



Nascon Allied Industries Plc
FRC/2012/000000000478
Annual report and financial statements
for the year ended 31 December 2025

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Index

	Page
Directors, Officers and Professional Advisers	2
Results at a Glance	3
Report of the Directors	4
Corporate Governance Report	8
Report of the Statutory Audit Committee	13
Statement of Directors Responsibilities for the Preparation and Approval of the Annual report and financial statements	15
Certification pursuant to Section 405 (1) of Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020	16
Certification of Management's Assessment on Internal Control over Financial Reporting	17
Management's Report on the Assessment of Internal Control over Financial Reporting as at 31st December 2025	18
Independent Practitioner's Report	19
Independent Auditor's Report	21
Statement of Profit or Loss and Other Comprehensive Income	25
Statement of Financial Position	26
Statement of Changes in Equity	27
Statement of Cash Flows	28
Notes to the annual report and financial statements	29
Other National Disclosure - Value Added Statement	71
Other National Disclosure - Five Year Financial Summary	72

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Directors, Officers and Professional Advisers

Country of incorporation and domicile	Nigeria																								
Nature of business and principal activities	The principal activities of the Company during the year include processing of raw salt into refined, edible and grade salt. The Company also produces Seasoning cubes.																								
Directors	<table><tr><td>Olakunle Alake</td><td>Chairman</td></tr><tr><td>Aderemi Saka*</td><td>Managing Director</td></tr><tr><td>Thabo Mabe**</td><td>Managing Director</td></tr><tr><td>Fatima Aliko-Dangote</td><td>Non-Executive Director</td></tr><tr><td>Halima Aliko-Dangote</td><td>Non-Executive Director</td></tr><tr><td>Abdu Dantata</td><td>Non-Executive Director</td></tr><tr><td>Sada Ladan-Baki***</td><td>Non-Executive Director</td></tr><tr><td>Knut Ulvmoen***</td><td>Non-Executive Director</td></tr><tr><td>Fatima Wali-Abdurrahman</td><td>Non-Executive Director</td></tr><tr><td>Ifeyinwa Ighodalo****</td><td>Independent Director</td></tr><tr><td>Tonya Lawani****</td><td>Independent Director</td></tr><tr><td>Mahmud Tukur****</td><td>Independent Director</td></tr></table>	Olakunle Alake	Chairman	Aderemi Saka*	Managing Director	Thabo Mabe**	Managing Director	Fatima Aliko-Dangote	Non-Executive Director	Halima Aliko-Dangote	Non-Executive Director	Abdu Dantata	Non-Executive Director	Sada Ladan-Baki***	Non-Executive Director	Knut Ulvmoen***	Non-Executive Director	Fatima Wali-Abdurrahman	Non-Executive Director	Ifeyinwa Ighodalo****	Independent Director	Tonya Lawani****	Independent Director	Mahmud Tukur****	Independent Director
Olakunle Alake	Chairman																								
Aderemi Saka*	Managing Director																								
Thabo Mabe**	Managing Director																								
Fatima Aliko-Dangote	Non-Executive Director																								
Halima Aliko-Dangote	Non-Executive Director																								
Abdu Dantata	Non-Executive Director																								
Sada Ladan-Baki***	Non-Executive Director																								
Knut Ulvmoen***	Non-Executive Director																								
Fatima Wali-Abdurrahman	Non-Executive Director																								
Ifeyinwa Ighodalo****	Independent Director																								
Tonya Lawani****	Independent Director																								
Mahmud Tukur****	Independent Director																								
Company Secretary	Oluseun Oluwole																								
Business office	15B Ikosi Road Oregun Industrial Estate Lagos, Nigeria																								
Independent auditor	PricewaterhouseCoopers FF Millenium Towers, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos																								
Ultimate holding company	Greenview International Corp (Incorporated in Cayman Island)																								
Bankers	Access Bank Plc Ecobank Limited First Bank of Nigeria Limited First City Monument Bank Limited Guaranty Trust Bank Plc Jaiz Bank Limited Keystone Bank Limited Stanbic IBTC Bank Plc Sterling Bank Plc United Bank for Africa Plc Union Bank of Nigeria Plc Wema Bank Plc Zenith Bank Plc																								

