	144
Tertiary education tax	4,914	4,271	-	-
	196,144	349,586	89,178	177,398
Deferred tax charge (see note 25 (a))	5,131,519	804,915	1,333,188	65,605
Income tax expenses per SOCI	5,327,663	1,154,502	1,422,365	243,003

Reconciliation of effective tax rate

Group

In thousands of naira	**%**	**2023**	**%**	**2022**
Accounting profit before income tax	**100%**	**26,908,955**	**100%**	**4,465,048**
Income tax using the domestic corporation tax rate (30%)	30%	8,072,687	30%	1,339,514
Effect of:				
Unrecognised deferred tax asset arising during the year	0%	-	13%	(777,704)
Tax exempt income	0%	(14,301)	-2%	103,046
Non-deductible expenses	1%	183,473	1%	62,497
Tax adjustments arising from change in tax rate	-4%	(1,148,652)	-10%	(427,053)
		-		
Changes in recognized deductible temporary difference	-6%	1,603,807	0%	520,762
Effect of concessions (research and development and other allowances)	0%	17,485	0%	(1,403)
Minimum Tax	5%	1,215,327	7%	329,926
Tertiary education tax	0%	3,014	0%	4,271
Policy trust fund levy	0%	2,376	0%	645
Adjustments recognized in the current period in relation to the deferred tax of prior periods	-5%	(1,399,940)		-
At the effective income tax rate of 20% (2022: 26%) (Note 27b)	**20%**	**5,327,863**	**26%**	**1,154,500**

Company

In thousands of naira	**%**	**2023**	**%**	**2022**
Accounting profit before income tax		**9,247,880**		**2,776,626**
Income tax using the domestic corporation tax rate (30%)	30%	2,774,364	30%	832,888
Effect of:				
Unrecognised deferred tax asset arising during the year	0%	-	-28%	(777,704)
Tax exempt income	1%	88,897	4%	112,189
Non-deductible expenses	0%	-	-5%	(128,194)
Tax adjustments arising from change in tax rate	-11%	(989,390)	0%	(3,496)
Effect of concessions (research and development and other allowances)	0%	(478)	1%	30,156
Minimum Tax	1%	86,716	6%	177,254
Tertiary education tax (2%)	0%	-	0%	-
Policy trust fund levy	0%	462	0%	144
Adjustments recognized in the current period in relation to the deferred tax of prior periods	-6%	(540,206)	0%	-
At the effective income tax rate of 15% (2022: 9%) (Note 27b)	**15%**	**1,422,365**	**9%**	**243,046**

28. OTHER LIABILITIES AND ACCRUALS

Other liabilities and accruals comprise:

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Liabilities due to related entities (See (a) below)	1,594,336	1,480,797	37,090,424	26,563,040
Other liabilities and accruals (See (b) below)	27,941,009	17,225,609	15,628,201	7,284,720
Total Other liabilities and accruals	29,535,345	18,706,405	52,718,625	33,847,750

(a) *Due to related entities:*

(i) Subsidiaries

	Group 2023	Group 2022	Company 2023	Company 2022
Crosstown Mall Properties Limited	-	-	25,667	25,667
Adiva Properties Limited	-	-	1,758,100	1,716,359
Toll Systems Development Company Limited*	-	-	33,520,009	23,217,690
Summerville Golf Club Limited	-	-	240	240
Total due to Subsidiaries	-	-	35,304,036	24,959,956

*Amount convertible to equity in Real estate as TSD is the land holding company in the Group.

(ii) *Joint Venture*

	Group 2023	Group 2022	Company 2023	Company 2022
Garden City Golf Estate Development Limited	47,241	47,241	-	-
Total due to JV Company	47,241	47,241	-	-

(iii) *Other related entities*

	Group 2023	Group 2022	Company 2023	Company 2022
Asset & Resource Management Company Limited	482,729	460,015	337,881	254,948
Lakowe Lakes Golf Club Limited	153,003	236,800	152,447	152,447
Beechwood Property Development Company Limited	293,671	214,164	281,871	202,364
Fara Park Limited	252,709	252,709	252,709	252,709
ARM Hospitality & Retail Fund	182,461	196,470	182,451	193,844
Mixta Africa Corporate services	7,500	-	479,560	494,042
Other related parties*	175,023	73,298	149,700	52,731
Total due to Other related entities	1,547,095	1,423,556	1,796,408	1,603,084

*Other related Parties includes balances from ARM Financial Advisers, Homestead Court Limited, Duo Collectives Limited, Trinity Garden Limited etc.

See note 35 – Related Party transactions for more details.

(b) *Other liabilities and accruals*

	Group 2023	Group 2022	Company 2023	Company 2022
Accrued expenses	599,714	267,464	72,541	50,262
Defined contributions	822,858	226,577	471,952	105,318
Statutory deductions liabilities	4,573,629	2,961,790	883,678	555,634
Other liabilities	9,522,741	2,048,234	9,825,304	2,309,874
Liability to Project Contractors and vendors (see (i) below)	12,424,066	11,723,565	4,594,728	4,263,642
Other liabilities and accruals	27,941,008	17,225,609	15,628,201	7,284,720
Gross other liabilities and accruals (Note 28)	29,535,344	18,706,405	52,718,625	33,847,750

(i) This represents amounts due to project contractors and other creditors arising from the ordinary course of business.

(c) The analysis of other liabilities and accruals as at end of the year was as follows:

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Due after 12 months	1,594,336	1,480,797	37,090,424	26,563,040
Due within 12 months	27,941,008	17,225,609	15,628,201	7,284,720
Gross other liabilities and accruals (Note 28)	29,535,344	18,706,405	52,718,625	33,847,750

29. DEFERRED REVENUE-DEPOSIT FROM CUSTOMERS

The balance represents 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 satisfies its performance obligations in line with the contract with the customers after which revenue is recognized.

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Balance at the start of the year	8,303,318	9,185,294	4,321,297	3,226,806
Additions during the year	22,389,706	17,820,868	12,169,473	7,394,317
Transfer to account receivable upon Revenue recognition/Cancellation	(17,015,481)	(18,702,845)	(12,705,079)	(6,299,826)
Balance as at year end	13,677,543	8,303,318	3,785,691	4,321,297

30. SHARE CAPITAL

(a) Issued and fully paid share capital

Issued and fully paid				
118,169,020 ordinary shares of N50 each*	5,908,451	5,908,451	5,908,451	5,908,451

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 and are entitled to the company's residual assets on a pari- passu basis.

No additional preference shares were issued in 2023.

31. SHARE PREMIUM

The balance on share premium account was as follows:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Opening Balance	50,985,022	50,985,022	50,985,022	50,985,022
Balance, end of year	50,985,022	50,985,022	50,985,022	50,985,022

32(a) COMMON CONTROL ACQUISITION DEFICIT

This represents the difference between the net asset value and the consideration paid on acquisition of companies under common control.

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Opening balance	(19,189,782)	(19,189,782)	(2,156,000)	(2,156,000)
Acquisition deficit arising from acquisition of Mixta Africa Corporate Services	(1,827,651)	-	-	-
Balance, end of year	(21,017,433)	(19,189,782)	(2,156,000)	(2,156,000)

32(b) Retained earnings

Retained earnings are the carried forward recognized income (net of expenses) plus current year profit attributable to shareholders.

32(c) Translation Reserve

Translation reserves are the accumulated balances arising from conversion of foreign currency transactions into parent company's local currency.