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Results at a Glance

	Note(s)	2025 N'000	2024 N'000
Revenue	5	152,686,973	120,387,151
Profit before taxation		48,243,237	23,650,667
Taxation	16	(14,713,955)	(8,067,065)
Profit for the year		33,529,282	15,583,602
Proposed dividend	28	16,214,562	5,404,854
<hr/>			
Share capital	26	1,351,213	1,351,213
Shareholders' fund		71,179,888	43,055,460
<hr/>			
Per 50 kobo share data (kobo)			
Earnings	18	1,241	577
Dividend	28	600	200

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Report of the Directors

The Board of Directors is pleased to submit their report together with the audited financial statements of the Company for the year ended 31 December 2025.

1. Review of activities

Principal activities

The principal activities of the Company during the year include processing of raw salt into refined, edible and grade salt. The Company also produces Seasoning cubes.

The Company recorded a profit after taxation of N33.53 billion (2024: N15.58 billion) for the year.

2025 proposed dividend is 600 kobo per share (2024: 200 kobo per share).

2. Legal form

The Company was incorporated on 30 April 1973 as a limited liability Company. The shares are currently quoted on the Nigeria Exchange Limited.

3. Directors and Directors' Interests

a. The directors of the company during the year and to the date of this report are as follows:

Olakunle Alake	Chairman
Aderemi Saka*	Managing Director
Thabo Mabe**	Managing Director
Fatima Aliko-Dangote	Non-Executive Director
Halima Aliko-Dangote	Non-Executive Director
Abdu Dantata	Non-Executive Director
Sada Ladan-Baki***	Non-Executive Director
Knut Ulvmoen***	Non-Executive Director
Fatima Wali-Abdurrahman	Non-Executive Director
Ifeyinwa Ighodalo****	Independent Director
Tonya Lawani****	Independent Director
Mahmud Tukur****	Independent Director

b. By virtue of Section 285 of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, one-third of the Directors of the Company who have been longest in office since their last election shall retire from office and in accordance with this section, Olakunle Alake, Fatima Wali-Abdurrahman and Abdu Dantata are retiring by rotation and being eligible, offer themselves for re-election. In addition, the appointments of Ifeyinwa Ighodalo, Mahmud Tukur and Tonya Lawani are to be ratified.

c. No Director has a service contract not determinable within five years.

d. The Directors' interests in the issued share capital of the Company as recorded in the register of members and/or as notified by them for the purpose of Section 301 of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, are as follows:

*Appointed Deputy Managing Director on 26 February, 2025; Appointed Managing Director on 1 December, 2025.

**Resigned on 30 November, 2025.

***Resigned on 30 June, 2025

****Appointed on 1 July, 2025

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Report of the Directors

3. Directors and Directors' Interests (continued)

Directors Shareholding

	31 December 2024	31 December 2025
(a) Olakunle Alake	4,508,358	4,508,358
(b) Aderemi Saka*	-	-
(b) Thabo Mabe**	-	-
(c) Fatima Aliko-Dangote	-	-
(d) Halima Aliko-Dangote	-	-
(e) Abdu Dantata	2,040,000	2,040,000
(f) Sada Ladan-Baki***	1,049,065	1,049,065
(g) Knut Ulvmoen***	-	-
(h) Fatima Wali-Abdurrahman	-	-
(i) Ifeyinwa Ighodalo****	-	-
(j) Tonya Lawani****	-	-
(l) Mahmud Tukur****	-	-

4. Share capital history

Year	AUTHORISED NOMINAL VALUE		Other than by bonus		ISSUED AND PAID-UP		Total	
	No. of shares '000	Amount N	No. of Shares '000	Amount N '000	No. of Shares '000	Amount N '000	No. of Shares '000	Amount N
1991	40,000	20,000	-	-	-	-	14,110	7,055
1992	40,000	20,000	-	-	-	-	14,110	7,055
1993	40,000	20,000	-	-	-	-	14,110	7,055
1994	40,000	20,000	-	-	-	-	14,110	7,055
1995	80,000	40,000	-	-	-	-	14,110	7,055
1996	80,000	40,000	65,847	32,923	-	-	79,957	39,978
1997	200,000	100,000	-	-	-	-	79,957	39,978
1998	200,000	100,000	-	-	-	-	79,957	39,978
1999	200,000	100,000	-	-	-	-	79,957	39,978
2000	200,000	100,000	-	-	-	-	79,957	39,978
2001	200,000	100,000	-	-	-	-	79,957	39,978
2002	200,000	100,000	-	-	-	-	79,957	39,978
2003	200,000	100,000	-	-	-	-	79,957	39,978
2004	200,000	100,000	-	-	-	-	79,957	39,978
2005	200,000	100,000	-	-	-	-	79,957	39,978
2006	4,000,000	2,000,000	-	-	-	-	79,957	39,978
2007	4,000,000	2,000,000	2,127,909	1,063,954	-	-	2,207,865	1,103,932
2008	4,000,000	2,000,000	-	-	441,573	220,787	2,649,438	1,324,719
2009	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2010	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2011	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2012	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2013	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2014	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2015	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2016	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2017	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2018	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2019	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2020	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2021	4,000,000	2,000,000	-	-	-	-	2,649,438	1,324,719
2022	2,649,438	1,324,719	-	-	-	-	2,649,438	1,324,719
2023	2,649,438	1,324,719	-	-	-	-	2,649,438	1,324,719
2024	2,702,426	1,351,213	-	-	52,988	26,494	2,702,426	1,351,213
2025	2,702,426	1,351,213	-	-	-	-	2,702,426	1,351,213

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Report of the Directors

5. Directors' Responsibilities

The Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company in accordance with Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020.

In doing so, they ensure that:

- Proper accounting records are maintained;
- Applicable accounting standards are followed;
- Suitable accounting policies are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent;
- The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business;
- Internal control procedures are instituted which as far as are reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities.

6. Corporate governance

- The Company is committed to best practices and procedures in corporate governance. Its business is conducted in a fair, honest and transparent manner which conforms to high ethical standards.
- Members of the Board of Directors meet at least once quarterly to decide on policy matters and direct the affairs of the Company; review its performance, its operations and finance; and formulate growth strategy. Attendance at Directors' meetings is impressive.
- In line with provisions of section 284(2) of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, the record of Directors' attendance at Board Meetings is available for inspection at the Annual General Meeting.
- The remuneration of the Executive Director is fixed.
- The Board of Directors consists of Nine (9) members; One (1) Executive Director and Eight (8) Non-Executive Directors of which Three (3) are Independent.
- Appointment to the Board is made by shareholders at the Annual General Meeting where a vacancy arises.
- The Board, from time to time, routinely empowers committees to examine and deliberate on finance and establishment related issues.

7. Substantial interest in shares

The Registrar has advised that according to the Register of Members on 31 December 2025, one shareholder held more than 5% of the issued share capital of the Company. Dangote Industries Limited holds 62.19% with 1,680,718,828 ordinary shares of 50k each.

8. Events after the reporting period

There were no significant developments since the statement of financial position date which could have had a material effect on the state of affairs of the Company as at 31 December 2025 and the profit for the year ended on that date, which have not been adequately recognized.

9. Non-current assets

Movements in Property, Plant and Equipment during the year are shown in Note 19 to the financial statements. In the opinion of the Directors, the market value of the company properties is not less than the value shown in the financial statements.

10. Company Distributors

The Company's products are distributed by customers across the country, who redistribute to wholesalers, confectioners, supermarkets and retailers. Salt retail packs come in 250g, 500g and 1kg and are sold under the brand name Dangote Refined Salt. Seasoning is sold under the brand name Dangote Classic Seasoning.