33 Non-controlling interests

(a) The entities accounting for the non-controlling interest balance are shown below:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Summerville Golf Club Limited	(504,723)	(451,218)	-	-
Mixta Tunisia	155,046	209,060	-	-
Total Non controlling interests	(349,677)	(242,158)	-	-

(b) The following table summarizes the information relating to the Group's subsidiaries that have material NCI

31 December 2023	Mixta Tunisia	Summerville Golf Club Limited
In thousands of naira		
NCI percentage	51%	4%
Total assets	3,176,960	54,583,703
Total liabilities	(2,872,949)	(66,133,420)
Net assets	304,011	(11,549,717)
Carrying amount of NCI	155,046	(504,723)

In thousands of naira	Mixta Tunisia	Summerville Golf Club Limited
NCI percentage	51%	4%
Gross income/(loss)	55,259	(5,261,440)
Profit	(314,694)	1,224,354
Profit allocated to NCI	(161,023)	53,504

31 December 2022 In thousands of naira	Mixta Tunisia	Summerville Golf Club Limited
NCI percentage	51%	4%
Total assets	2,124,177	51,039,880
Total liabilities	(1,714,255)	(61,365,243)
Net assets	409,922	(10,325,363)
Carrying amount of NCI	209,060	(451,218)

In thousands of naira	Mixta Tunisia	Summerville Golf Club Limited
NCI percentage	51%	4%
Gross income/(loss)	808,387	(9,160,593)
Profit	18,630	(799,384)
Profit allocated to NCI	9,532	(34,933)

34. RECONCILIATION NOTES TO CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

In thousands of naira

			Group		Company	
		NOTES	2023	2022	2023	2022
(a)	Loans to related entities					
	Balance at the start of the year	21	4,572,519	3,381,988	40,148,937	32,554,157
	Interest income earned on loans	10.2	694,170	646,521	4,363,497	3,946,601
	Specific impairment (loss)/reversal on loans	12	(4,623,218)	341,844	(4,679,700)	427,313
	Balance at the end of the year	21	1,047,716	4,572,519	43,252,750	40,148,937
	(Increase)/decrease in Loan to related entities		(404,245)	(202,186)	(3,420,016)	(3,220,866)
(b)	Trading properties					
	Balance at the start of the year	22	39,930,131	41,009,032	8,206,105	9,403,225
	Interest on borrowings capitalised	38(d)	5,528,984	4,862,516	-	-
	Specific impairment on trading properties	12	-	(1,782,160)	-	-
	Balance at the end of the year	22(a)	53,527,197	39,930,131	22,100,980	8,206,105
	(Increase)/decrease in Trading properties		(8,068,082)	4,149,268	(13,894,875)	1,197,120
(c)	Debtor and prepayments					
	Balance at the start of the year	23	12,706,319	14,141,311	32,156,369	25,549,664
	Adjustment of interest receivable from subsidiary		-	-	3,897,140	4,655,016
	Specific impairment reversal/ (loss)	12	348,952	(1,892,223)	(1,382,717)	(1,838,960)
	Exchange gain	10	(1,761,129)	21	6,280,352	(162,483)
	Balance at the end of the year	23	18,442,871	12,706,319	45,249,488	32,156,369
	(Increase)/decrease in debtors and prepayments		(7,139,728)	(466,210)	(4,298,346)	(3,943,142)
(d)	Other liabilities and accruals					
	Balance at the start of the year-other liabilities	28	(18,706,406)	(16,166,892)	(33,847,760)	(30,446,776)
	Balance at the end of the year-other liabilities	28	29,535,344	18,706,406	52,718,626	33,847,761
	(Increase)/decrease in other liabilities and accruals		10,828,938	2,539,514	18,870,866	3,400,985
(e)	Deferred tax liabilities/(Asset)					
	Balance at the start of the year	25	6,796,381	6,033,871	58,676	(124,281)
	Deferred tax for the year		5,064,072	762,510	-	182,958
	Balance at the end of the year	25	11,860,453	6,796,381	58,676	58,676
(f)	Deferred Revenue - Customer deposits					
	Balance at the start of the year	29	8,303,318	9,186,294	4,321,297	3,226,804
	Additions during the year		22,389,706	17,820,668	12,148,712	7,394,319
	Transfer to account receivable upon Revenue recognition/cancellation	9	(17,037,645)	(18,756,574)	(12,708,964)	(6,324,472)
			22,164	53,930	24,646	24,646
	Closing balance	29	13,677,543	8,303,318	3,785,691	4,321,297
(g)	Investment Property					
	Balance at the start of the year	18	114,606,906	94,219,845	17,500,000	11,600,000
	Fair value gain	10.1	43,929,849	14,980,006	5,889,000	3,888,521
	Balance at the end of the year	18	164,227,173	114,606,906	23,389,000	17,500,000
	Additional investment		4,308,581	(5,406,055)	-	(2,111,479)

6 FINANCIAL RISK MANAGEMENT

(a) Introduction

Mixta Real Estate Plc continues to transform its business model to align with the growing 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.

In 2015, Mixta Real Estate Plc became a part of a property development Group, (Mixta Africa) 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 continues 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, we recognize that a variety of business risks with 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 deliberate and 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, 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 an 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.

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 may impact 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 Slow 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 Adverse changes in regulatory or government policies could significantly affect the Group's business.

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.

7 Due to the illiquid nature of real estate investments, the Group may be unable to alter the investment portfolio at an acceptable return in response to changes in economic conditions.

8 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.

9 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.

10 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.

11 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.

(b) Business Risk Review – 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 Firm's product offerings – commercial and residential real estate, would result in higher than envisaged inventory of home units; and would impact the Group's revenue growth and/or profitability.

3. The inability or unwillingness of property buyers to meet their installment obligations for properties they have committed to purchase as at when due. This could significantly impact completion timelines, cost and quality of the development project.

4. Federal Government policies and regulatory changes could have an impact on the Group's business practices.

5. The Group's business activities are funded through a capital combination

of debt and equity. Therefore, difficulties in obtaining long-term project finance for development projects from financial institutions could make project financing difficult.

6. 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.

(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
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
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 fulfill 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.

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.

(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, 2023**

		Interest bearing instruments					Non-interest bearing instruments
In thousands of naira	Note	Carrying Amount	Up to 3 months	4-6 months	7-12 months	Over 12 months	
Cash and cash equivalents	24	3,453,015	1,443,604	2,009,411	-	-	-
Loans to related entities	21b(i)	1,047,716	-	-	8,272	1,039,444	
		4,500,730	1,443,604	2,009,411	8,273	1,039,444	-
Borrowings	26b	90,823,049	-	-	76,451,857	14,371,192	-
Gap		(86,322,319)	1,443,604	2,009,411	(76,443,584)	(13,331,748)	-
Cumulative Gap			1,443,604	3,453,015	(72,990,570)	(86,322,319)	

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%	14,436	34,530	(729,906)	(863,223)
2%	28,872	69,060	(1,459,811)	(1,726,446)
-1%	(14,436)	(34,530)	729,906	863,223
-2%	(28,872)	(69,060)	1,459,811	1,726,446

(ii) As at Dec 31, 2022.

In thousands of naira	Note	Carrying Amount	Interest bearing instruments Up to 3 months	4-6 months	7-12 months	Over 12 months	Non-interest bearing instruments
Cash and cash equivalents	24	4,182,283	2,249,411	-	1,085,158	-	847,714
Loans to related entities	21b(i)	4,572,519	-	-	7,478	4,565,041	
		8,754,801	2,249,411	-	1,092,636	4,565,041	847,714
Borrowings	26b	82,854,883	-	-	42,870,880	39,984,003	-
Gap		(74,100,082)	2,249,412	-	(41,778,244)	(35,418,961)	847,714
Cumulative Gap			2,249,412	2,249,412	(39,528,832)	(74,947,793)	

Interest Rate Shock				
1%	22,494	22,494	(395,288)	(749,478)
2%	44,988	44,988	(790,577)	(1,498,956)
-1%	(22,494)	(22,494)	395,288	749,478
-2%	(44,988)	(44,988)	790,577	1,498,956

Company

(iii) **As at Dec 31, 2023**

In thousands of naira	Note	Carrying Amount	Up to 3 months	4-6 months	7-12 months	Over 12 months	Non-interest bearing instruments
			Interest bearing instruments				
Cash and cash equivalents	24	768,170	768,170	-	-	-	-
Loans to related entities	21b(i)	43,252,750	-	-	6,365,578	36,887,172	-
		44,020,920	768,170	-	6,365,578	36,887,172	-
Borrowings	26b	67,966,806	-	-	60,029,691	7,937,115	-
Gap		(23,945,887)	768,170	-	(53,664,113)	28,950,057	-
Cumulative Gap			768,170	768,170	(52,896,943)	(23,945,886)	

Interest Rate Shock				
1%	7,682	7,682	(528,959)	(239,459)
2%	15,363	15,363	(1,057,919)	(478,918)
-1%	(7,682)	(7,682)	528,959	239,459
-2%	(15,363)	(15,363)	1,057,919	478,918

(iv) **As at Dec 31, 2022**

In thousands of naira	Note	Carrying Amount	Up to 3 months	4-6 months	7-12 months	Over 12 months	Non-interest bearing instruments
			Interest bearing instruments				
Cash and cash equivalents	24	2,708,838	2,708,838	-	-	-	-
Loans to related entities	21b(i)	40,148,937	-	-	1,721,499	38,427,438	-
		42,857,775	2,708,838	-	1,721,499	38,427,438	-
Borrowings	26b	61,785,086	-	-	41,964,342	19,820,743	-
Gap		(18,927,311)	2,708,838	-	(40,242,843)	18,606,694	-
Cumulative Gap			2,708,838	2,708,838	(37,534,006)	(18,927,311)	

Interest Rate Shock				
1%	27,088	27,088	(375,340)	(189,273)
2%	54,177	54,177	(750,680)	(378,546)
-1%	(27,088)	(27,088)	375,340	189,273
-2%	(54,177)	(54,177)	750,680	378,546

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, 2023

In thousands of naira	Note	Naira	USD	GBP	Euro	Tunisia Dinar	Morocco Dirham	Total
Cash and cash equivalents	24	759,573	42,318	4	2,651,119	-	-	3,453,018
Loans to related entities	21b(i)	1,047,718	-	-	-	-	-	1,047,718
Debtors and receivables (excluding prepayments)	23	16,615,948	3,306	-	1,467,452	-	-	18,086,705
		18,423,237	45,625	4	4,118,571	-	-	22,587,457
In thousands of naira		Naira	USD	GBP	Euro	Tunisia Dinar	Morocco Dirham	Total
Borrowings	26b	86,095,612	2,886,688	-	7,860	1,832,889	-	90,823,049
Other liabilities (excluding accruals)	28	23,552,240	-	-	5,983,104	-	-	29,535,344
		109,647,852	2,886,688	-	5,990,964	1,832,889	-	120,358,393
Net open position		(91,224,615)	(2,841,064)	4	(1,872,392)	(1,832,889)	-	(97,770,956)
Sensitivity analysis: Foreign Exchange								
	10%	-	(284,106)	0	(187,239)	(183,289)	-	
	20%	-	(568,213)	1	(374,478)	(366,578)	-	

As at Dec 31, 2022

In thousands of naira		Naira	USD	GBP	Euro	Tunisia Dinar	Morocco Dirham	Total
Cash and cash equivalents	24	1,420,721	2,164,357	258,768	338,440	-	-	4,182,282
Loans to related entities	21b(i)	4,558,150	-	-	14,369	-	-	4,572,519
Debtors and receivables (excluding prepayments)	23	11,378,956	3,306	-	1,323,057	-	-	12,705,320
		17,357,828	2,167,663	258,768	1,675,865	-	-	21,460,121

In thousands of naira		Naira	USD	GBP	Euro	Tunisia Dinar	Morocco Dirham	Total
Borrowings	26b	78,539,366	1,330,360	-	-	2,620,267	364,890	82,854,882
Other liabilities (excluding accruals)	28	15,477,172	-	-	-	-	-	15,477,172
		94,016,537	1,330,360	-	-	2,620,267	364,890	98,332,054
Net open position		(76,658,710)	837,303	258,768	1,675,865	(2,620,267)	(364,890)	(76,871,933)

Sensitivity analysis: Foreign Exchange

		Naira	USD	GBP	Euro
	10%	-	83,730	25,876	167,587
	20%	-	167,461	51,753	335,173
	-10%	-	(83,730)	(25,876)	(167,587)
	-20%	-	(167,461)	(51,753)	(335,173)

Company

As at Dec 31, 2023

In thousands of naira		Naira	USD	GBP	Euro	Tunisia Dinar	Morocco Dirham	Total
Cash and cash equivalents	24	716,246	42,009	-	9,916	-	-	768,171
Loans to related entities	21b(i)	30,528,960	2,397,307	-	10,326,483	-	-	43,252,750
Debtors and receivables (excluding prepayments)	23	46,249,488	3,306	-	-	-	-	46,252,794
		76,494,694	2,442,622	-	10,336,398	-	-	89,273,716
Borrowings	26b	67,966,806	-	-	-	-	-	67,966,806
Other liabilities (excluding accruals)	28	52,646,085	-	-	-	-	-	52,646,085
		120,612,890	-	-	-	-	-	120,612,890
Net open position		(44,118,196)	2,442,622	-	10,336,398	-	-	(31,339,176)

Sensitivity analysis: Foreign Exchange

		Naira	USD	GBP	Euro
	10%	-	244,262	-	1,033,640
	20%	-	488,524	-	-
	-10%	-	(244,262)	-	-
	-20%	-	(488,524)	-	-

As at Dec 31, 2022

In thousands of naira		Naira	USD	GBP	Euro	Tunisia Dinar	Morocco Dirham	Total
Cash and cash equivalents	24	(52,724)	2,164,357	258,765	338,440	-	-	2,708,837
Loans to related entities	21b(i)	40,148,937	-	-	-	-	-	40,148,937
Debtors and receivables (excluding prepayments)	23	29,046,223	3,306	-	-	-	-	29,049,529
		69,142,436	2,167,663	258,765	338,440	-	-	71,907,303
Borrowings	26b	61,785,085	-	-	-	-	-	61,785,085
Other liabilities (excluding accruals)	28	33,847,760	-	-	-	-	-	33,847,760
		95,632,845	-	-	-	-	-	95,632,845
Net open position		(26,490,408)	2,167,663	258,765	338,440	-	-	(23,725,542)
Sensitivity analysis: Foreign Exchange								
	10%	-	216,766	25,876	33,844			
	20%	-	433,533	51,753	-			
	-10%	-	(216,766)	(25,876)	-			
	-20%	-	(433,533)	(51,753)	-			

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:

In thousands of Naira	Cash and cash equivalents		Loans to related entities		Other receivables (excluding Prepayment)	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Carrying amount	3,453,015	4,182,283	1,047,716	4,572,519	18,442,871	12,705,319
Assets at amortised cost						
Neither past due nor impaired	3,453,015	4,182,283	1,047,716	4,572,519	18,442,871	12,705,319
Impaired	-	2,329	7,504,466	2,881,247	7,704,763	8,094,005
Gross amount	3,453,015	4,184,612	8,552,181	7,453,766	26,147,634	20,799,325
Allowance for impairment (individual)	-	(2,329)	(7,504,466)	(2,881,247)	(7,704,763)	(8,094,005)
Carrying amount	3,453,015	4,182,283	1,047,716	4,572,519	18,442,871	12,705,319

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

In thousands of Naira	Cash and cash equivalents		Loans to related entities		Other receivables (excluding Prepayment)	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Carrying amount	768,170	2,708,838	43,252,750	40,148,937	45,252,794	29,049,529
Assets at amortised cost						
Neither past due nor impaired	768,170	2,708,838	43,252,750	40,148,937	45,252,794	29,049,529
Impaired	-	-	7,380,502	2,700,802	6,168,738	4,786,020
Gross amount	768,170	2,708,838	50,633,253	42,849,738	51,421,531	33,835,550
Allowance for impairment (individual)	-	-	(7,380,502)	(2,700,802)	(6,168,738)	(4,786,020)
Carrying amount	768,170	2,708,838	43,252,750	40,148,937	45,252,794	29,049,529

Based on historical payment behaviour, and extensive analysis of customer credit risk, Management is of the opinion that the past due & impaired amounts are recoverable.