11. Suppliers

The Company obtains its materials at arm's length basis both locally and internationally. Amongst its main vendors are Bulk Commodities Limited and Dangote Packaging Limited.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Report of the Directors

12. Analysis of shareholdings

Analysis of shareholdings as at 31 December 2025

Range	No. of Holders	Percent	Units	Percent
1 - 1,000	25,636	65.11	8,800,739	0.33
1,001 - 5,000	7,057	17.92	16,271,298	0.60
5,001 - 10,000	2,312	5.87	15,505,296	0.57
10,001 - 50,000	3,170	8.05	64,993,329	2.41
50,001 - 100,000	495	1.26	34,657,798	1.29
100,001 - 500,000	533	1.35	105,728,461	3.91
500,001 - 1,000,000	62	0.16	41,712,796	1.54
1,000,001 - 5,000,000	79	0.20	165,372,879	6.12
5,000,001 - 10,000,000	11	0.03	74,371,261	2.75
10,000,001 and above	18	0.05	2,175,013,289	80.48
	39,373	100	2,702,427,146	100

13. Statutory Audit Committee

The Company, pursuant to section 404 (2) & (3) of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020 has put in place an Audit Committee comprising three shareholders and two Directors as follows:

Okey Nwuke	- Shareholder/Chairman
Umar Farouk	- Shareholder/Member
Moses Igbrude****	- Shareholder/Member
Halima Aliko-Dangote	- Director/Member
Mahmud Tukur****	- Director/Member
Sada Ladan-Baki***	- Director/ Member

****Appointed on 1 July, 2025.

*****Appointed on 8 May, 2025.

***Resigned on June, 2025.

14. Independent auditors

PricewaterhouseCoopers have indicated their willingness to continue in office as the Company's auditor in accordance with section 401(2) of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020. A resolution will be proposed authorizing the Directors to fix their remuneration at the Annual General Meeting.

By Order of the Board



Oluseun Oluwole
Company Secretary
FRC/2013/NBA/00000000856
Nascon Allied Industries Plc,
15b, Ikosi Road,
Oregun Ikeja, Lagos
Nigeria
23 February 2026

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Corporate Governance Report

1. General information

Nascon Allied Industries Plc is committed to best practices and procedures in corporate governance. The corporate governance practices are constantly under review, in line with dynamics of the business environment. There was considerable focus on the Company's corporate governance practices especially at the Board level during the year.

The corporate governance policies adopted by the Board of Directors are designed to ensure that the Company's business is conducted in a fair, honest and transparent manner which conforms to high ethical standards.

Nascon is committed to compliance with the Nigerian corporate governance framework, which includes but is not limited to the Securities and Exchange Commission's Code of Corporate Governance for Public Companies in Nigeria, the Nigerian Code of Corporate Governance and the Companies and Allied Matters Act. Nascon has not incurred any sanctions in respect of the said framework.

Board of Directors

The Board delegates the day-to-day running of the Company's affairs to the Managing Director supported in this task by an Executive Management Committee. The Board of Directors consists of Nine (9) members; one (1) Executive Director and Eight (8) Non-Executive Directors of which three (3) are Independent.

It is the responsibility of the Board of Nascon Allied Industries Plc to:

- Ensure integrity of the Company's financial and internal control policies.
- Ensure the accurate, adequate and timely rendition of statutory returns and financial reporting to the regulatory authorities (NGX Regulation Limited, Financial Reporting Council of Nigeria, Corporate Affairs Commission, Securities and Exchange Commission) and shareholders.
- Ensure value creation for shareholders, employees and other stakeholders.
- Review and approve corporate policies, strategy, annual budget and business plan.
- Monitor implementation of policies and the strategic direction of the Company.
- Set performance objectives, monitor implementation and corporate performance.
- Review and approve all major capital expenditure of the Company.
- Ensure that the statutory rights of shareholders are protected at all times.

2. Meeting of the Board of Directors

The Board of Directors holds several meetings during the year to consider corporate actions such as the approval of corporate strategy, annual corporate plan, review of internal risk management and control systems, review of the Company's performance and operations, as well as the formulation of growth strategies.

2.1 Record of Directors' meetings

In line with provisions of Section 284(2) of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, the record of Directors' attendance at Board meetings is available for inspection at the Annual General Meeting.

Board Meetings and Attendance for the year ended 31 December 2025

The Board held eight (8) meetings in 2025.