6.2.1. 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 2022 and 31 December 2022. For this table the Group has allocated exposure to regions based on the region of the of domicile of the counterparties

Group In thousands of Naira	Cash and cash equivalents		Loans to related entities		Other receivables (excluding prepayment)	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022
In Nigeria						
South-west	3,453,016	4,184,612	8,552,181	7,453,766	26,109,294	18,100,378
South-south	-	-	-	-	-	-
Rest of West Africa	-	-	-	-	38,340	37,089
Europe	-	-	-	-	-	1,323,057
Gross amount	3,453,016	4,184,612	8,552,181	7,453,766	26,147,634	19,460,524
Allowance for specific impairment	-	(2,328)	(7,504,466)	(2,881,247)	(7,704,763)	(8,094,005)
Carrying amount	3,453,016	4,182,284	1,047,716	4,572,519	18,442,871	11,366,519

Company In thousands of Naira	Cash and cash equivalents		Loans to related entities		Other receivables (excluding prepayment)	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022
In Nigeria						
South-west	768,170	2,708,838	43,252,750	40,148,937	45,252,794	29,049,529
South-south	-	-	-	-	-	-
Rest of West Africa	-	-	-	-	38,340	-
Europe	-	-	-	-	-	-
Gross amount	768,170	2,708,838	43,252,750	40,148,937	45,291,136	29,049,529
Allowance for specific impairment	-	-	-	-	(38,340)	-
Carrying amount	768,170	2,708,838	43,252,750	40,148,936	45,252,796	29,049,529

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 12months. 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 2023

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares		-	-	-	-	-	-
Borrowings	26b	90,823,049	90,823,048	-	-	76,451,857	14,371,192
Other liabilities and accruals	28	29,535,344	29,535,344	-	-	6,535,519	22,999,825
Total Financial Liabilities		**120,358,393**	**120,358,393**	-	-	**82,987,376**	**37,371,017**

Assets held for managing liquidity risk

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loan to related entities	21b(i)	1,047,716	1,047,716	-	-	103,468	944,247
Debtors	23	18,442,871	26,147,633	-	-	3,477,849	22,669,785
Cash and cash equivalent	24	3,453,015	3,453,015	2,009,411	-	1,443,604	-
Total assets held for managing liquidity risk		**22,943,601**	**30,648,364**	**2,009,411**	-	**5,024,921**	**23,614,032**
Net liquidity (Gap)/Surplus		**(97,414,792)**	**(89,710,028)**	**2,009,411**	-	**(77,962,456)**	**(13,756,984)**
Cumulative Liquidity (Gap)/Surplus				**2,009,411**	**2,009,411**	**(75,953,045)**	**(89,710,028)**

31 December 2022

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/ inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares		-	-	-	-	-	-
Borrowings	26b	82,854,882	82,854,882	-	-	42,870,880	39,984,003
Other liabilities and accruals	28	18,706,407	18,706,407	-	-	3,954,712	14,751,695
Total Financial Liabilities		**101,561,289**	**101,561,289**	-	-	**46,825,592**	**54,735,698**
Assets held for managing liquidity risk							
In thousands of naira		Carrying Amount	Gross Nominal (outflow)/ inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loan to related entities	21b(i)	4,572,518	4,572,517	-	-	93,558	4,478,960
Debtors	23	12,705,319	20,799,325	-	-	3,162,244	17,637,080
Cash and cash equivalent	24	4,182,283	4,182,283	3,253,975	-	928,306	-
Total assets held for managing liquidity risk		**21,460,120**	**29,554,124**	**3,253,975**	-	**4,184,110**	**22,116,040**
Net liquidity (Gap)/Surplus		**(80,101,169)**	**(72,007,165)**	**3,253,975**	-	**(42,641,482)**	**(32,619,658)**
Cumulative Liquidity (Gap)/Surplus				**3,253,975**	**3,253,975**	**(39,387,507)**	**(72,007,165)**

Company

31 December 2023

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/ inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Borrowings	26b	67,966,805	67,966,805	-	-	60,029,691	7,937,115
Other liabilities and accruals	28	(23,945,887)	(23,945,887)	768,170	-	(53,664,113)	28,950,057
Total Financial Liabilities		**44,020,918**	**44,020,918**	**768,170**	**-**	**6,365,579**	**36,887,172**

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loans and receivables	21b(i)	40,148,937	40,148,937	-	-	3,484,065	36,664,872
Debtors and receivables	23	29,049,529	29,049,529	-	-	24,662,049	4,387,480
Cash and cash equivalents	24	2,708,838	768,170	768,170	-	-	-
Total assets held for managing liquidity risk		**71,807,304**	**69,966,636**	**768,170**	**-**	**28,146,114**	**41,052,352**
Net liquidity (Gap)/Surplus		**27,886,386**	**25,945,718**	**-**	**-**	**21,780,535**	**4,165,180**
Cumulative Liquidity (Gap)/Surplus				**-**	**-**	**21,780,535**	**25,945,715**

31 December 2022

Financial Liabilities

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/ .inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Deposit for shares		-	-	-	-	-	-
Borrowings	26b	61,785,085	61,785,086	1,510,849	-	40,453,493	19,820,743
Other liabilities and accruals	28	33,847,760	33,847,759		-	2,949,747	30,898,013
Total Financial Liabilities		**95,632,845**	**95,632,845**	**1,510,849**	**-**	**43,403,238**	**50,718,756**

In thousands of naira		Carrying Amount	Gross Nominal (outflow)/inflow	Up to 3 months	4 - 6 months	7 - 12 months	1 - 5 years
Loans and receivables	23b(i)	40,148,937	40,146,937	-	-	3,484,065	36,664,872
Debtors and receivables	23	29,049,529	29,049,528	-	-	24,662,049	4,387,480
Cash and cash equivalents	26	2,708,838	2,708,838	2,708,838	-	-	-
Total assets held for managing liquidity risk		**71,807,304**	**71,807,303**	**2,708,838**	**-**	**28,146,114**	**41,052,351**
Net liquidity (Gap)/Surplus		**(23,725,541)**	**(23,725,542)**	**1,197,988**	**-**	**(15,257,126)**	**(9,666,405)**
Cumulative Liquidity (Gap)/Surplus				**1,197,988**	**1,197,988**	**(14,059,136)**	**(23,725,542)**

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, performance failure of vendors, or business disruption, which could result in financial losses and/or reputational damage to the Group.

Mixta Real Estate Plc manages operational risk using a well-established control framework, and tools such as Risk and Control Self-Assessment (RCSA), Issues Management and Whistleblowing.

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 quarterly 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 misconduct 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 the 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 in 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.

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 because 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 jeopardized 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 2023 is shown below:

	Group		Company	
In thousands of naira	2023	2022	2023	2022
Borrowings (current and non-current)	90,823,049	82,854,883	67,966,806	61,785,085
Total Equity	96,264,446	71,472,290	65,354,918	57,529,403
Gearing Ratio*	94.35%	115.93%	104.00%	107.40%

(e) The Group/Company granted unsecured commercial papers to the following subsidiaries company as at 31 December 2023 to support their operations and working capital.

	Counterparty	Interest rate*	Value date**	Maturity date***	New/existing
(i)	Summerville Golf Club Limited	12%	1-Jan-21	31-Dec-25	Existing/New
(ii)	FP2 Limited	12%	1-Jan-21	31-Dec-25	New
(iii)	Townsville Properties Limited	12%	1-Mar-21	30-Dec-23	New
(iv)	Mixta Africa, S.A	8%	1-Jan-23	31-Dec-27	Existing/New
(v)	Mixta Africa Structural Systems	8%	1-Jan-23	31-Dec-27	Existing/New
(vi)	Mixarm	8%	1-Jan-23	31-Dec-27	Existing/New
	Mixta Senegal	12%	30-Nov-20	30-Nov-24	Existing
(vii)	Hotel Goree	12%	30-Nov-20	30-Nov-24	Existing
(viii)	Lakowe Lakes Golf Club Limited	12%	1-Jan-20	31-Dec-25	Existing/New
(ix)	Garden City Golf Estate Development Limited	10% (Fixed interest rate)	22-Aug-13	Not applicable	Existing

** Represents weighted average rate that prevailed on the loans during the year.*
***Represents the value date of the earliest loan granted in the series.*
****Represents the maturity date of the last loan granted in the series.*

35 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 value income/expenses by the related parties during the period ended 31 December 2023 amounted to N3,844,850,670 (31 December 2022: N3,946,801,000).

The related parties and balances for the period ended 31 December 2023 are listed below:

		Group	Group	Company	Company
Related entities	Note	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		Due (to) / from	Due (to) / from	Due (to) / from	Due (to) / from
		N'000	N'000	N'000	N'000
Asset & Resource Management Company Holding Company Limited	26(a)	(24,040,735)	(21,970,095)	(8,032,850)	(7,374,671)
	23(a)	477,372	451,432	368,636	383,313
	28(a)	(482,729)	(460,015)	(287,661)	(264,948)
ARM Hospitality & Retail Fund	28(a)	(182,461)	(196,470)	(182,461)	(193,844)
	23(a)	100,265	50,105	50,105	50,105
ARM Investment Managers Limited	26(a)	-	-	(8,032,850)	(7,374,671)
	15	(485,353)	478,135	(393,699)	(294,669)
Townsville Properties Limited	23(a)	-	-	31,769	10,703
	23(a)	-	-	94,644	85,609
	10.2	-	-	9,035	9,089
Cross Town Mall Properties Limited	28(a)	-	-	(25,667)	(25,667)
FP2 Limited	23(a)	-	-	231,023	195,317
	23(a)	-	-	1,235,966	1,119,070
	10.2	-	-	125,946	114,775
Adiva Properties Limited	23(a)	-	-	1,802,845	1,742,025
	28(a)	-	-	(1,758,100)	(1,716,359)
	26(a)	-	-	(1,939,854)	1,445,452
	15	-	(0)	(124,948)	(72,898)
Toll Systems Development Company	28(a)	-	-	(33,520,009)	(23,217,690)
	23(a)	-	-	13,741,665	10,680,088
New Towns Development project	23(a)	62,086	62,086	59,830	59,830
Summerville Golf Club Limited	21(a)	-	-	28,885,973	28,806,734
	23(a)	-	-	2,504,326	0
	10.2	-	-	3,099,940	2,746,212
	28(a)	-	-	(240)	(240)

		Group	Group	Company	Company
Garden City Golf Estate Development Limited	21	5,055,218	4,689,468	5,055,218	4,689,468
	10.2	365,750	365,750	365,750	365,750
	26(a)	(779,691)	(697,313)	-	-
	28(a)	(47,241)	(47,241)	-	-
	23(a)	49,003	25,209	49,003	25,209
ARM Life Plc	28(a)	(389)	(389)	(389)	(389)
Mixta Africa	21(a)	-	-	6,240,079	2,731,412
	10.2	-	-	228,637	320,698
	23(a)	-		-	-
Mixta Cote d'Ivoire	26(a)	-	-	20,420	20,420
	21(a)	-	-	1,121,560	459,340
	10.2	-	-	56,596	11,779
Hotel Goree	26(a)	-		-	
	21(a)			108,973	44,819
	10.2	-		7,179	3,620
Mixta Senegal	26(a)	-	-	1,133	15,342
	21(a)	-	-	1,166,774	385,920
	10.2	-	-	79,811	30,087
Mixta Morrocco	26(a)	-	-	13,172	13,172
	10.2	-	-	-	-
Mixta Africa Structural Systems	21(a)	-	-	3,154,582	1,753,287
	10.2	-	-	176,650	164,949
Mixtarm	21(a)			931,822	-
ARM Hospitality & Retail Fund Mauritius	21(a)	3,306	3,306	3,306	3,306
ARM Financial Advisers Limited	28(a)	(180)	(180)	(180)	(180)
Oceanwinds Hospitality Limited	21(a)	-	-	-	-
	28(a)	(28)	(28)	(28)	(28)
Oluwole Urban Malls Limited	28(a)	(2,731)	(2,731)	(2,731)	(2,731)
Fara Park Limited	23(a)	994,765	1,002,445	994,712	1,002,392
	26(a)	-	-	-	-
	15	-	-	-	-
	28(a)	(252,709)	(252,709)	(252,709)	(252,709)
Beechwood Property Development Company Limited	26(a)	(213,933)	(193,061)	-	-
	15	-	-	-	-
	21	8,272	7,477	-	-

		Group	Group	Company	Company
	23(a)	31,460	2,196	29,263	-
	28(a)	(293,671)	(214,164)	(281,871)	(202,364)
	10.2	725	794	-	-
Trinity Gardens Limited	23(a)	4,749	-	-	-
	28(a)	(43,512)	(3,007)	(43,512)	(3,007)
Lakowe Lakes Golf Club Limited	23(a)	937,185	836,320	920,756	760,361
	28(a)	(153,003)	(236,900)	(152,447)	(152,447)
	10.2	318,581	270,862	204,838	170,526
	21	3,393,495	2,670,739	2,542,464	1,933,381
Lakowe Lakes Hospitality Limited	23(a)	122,869	62,913	122,869	62,913
	22(c(ii))	810,880	810,880	-	-
	21	96,197	86,082	96,197	86,082
	10.2	9,115	9,115	9,115	9,115
	28(a)	(25,362)	(20,566)	(40)	-
Mixta Africa Corporate Services Limited	22(a)	-	-	754,617	-
	19	-	-	-	754,617
	10.2	-	-	-	-
	28(a)			(479,560)	(484,042)
Mixta Affordable Housing Limited	22(a)	-	269	10,417	257,559
	10.2	-	-	-	-
Mixta Ethiopia	22(a)	35,034	33,783	35,034	33,783
DUO Collectives Ltd	22(a)	11,176	2,449	11,176	2,449
	28(a)	(75,150)	(18,726)	(75,150)	(18,726)
New Town Receivable	22(a)	-	-	-	-
	22(a)	17,712	-	17,712	-
Homestead Court Limited	22(a)	630,866	629,731	630,866	629,732
	28(a)	(27,670)	(27,670)	(27,670)	(27,670)

36 CONTINGENT LIABILITIES

The Group is presently involved in 8 (December 2022: 12) litigation suits in the ordinary course of business. The total amount claimed in the cases against the Group is estimated at N182,349,168 (December 2022: N638,131,870). 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.

37 GOING CONCERN

The Group and Company have recurring negative net operating cashflows, net current liability and a high gearing ratio. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern.

he Directors have no reason to believe the Company will not be able to meet its obligations and remain a going concern in the foreseeable future.

In arriving at this position, the Directors evaluated quantitative and qualitative information and events known and reasonably known at the date that these financial statements were issued. The following conditions were evaluated: current financial condition, liquidity sources, conditional and unconditional obligations, expected cashflows, legal proceedings and relationships with key vendors and customers.

The Company made a post-tax profit of ₦21.6 billion in 2023 FY being revenue from the Company's real estate business activities of homes, land sales and fair value gain from its investment properties. The current FY ROA and ROE remain positive and higher than last year's position. The aggregate working capital also showed slight improvement compared with the preceding year's position, and this is expected to improve further in forthcoming years with the various business initiatives and expansion plans.

The summary of the key financial ratios is as highlighted below:

	2023	2022
Profitability ratios		
Profit margin ratio	1.27	0.18
Return on Assets	8.9%	1.7%
Return on Equity	22.4%	4.6%
Liquidity ratios		
Working capital ratio	0.78	0.77
Quick Ratio	0.22	0.22
Leverage ratios		
Debt-Equity ratio	0.94	1.16
Debt ratio	0.37	0.44

In 2023FY, the Company successfully repaid ₦41 billion of maturing short-term notes and fully liquidated its Series 2A & 2B Bond in October 2023. Borrowings increased by ₦8billion in 2023 compared to 2022 position due to the drawdown of longer tenor debts to refinance short term borrowings and capitalization of borrowings cost during the period. While there were delays in settlement of some of the company's obligations, the business did not experience any denial of usual trade credit from its suppliers or other labor difficulties, while the Company's legal proceedings continued in their usual manner with no record of cases that might jeopardize its ability to operate.