Name	26-Feb-25	24-Apr-25	08-May-25	30-Jun-25	29-Jul-25	30-Oct-25	17-Nov-25	03-Dec-25
Olakunle Alake	Yes							
Aderemi Saka*	Yes							
Thabo Mabe**	Yes	N/a						
Fatima Aliko-Dangote	Yes							
Halima Aliko-Dangote	Yes							
Abdu Dantata	Yes							
Sada Ladan-Baki***	Yes	Yes	Yes	Yes	N/a	N/a	N/a	N/a
Knut Ulvmoen***	Yes	Yes	Yes	Yes	N/a	N/a	N/a	N/a
Fatima Wali-Abdurrahman	Yes							
Ifeyinwa Ighodalo****	N/a	N/a	N/a	Yes	Yes	Yes	Yes	Yes
Tonya Lawani****	N/a	N/a	N/a	Yes	Yes	Yes	Yes	Yes
Mahmud Tukur****	N/a	N/a	N/a	Yes	Yes	Yes	Yes	Yes

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Corporate Governance Report

2.2 Key activities of the Board

- Extensive review of the Company's short and long term strategy, culminating in a detailed strategic plan.
- Consideration of the reports of the Board Committees with recommendations for approval.
- Consideration of the 2025 quarterly unaudited financial reports.
- Consideration of the 2024 audited financial reports, interim dividend and proposed bonus issuance.
- Revision of the operational performance, marketing strategy and report on business and projects.
- Revision of the risk management objectives and implementation.

3. Board Committees

The Board delegated some of its responsibilities to standing committees that consist of Non-Executive Directors. These are the Establishment and General Purpose and Finance, Risk and Audit Committees. The Committees report to the Board of Directors on their activities and decisions which are ratified by the full Board. On June 30 2025, the Finance, Risk Management & Audit Committee (FRMAC) and Establishment & General-Purpose Committee (EGPC) were reorganized into the Audit and Risk Management Committee (ARMC), Finance and Sustainability Committee (FSC) and Governance Committee (GC)

In compliance with the practices of good corporate governance, the Chairman of the Board is not a member of either of these committees.

3.1 The Finance, Risk and Audit Committee

The Finance, Risk and Audit Committee is responsible for monitoring the integrity of the financial statements of the Company. It also assesses and monitors all risks associated with the operations of the Company, and oversees the implementation of Internal Control System, by Management. The Committee assists the Board in its responsibility relating to the oversight of the Company's financial credit and risk management policies and procedures.

The Committee is comprised of three (3) Directors. The Committee members are:

Sada Ladan-Baki***	Chairman
Fatima Aliko-Dangote	Member
Halima Aliko-Dangote	Member

The Committee held three (3) meetings in 2025.

Name	24-Feb-25	22-Apr-25	28-Jul-25
Sada Ladan-Baki***	Yes	Yes	N/a
Fatima Aliko-Dangote	Yes	Yes	Yes
Halima Aliko-Dangote	Yes	Yes	Yes

Key matters of the committee

- Reviewed the 2024 annual reports and accounts.
- Reviewed the 2025 quarterly financial reports.
- Reviewed the critical accounting policies applied in the preparation of the financial statements.
- Reviewed the reports on key operational risks and the related controls and processes to manage and mitigate

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Corporate Governance Report

3.2 Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for monitoring the integrity of the financial statements of the Company. It maintains oversight over frameworks in respect of whistle-blowing, risk management, internal control, IT data governance and related party transactions.

The Committee is comprised of five (5) Directors and their attendance is stated below.

Name	20-Oct-25
Mahmud Tukur****	Yes
Tonya Lawani****	Yes
Fatima Wali-Abdurrahman	Yes
Fatima Aliko-Dangote	Yes
Abdu Dantata	Yes

Key matters of the committee

- Reviewed the quarterly financial statements.
- Reviewed reports on compliance IT Data Governance, Risk Management and Internal Audit

3.3 The Establishment and General Purpose Committee

The Committee is responsible for reviewing the policy framework for employee and remuneration issues. The Committee also institutes a transparent procedure for the appointment of new Directors to the Board of Directors and makes recommendations to the Board regarding the tenures and the re-appointment of Directors.

The committee is comprised of five (5) Directors:

Knut Ulvmoen***	Chairman
Fatima Aliko-Dangote	Member
Halima Aliko-Dangote	Member
Abdu Dantata	Member
Fatima Wali-Abdurrahman	Member

The Establishment and General Purpose Committee attendance for the year ended 31 December 2025.

The Committee held three (3) meetings in 2025.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Corporate Governance Report

Name	19-Feb-25	16-Apr-25	21-Jul-25
Knut Ulvmoen***	Yes	Yes	N/a
Fatima Aliko-Dangote	Yes	Yes	Yes
Halima Aliko-Dangote	Yes	Yes	Yes
Abdu Dantata	Yes	Yes	Yes
Fatima Wali-Abdurrahman	Yes	Yes	Yes

Key matters of the committee

- Considered matters relating to human resources, including employee recruitment and development.
- Considered HSE and sustainability-related matters including safety achievements and trends.
- Considered matters relating to projects and fleet maintenance.

3.4 Governance Committee

The Governance Committee is responsible for reviewing all matters relating to the board, its committees and executive management, as well as the governance framework of the Company.

The Committee is comprised of five (5) Directors and their attendance is stated below:

Ifeyinwa Ighodalo****	Chairman
Tonya Lawani****	Member
Fatima Wali-Abdurrahman	Member
Halima Aliko-Dangote	Member
Mahmud Tukur****	Member

Name	20-Oct-25	17-Nov-25
Ifeyinwa Ighodalo****	Yes	Yes
Tonya Lawani****	Yes	Yes
Fatima Wali-Abdurrahman	Yes	Yes
Halima Aliko-Dangote	Yes	Yes
Mahmud Tukur****	Yes	Yes

Key matters of the committee

- Reviewed matters relating to employees.
- Reviewed matters relating to the board.

3.5 The Finance and Sustainability Committee

The Finance and Sustainability Committee is responsible for the general operational performance of the Company. It maintains oversight over matters related to health and safety and sustainability, as well as matters related to finance, capital structure and strategy.

The Committee is comprised of five (5) Directors, and their attendance is stated below:

Fatima Aliko-Dangote	Chairman
Abdu Dantata	Member
Halima Aliko-Dangote	Member
Ifeyinwa Ighodalo****	Member
Tonya Lawani****	Member

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Corporate Governance Report

Name	20-Oct-25
Fatima Aliko-Dangote	Yes
Abdu Dantata	Yes
Halima Aliko-Dangote	Yes
Ifeyinwa Ighodalo****	Yes
Tonya Lawani****	Yes

Key matters of the committee

- Reviewed matters relating to health and safety, and sustainability
- Reviewed matters relating to production, projects and fleet maintenance

Signed on behalf of the Board of Directors By;



Olakunle Alake
Chairman
FRC/2013/ICAN/00000002214
23 February 2026

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Report of the Statutory Audit Committee

This report is provided by the Audit committee appointed in respect of the 2025 financial year of Nascon Allied Industries Plc.

1. Members of the Statutory Audit Committee

The Audit Committee is made up of five (5) members, three (3) representatives of Shareholders and two (2) members of the Board of Directors. Members of the Audit Committee are elected yearly at Annual General Meetings. The Committee in compliance with the requirement of corporate governance practice is chaired by a representative of the Shareholders and include:

Name	Position
Okey Nwuke	Chairman/Shareholder
Umar Farouk	Shareholder
Moses Igbrude****	Shareholder
Halima Aliko-Dangote	Director
Sada Ladan-Baki***	Director
Mahmud Tukur****	Director

****Appointed on 1 July, 2025.

***Resigned on 30 June, 2025.

*****Appointed on 8 May, 2025.

2. Meetings held by the Statutory Audit Committee

The committee held four (4) scheduled meetings during 2025;