Business and Financing Initiatives:

Global economy growth in 2023 was one of resilience as the year was characterized by several headwinds such as elevated inflation which caused significant drag in consumer demand, sustained interest rate hikes to curb inflation resulting in disincentivized investments, weaker trade, and spates of geopolitical tensions which further eroded investors' confidence and fueled market uncertainties globally.

While these headwinds were fierce enough to reverse some of the post-covid growth recovery of the global economy and drag some major economies to the brink of economic recession, the global economy remains resilient with estimated growth of 2.6% in 2023.

Nigeria which accounts for about 90% of the Group's business also had to contend with uncertainties around the general elections in addition to the global headwinds in 2023. The pro-market reforms implemented by the new administration when it came on board weighed on the performance of the economy in 2023. Specifically, the twin reforms of fuel subsidy removal and exchange rate unification caused a sharp depreciation of the naira and fanned inflationary pressures thereby leading to a more restrictive interest rate environment, problems of FX illiquidity and loss of investors' confidence.

Despite the above, the Company continues to explore creative approaches to engender demand by focusing on institutional clients , forging strategic partnerships to deepen the sales distribution channel and continued investment in infrastructure to improve the valuation and attractiveness of the land bank.

The Company intends to significantly ramp up the delivery of housing units over the next few years based on discussions with strategic partners on Mass affordable housing delivery. To support the set housing target, the company secured an exclusive mortgage arrangement with a leading financial institution in Nigeria. This is expected to deliver significant cashflows in the forthcoming years, even as the company continues to extract value from its infrastructure development from the sale of land.

To address the short-term nature of its borrowings, the company is in discussion with a number of financial institutions for loans to be utilized principally to refinance short-dated debts and to improve the company's capital structure and position it for growth.

In addition to the above, infrastructural development around the company's land bank is expected to positively impact valuation and engender revenue.

Overall, the Directors are confident about the prospects of the business, and management's ability to effectively manage emerging risks relating to the company, the industry, and the macro environment.

38 EVENTS AFTER THE REPORTING PERIOD

Asset and Resource Management Holding Company Limited – holders of 60.1% of the Ordinary Shares of Mixta Real Estate plc transferred 100% of their holdings to Senghor Lane Estate Limited subsequent to the reporting period. This event does not have any material effect on the balances as at the reporting date.

39 CHANGE OF PRESENTATION.

The group changed the presentation of the statement of profit or loss and other comprehensive income from "functions of expenses" method adopted in prior years to "nature of expenses" method in the 2023 financial statements to provide more relevant and reliable information to the users of the financial statement.

OTHER NATIONAL DISCLOSURES

Value added statement

(a) Group

In thousands of naira	2023	%	2022	%
Gross earnings	62,408,906	-1432%	34,722,355	-974%
Bought in goods and services	(62,244,021)	1428%	(34,676,129)	973%
Specific impairment allowance on financial assets	(4,274,266)	98%	(3,332,529)	94%
Share of profit/(loss) of equity-accounted investment	(249,783)	6%	(277,836)	8%
	(4,358,165)		(3,564,139)	
DISTRIBUTION				
Employees cost	3,071,103	-70%	2,584,585	-73%
GOVERNMENT				
Tax expense	5,327,663	-122%	1,154,502	-32%
RETAINED IN THE BUSINESS				
Asset replacement (Depreciation)	346,555	-8%	403,313	-11%
Non-controlling interest	(107,519)	2%	(25,401)	1%
To pay proposed dividend	-	0%	-	0%
To augment reserves	(12,994,966)	298%	(7,681,138)	216%
	(4,358,165)	100%	(3,564,139)	100%

(b) Company

In thousands of naira	2023	%	2022	%
Gross earnings	29,912,425	-640%	14,327,373	-475%
Bought in goods and services	(28,523,138)	610%	(15,932,953)	528%
Specific impairment allowance on financial assets	(6,062,417)	130%	(1,411,647)	47%
	(4,673,130)	100%	(3,017,227)	100%
DISTRIBUTION				
Employees cost	1,388,494	-30%	952,893	-32%
GOVERNMENT				
Tax expense	1,422,365	-30%	243,003	-8%
RETAINED IN THE BUSINESS				
Asset replacement (Depreciation)	104,367	-2%	124,294	-4%
To pay proposed dividend	-	0%	-	0%
To augment reserves	(7,588,356)	162%	(4,337,415)	144%
	(4,673,130)	100%	(3,017,225)	100%

Five - Year Financial Summary

Group					
	Group	Group	Group	Group	Group
In thousands of naira	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
Assets					
Property and equipment	12,274,372	12,447,377	11,065,761	11,220,615	11,394,026
Goodwill	56,106	56,106	56,106	56,106	65,485
Investment property	154,227,173	114,606,905	94,219,845	75,120,794	64,900,794
Equity-accounted investment	516,838	766,621	1,044,457	878,143	1,564,547
Loans to related entities	1,047,716	4,572,519	3,351,968	6,745,106	4,833,365
Trading properties	53,527,197	39,930,131	41,009,031	55,313,615	53,609,372
Debtors and prepayments	18,442,871	12,705,319	14,141,311	13,219,747	17,199,138
Cash and cash equivalent	3,453,015	4,162,283	2,682,416	7,166,164	3,162,034
	243,545,287	189,266,261	167,600,896	169,720,310	156,948,762
Liabilities					
Deferred tax liabilities	11,860,453	6,796,381	6,033,871	6,288,545	5,265,148
Deposit for shares	-	-	-	-	-
Borrowings	90,823,049	82,854,883	67,738,877	70,452,440	55,612,976
Current income tax liability	1,384,453	1,132,983	784,499	1,128,397	1,388,429
Other liabilities and accruals	29,535,344	18,706,406	16,166,892	14,354,992	16,313,445
Deferred revenue-deposit from customers	13,677,543	8,303,318	9,185,294	9,620,492	12,968,545
Irredeemable debentures	-	-	-	14,041,128	11,646,858
Total liabilities	147,280,840	117,793,970	99,909,433	115,885,995	103,197,401
Net assets	96,264,446	71,472,290	67,691,463	53,834,315	53,751,361
Capital and reserves					
Irredeemable debentures					
Share capital	5,908,451	5,908,451	5,908,451	4,914,135	4,914,135
Share premium	50,985,022	50,985,022	50,985,022	35,565,809	35,565,809
Common control acquisition deficit	(21,017,433)	(19,189,781)	(19,189,781)	(16,579,900)	(14,187,630)
Retained earnings	50,088,986	28,400,175	25,655,073	27,984,383	27,162,162
Translation Reserve	10,649,096	5,610,581	4,549,453	1,910,283	
Non-controlling interest	(349,677)	(242,158)	(216,757)	39,606	296,884
Shareholders' funds	96,264,446	71,472,290	67,691,462	53,834,315	53,751,360

In thousands of naira	Group 31 Dec 2023	Group 31 Dec 2022	Group 31 Dec 2021	Group 31 Dec 2020	Group 31 Dec 2019
Total revenue	16,787,862	34,252,872	29,092,227	24,529,239	9,872,496
Profit before income tax	26,908,955	4,465,048	(2,732,372)	2,002,982	(2,827,290)
Profit for the year	21,581,292	3,310,546	(2,640,519)	819,941	(558,003)
Transfer to retained earnings	21,688,811	3,335,947	(2,329,310)	1,054,260	(576,573)
Earnings per share - Basic and diluted	20854k	3208k	34k	2435k	5929k
Dividend per share	0k	0k	0k	0k	18k