Name	26-Feb-25	25-Apr-25	30-Jul-25	29-Oct-25
Okey Nwuke	Yes	Yes	Yes	Yes
Umar Farouk	Yes	Yes	Yes	Yes
Moses Igbrude****	N/a	N/a	Yes	Yes
Halima Aliko-Dangote	Yes	Yes	Yes	Yes
Sada Ladan-Baki***	N/a	Yes	N/a	N/a
Mahmud Tukur****	N/a	N/a	N/a	Yes

3. Statutory Audit Committee Responsibilities

- Ensuring the independence and objectivity of the Audit.
- Reviewing the adequacy and effectiveness of the Company's internal control policies prior to endorsement by the Board.
- Supervised investigations into matters within its scope, such as evaluation of the effectiveness of the Company's internal controls.

In addition to the above stated responsibilities, the Committee carries out all such other functions as stipulated by the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020.

4. Security Trading Policy

In accordance with Rule 17 of the NGX Regulation Limited Amended Listing Rules, the Board has put in place a Security Trading Policy which applies to all Directors and Employees and also to those who may at any time possess, any insider or material information about the Company.

The Security Trading Policy as endorsed by the Board is in substantial conformity with the standard set out in Rule 17 of the NGX Regulation Limited Listing Rules.

Accordingly, it is hereby confirmed that, after specific inquiries of all the Directors of the Company, they have all confirmed their compliance with the Policy in the period before the Company results were announced for the 2025 financial year. There is no case of non-compliance with the Policy.

Furthermore, the compliance of the Company Directors with the listing rules and the anti-insider trading policy will continue to be disclosed in the Company's quarterly and other financial reports.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

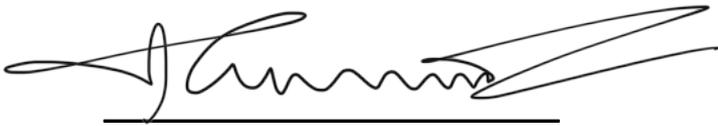
Report of the Statutory Audit Committee

5. Report of the Statutory Audit Committee

In accordance with the provisions of Section 404(4) of Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, we have examined the Auditors' report for the year ended 31 December 2025. We have obtained all the information and explanations we required.

In our opinion, the Auditors' report is consistent with our review of the scope and planning of the Audit. We are also satisfied that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.

Having reviewed the Auditors' findings and recommendations in the Management letter, we are satisfied with Management's response therein.



Okey Nwuke
Chairman, Audit Committee
FRC/2017/ICAN/00000016523
23 February 2026

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Statement of Directors Responsibilities for the Preparation and Approval of the Annual report and financial statements

The Directors of Nascon Allied Industries Plc are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as at 31 December 2025, and the results of its operations, statement of cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards as issued by the International Accounting Standard Board (IFRS Accounting Standards) and in the manner required by Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

In preparing the annual report and financial statements, the Directors are responsible for:

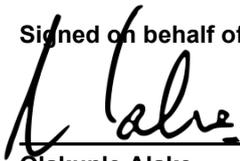
- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- Making an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for:

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

The annual report and financial statements of the Company set out on pages 25 to 72 for the year ended 31 December 2025, were approved by the Board of Directors on 23 February 2026.

Signed on behalf of the Board of Directors By:



Olakunle Alake
Chairman
FRC/2013/ICAN/00000002214



Aderemi Saka
Managing Director
FRC/2026/PRO/DIR/003/670433

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Certification pursuant to Section 405 (1) of Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020

We have reviewed the financial statements of Nascon Allied Industries Plc for the year ended 31 December 2025.

Based on our knowledge, the financial statements do not:

- Contain any untrue statement of a material fact; or
- Omit to state a material fact, which would make the statement misleading in light of the circumstances under which such statements were made.

The financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the Company for the years presented in the financial statements.

The Directors are responsible for establishing and maintaining internal controls. We have:

- Designed such internal controls to ensure that material information relating to the Company is made known to us by other officers within the business, particularly during the year in which this report is being prepared.
- Evaluated the effectiveness of the Company's internal controls and reported to the Statutory Audit Committee on a quarterly basis and 90 days prior to 31 December 2025.
- Certified that the Company's internal controls are effective.
- Confirmed that there are no deficiencies in the design or operation of internal controls to report to the Company's auditors.