Five - Year Financial Summary

Company					
	Company	Company	Company	Company	Company
In thousands of naira	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
Assets					
Property and equipment	1,151,814	1,187,982	244,757	231,285	76,715
Investment Property	23,389,000	17,500,000	11,500,000	-	-
Investment in subsidiaries	54,977,101	54,977,011	54,977,031	50,213,059	31,864,272
Equity-accounted investment	515,588	765,371	1,043,207	876,894	2,505,100
Loans to related entities	43,252,750	40,148,937	32,554,157	32,296,063	23,387,157
Trading properties	22,100,980	8,206,105	9,403,225	4,787,697	2,751,116
Debtors and prepayments	45,249,488	32,156,369	25,549,654	20,896,521	16,407,706
Deferred tax asset	-	58,676	124,261	-	-
Cash and cash equivalent	768,170	2,708,838	512,046	5,128,832	2,449,820
	191,404,891	157,709,288	136,908,358	114,430,151	79,241,886
Liabilities					
Deferred tax liabilities	1,274,511	-	-	12,441	12,441
Deposit for shares	-	-	-	-	-
Borrowings	67,966,806	61,785,086	46,598,807	47,374,574	24,690,738
Current income tax liability	304,340	225,744	48,346	288,388	276,295
Other liabilities and accruals	52,718,625	33,847,760	30,446,775	19,812,828	17,924,379
Provisions	-	-	-	-	410,811
Deferred revenue-deposit from customers	3,785,691	4,321,296	3,226,805	2,588,747	(9,843)
Irredeemable debentures	-	-	-	11,848,858	-
Total liabilities	126,049,973	100,179,886	80,320,732	81,685,834	43,304,821
Net assets	65,354,919	57,529,403	55,587,626	32,744,318	35,937,066
Capital and reserves					
Irredeemable debentures	-	-	-	-	-
Share capital	5,908,451	5,908,451	5,908,451	4,914,135	4,914,135
Share premium	50,985,022	50,985,022	50,985,022	35,565,808	35,565,809
Common control acquisition deficit	(2,156,000)	(2,156,000)	(2,156,000)	(2,156,000)	(2,156,000)
Retained earnings	10,617,445	2,791,930	850,152	(5,579,629)	(2,386,879)
Shareholders' funds	65,354,918	57,529,403	55,587,625	32,744,315	35,937,065

In thousands of naira	Company 31 Dec 2023	Company 31 Dec 2022	Company 31 Dec 2021	Company 31 Dec 2020	Company 31 Dec 2019
Total revenue	12,708,964	14,327,373	7,094,341	13,251,424	9,050,304
Profit before income tax	9,247,880	2,775,626	6,107,352	353,747	(2,878,844)
Profit for the year	7,825,515	2,532,623	6,429,781	263,046	(2,924,096)
Transfer to retained earnings	7,825,515	2,532,623	6,429,781	263,046	(2,924,096)
Earnings per share - Basic and diluted	7524k	2435k	5929k	3k	(30k)
Dividend per share	-	-	0k	0k	18k

ADDENDUM

PROXY FORM
MIXTA REAL ESTATE PLC
RC.NO:645036

16th Annual General Meeting to be held at The Civic Centre, Ozumba Mbadiwe Road, Victoria Island, Lagos State, Nigeria on **Thursday, 1st August 2024** at **11am 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 **Thursday, 1st August 2024**

Dated the ____ day of __________ 2024

Shareholder's signature__________________________________

RESOLUTIONS	**For**	**Against**
ORDINARY BUSINESS		
1. To receive the Audited Financial Statements for the year ended 31st December 2023 and the Reports of the Directors and Auditors thereon.		
2. To re-elect Directors.		
3. To authorize the Directors to appoint Deloitte & Touche as External Auditors for the financial year ending 31st December 2024 and to fix the Remuneration of the Auditors.		

4. To elect members of the Audit Committee.		
5. To disclose the remuneration of the Managers of the Company.		
SPECIAL BUSINESS		
6. To consider and if thought fit, to pass the following resolution as a special resolution: *"That the Articles of Association of the Company be and is hereby amended by the deletion of Article 37 and substitution with the following new clause:* *The Company shall have at least five (5) directors and unless and until otherwise determined by the Company in a general meeting, the number of directors shall not exceed twelve (12) directors."*		
7. To ratify the appointment of Mrs. Enitan Rewane as a Director of the Company, with effect from 17th May 2024.		
8. To ratify the appointment of Mr. Larry Ettah as a Director of the Company, with effect from 17th May 2024.		
9. To ratify the appointment of D. Olatunde Laoye as a Director of the Company, with effect from 17th May 2024.		
10. To ratify the appointment of Mr. Wale Odutola as a Director of the Company, with effect from 1st July 2024		
11. To consider and if thought fit, pass the following resolution as an ordinary resolution: *"That the remuneration of the Directors as proposed by the Board at its meeting of 18th December 2023 be and is hereby fixed at ₦42,500,000 (Forty-Two Million Five Hundred Thousand Naira only) and at ₦34,600,000 (Thirty-Four Million Six Hundred Thousand Naira only) for the Chairman and for Non-Executive Directors (NEDs), respectively. "*		

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.

ADMISSION FORM

MIXTA REAL ESTATE PLC.

Annual General Meeting admission

Please admit:

To the 16th Annual General Meeting of Mixta Real Estate Plc which will be held at The Civic Centre, Ozumba Mbadiwe Road, Victoria Island, Lagos State.

IMPORTANT NOTICE:

The admission sheet 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.

UGOCHUKWU NDUBUISI
COMPANY SECRETARY

....TO THE ANNUAL GENERAL MEETING TO BE HELD AT THE CIVIC CENTRE, OZUMBA MBADIWE ROAD, VICTORIA ISLAND, LAGOS STATE, NIGERIA ON THURSDAY, 1ST AUGUST 2024 AT 11AM PROMPT.

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 Thursday, 1st August 2024 at 11.00 a.m.

Dated this ________ day of ___________ 2024

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.

Africa Prudential
RC 649007

Affix
Recent Passport
Photograph
USE GUM ONLY
NO STAPLE PINS
(to be stamped by your banker)
ONLY CLEARING BANKS ARE ACCEPTABLE

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 Date Of Birth D D M M Y Y Y Y

Surname/Company's Name First Name Other Name

Address

Previous Address

City State Country

Clearing House Number (CHN) (if any) Name of Stockbroking Firm
C

Tax Identification Number (TIN)

Mobile Telephone 1 Mobile Telephone 2

E-mail Address

DECLARATION

I/We 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.

I/We also agree and consent that Africa Prudential Plc ("Afriprud") may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding information set out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Signature: Signature: Company Seal (if applicable)

Joint/Company's Signatories

Please tick against the company(ies) where you have shareholdings

CLIENTELE

1. ABBEY MORTGAGE BANK PLC
2. ADAMAWA STATE GOVERNMENT BOND
3. AFRILAND PROPERTIES
4. AFRICA PRUDENTIAL PLC
5. BECO PETROLEUM PRODUCTS PLC
6. BUA CEMENT
7. BUA FOODS
8. BENUE STATE GOVERNEMENT BOND
9. CAP PLC
10. CAPPA AND D'ALBERTO PLC
11. CHAMPION BREWERIES
12. CSCS
13. CORDROS MONEY MARKET FUND
14. EBONYI STATE GOVERNMENT BOND
15. GOLDEN CAPITAL PLC
16. INFINITY TRUST MORTGAGE
17. INVESTMENT & ALLIED ASSURANCE PLC
18. JAIZ BANK
19. KADUNA STATE GOVERNMENT BOND
20. LIVING TRUST MORTGAGE BANK
21. GLOBAL SPECTRUM ENERGY SERVICES PLC
22. MIXTA REAL ESTATE PLC
23. NEXANS KABLE METAL NIG. PLC
24. OMOLUABI MORTGAGE BANK PLC
25. PERSONAL TRUST & SAVINGS LTD
26. P.S. MANDRIDES PLC
27. PORTLAND PAINTS & PRODUCTS NIG. PLC
28. PREMIER BREWERIES PLC
29. TRANSCORP HOTELS PLC
30. TRANSCORP POWER PLC
31. TRANSCORP PLC
32. TOWER BOND
33. UACN PLC
34. UNITED BANK FOR AFRICA PLC
35. UNITED CAPITAL PLC
36. UNITED CAPITAL BALANCED FUND
37. UNITED CAPITAL BOND FUND
38. UNITED CAPITAL EQUITY FUND
39. UNITED CAPITAL MONEY MARKET FUND
40. UNITED CAPITAL NIGERIAN EUROBOND FUND
41. UNITED CAPITAL WEALTH FOR WOMEN FUND
42. UAC PROPERTIES DEVELOPMENT COMPANY PLC
43. VFD GROUP PLC
44. WEST AFRICAN GLASS IND PLC

OTHERS:

Africa Prudential

FULL DEMATERIALIZATION FORM FOR MIGRATION

INSTRUCTION: Please fill out the form in CAPITAL LETTERS. Section 'B' is applicable only if certificate(s) is/are misplaced, lost or destroyed.

Affix recent passport photograph

USE GUM ONLY
NO STAPLE PINS

Please credit my account at Central Securities Clearing System (CSCS) with shares from my holdings in ____________ **"the company"**. I recognize this will invalidate any certificate(s) in my possession, or which might come into my possession in respect of my total holding(s) in this/this company.

SECTION A:

SHAREHOLDER'S FULL NAMES: ____________
Surname First Name Middle name

ADDRESS: ____________

GSM NUMBER: ____________ **E-MAIL:** ____________

GENDER: Male ☐ Female ☐ **DATE OF BIRTH:** D D M M Y Y Y Y **CSCS INVESTOR'S A/C NO.:** ____________

CLEARING HOUSE NUMBER(CHN): C ____________ **REGISTRAR'S ID NO (RIN):** ____________

BANK DETAILS FOR DIRECT SETTLEMENT

ACCOUNT NAME: ____________ **BANK:** ____________

BANK A/C NUMBER: ____________ Must be NUBAN **BVN:** ____________ Must be confirmed by bank **AGE OF A/C:** DD MM YYYY Must be confirmed by bank

Authorized Signature (1) *(and stamp of Stockbroker)*

Authorized Signature (2) *(and stamp of Stockbroker)*

Shareholder's Signature & Date

Shareholder's Signature & Date (2) *(If applicable)*

Thumb Print

CERTIFICATE DETAILS

S/N	CERTIFICATE NO. (IF ANY)	UNITS	S/N	CERTIFICATE NO. (IF ANY)	UNITS
1.			4.		
2.			5.		
3.			6.		

Company Seal

SECTION B: INDEMNITY FOR MISPLACED, LOST OR DESTROYED CERTIFICATE(S)

I hereby request Africa Prudential Plc to credit my account at Central Securities Clearing System (CSCS) with unit of shares not covered in my share certificate(s) details quoted in Section 'A' above. The holdings are registered in my name, and the original shares/stocks certificate(s) has/have been misplaced, lost or destroyed or was never received. I hereby, with the Guarantor whose name hereunder appears, indemnify the said Company and Africa Prudential Plc against all claims and demands, money, losses, damages, costs and expenses which may be brought against, or be paid, incurred or sustained by the said Company and /or Africa Prudential Plc by reason or in consequence of the said certificate(s) having been misplaced, destroyed, lost or in consequence of a transfer being registered without surrender of the certificate(s) or otherwise whatsoever. I further undertake and agree that if the said Certificate(s) shall hereafter be found, to forthwith deliver up to Africa Prudential Plc or their successors or assigns without cost, fee or reward.

CERTIFICATE DETAILS

S/N	CERTIFICATE NO. (IF ANY)	UNITS	S/N	CERTIFICATE NO. (IF ANY)	UNITS
1.			4.		
2.			5.		
3.			6.		

Dated this ____ day of ____, 20____

Name: ____________

Signature: ____________

Joint (2) (If applicable): ____________

Joint (3) (If applicable): ____________

Company Seal

In the Presence of:

Name: ____________ **GSM NO:** ____________

Address: ____________ **Signature:** ____________

THIS SECTION IS TO BE EXECUTED BY THE SHAREHOLDER'S STOCKBROKER, BANKER OR INSURANCE COMPANY

On behalf of ____________ Plc/Ltd. we hereby agree jointly and severally keep the company and/or the Registrar or other persons acting on their behalf fully indemnified against all action, proceedings, liabilities, claims, losses, damage, costs and expenses in relation to or arising out of your accepting to re-issue to the rightful owner the shares/stocks, and to pay you on demand, all payments, losses, costs and expenses suffered or incurred by you in consequence thereof or arising therefrom. We/I also agree and consent that Africa Prudential Plc ("Afriprud") may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding information set out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Authorised Signatory (1): ____________ **Authorised Signatory (2):** ____________

Company Seal

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos.
ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja.
PORT-HARCOURT: Oklen Suite Building (2nd Floor), No. 1A, Evo Road, GRA Phase 2.
TEL: 0700 AFRIPRUD (0700 2374 7783) | E-MAIL: cxc@africaprudential.com | www.africaprudential.com | @afriprud

Africa Prudential

RC 649007

E-SHARE PORTAL 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.: **1.** **2.**

7. SEX: MALE FEMALE

8. *DATE OF BIRTH D D M M Y Y Y Y

9. *POSTAL ADDRESS:

10. CSCS CLEARING HOUSE NO.: C

11. NAME OF STOCKBROKER:

DECLARATION

I/We 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.

I/We also agree and consent that Africa Prudential Plc ("Afriprud") may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding information set out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Signature:

Signature:

Joint/Company's Signatories

Company Seal (if applicable)

Please tick against the company(ies) where you have shareholdings

CLIENTELE

1. ABBEY MORTGAGE BANK PLC
2. ADAMAWA STATE GOVERNMENT BOND
3. AFRILAND PROPERTIES
4. AFRICA PRUDENTIAL PLC
5. BECO PETROLEUM PRODUCTS PLC
6. BUA CEMENT
7. BUA FOODS
8. BENUE STATE GOVERNEMENT BOND
9. CAP PLC
10. CAPPA AND D'ALBERTO PLC
11. CHAMPION BREWERIES
12. CSCS
13. CORDROS MONEY MARKET FUND
14. EBONYI STATE GOVERNMENT BOND
15. GOLDEN CAPITAL PLC
16. INFINITY TRUST MORTGAGE
17. INVESTMENT & ALLIED ASSURANCE PLC
18. JAIZ BANK
19. KADUNA STATE GOVERNMENT BOND
20. LIVING TRUST MORTGAGE BANK
21. GLOBAL SPECTRUM ENERGY SERVICES PLC
22. MIXTA REAL ESTATE PLC
23. NEXANS KABLE METAL NIG. PLC
24. OMOLUABI MORTGAGE BANK PLC
25. PERSONAL TRUST & SAVINGS LTD
26. P.S. MANDRIDES PLC
27. PORTLAND PAINTS & PRODUCTS NIG. PLC
28. PREMIER BREWERIES PLC
29. TRANSCORP HOTELS PLC
30. TRANSCORP POWER PLC
31. TRANSCORP PLC
32. TOWER BOND
33. UACN PLC
34. UNITED BANK FOR AFRICA PLC
35. UNITED CAPITAL PLC
36. UNITED CAPITAL BALANCED FUND
37. UNITED CAPITAL BOND FUND
38. UNITED CAPITAL EQUITY FUND
39. UNITED CAPITAL MONEY MARKET FUND
40. UNITED CAPITAL NIGERIAN EUROBOND FUND
41. UNITED CAPITAL WEALTH FOR WOMEN FUND
42. UAC PROPERTIES DEVELOPMENT COMPANY PLC
43. VFD GROUP PLC
44. WEST AFRICAN GLASS IND PLC

OTHERS:

HEAD OFFICE: 220B, Ikorodu Road, Palmgrove, Lagos.
ABUJA: Infinity House (2nd Floor), 11 Kaura Namoda Street, Off Faskari Crescent, Area 3, Garki, Abuja.
PORT-HARCOURT: Oden Suite Building (2nd Floor), No. 1A, Evo Road, GRA Phase 2.
TEL: 0700 AFRIPRUD (0700 2374 7783) | E-MAIL: cxc@africaprudential.com | www.africaprudential.com | @afriprud

SCAN

Africa Prudential

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 D D M M Y Y Y Y

8. *MOBILE (1) (2)

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 D D M M Y Y Y Y

19. BANK VERIFICATION NO. (BVN)

20. NAME OF STOCKBROKING FIRM

21. TAX IDENTIFICATION NUMBER (TIN)

22. CSCS CLEARING HOUSE NO. (CHN) C

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