In addition, we have disclosed to the Company's External Auditors and Statutory Audit Committee that:

- There are no deficiencies in the design or operation of internal controls to report.
- There was no fraud, whether material or not, that involved management or other employees who have a significant role in the Company's internal controls.

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



Aderemi Saka
Managing Director
FRC/2026/PRO/DIR/003/670433



Oladimeji Sorinmade
Acting Financial Controller
FRC/2025/PRO/ICAN/001/987274

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Certification of Management's Assessment on Internal Control over Financial Reporting

We, Aderemi Saka (Managing Director) and Oladimeji Sorinmade (Acting Financial Controller) of Nascon Allied Industries Plc, certify that:

a) We have reviewed this Management's Report on the Assessment of Internal Control Over Financial Reporting of Nascon Allied Industries Plc;

b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the company as of, and for, the periods presented in this report;

d) We:

1) Are responsible for establishing and maintaining internal controls;

2) Have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, is made known to us by others, particularly during the period in which this report is being prepared;

3) Have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) Have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) We have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee of the company's board of directors:

1) There were no significant deficiencies and material weaknesses in the design or operation of the internal control system that are reasonably likely to adversely affect the company's ability to record, process, summarize, and report financial information; and

2) There was no fraud, whether material or not, involving management or other employees who have a significant role in the company's internal control system.

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

Dated this 23rd day of February 2026



Aderemi Saka
Managing Director
FRC/2026/PRO/DIR/003/670433



Oladimeji Sorinmade
Acting Financial Controller
FRC/2025/PRO/ICAN/001/987274

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Management's Report on the Assessment of Internal Control over Financial Reporting as at 31st December 2025

The Management of Nascon Allied Industries Plc is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Securities and Exchange Commission (SEC) Act, 2007 and the Financial Reporting Council (Amendment) Act, 2023.

The Management of Nascon Allied Industries Plc assessed the effectiveness of the internal control over financial reporting as of 31 December 2025 using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission -2013 Integrated Framework ("the COSO Framework") and in accordance with the SEC Guidance on implementation of section 88 to 91 of Investments and Securities Act 2025.

As of 31 December 2025, the Management of Nascon Allied Industries Plc did not identify any material weakness in its assessment of the internal control over financial reporting. As a result, Management has concluded that as of 31 December 2025, the company's internal control over financial reporting was effective.

The Company's independent auditor, PricewaterhouseCoopers who audited the financial statements included in this Annual report, issued an unmodified conclusion on the effectiveness of the Company's internal control over financial reporting as of 31 December 2025, based on the limited assurance engagement performed by them. PricewaterhouseCoopers' limited assurance reports appears on pages 19 - 20 of the Annual Report.

Management's Remediation plan and Status

Management is committed to maintaining a strong internal control environment. In response to the identified deficiencies noted in our assessment of the Internal Control over Financial Reporting for the company, management has already taken steps to substantially remediate these deficiencies and will continue to take further steps until such remediation is complete. The steps taken by management on the outstanding deficiencies yet to be remediated were to identify appropriate compensating controls to mitigate the financial risks that may result in a misstatement in the financial statement. While Management have taken steps to substantially remediate these identified deficiencies, we will continue to complete the remediation process as quickly as possible.

As management continues to evaluate and work to improve our Internal control over financial reporting, we may take additional measures to address these controls deficiencies or modify certain remediation measures described above.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred after the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Company's Internal control over financial reporting.

Dated on this day 23rd day of February 2026.



Aderemi Saka
Managing Director
FRC/2026/PRO/DIR/003/670433



Oladimeji Sorinmade
Acting Financial Controller
FRC/2025/PRO/ICAN/001/987274



Independent practitioner's report

To the Members of Nascon Allied Industries Plc

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

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of Nascon Allied Industries Plc ("the company") are not adequate as at 31 December 2025, based on the SEC Guidance on Implementation of Sections 88 – 91 of The Investments and Securities Act 2025 issued by The Securities and Exchange Commission.

What we have performed

We have performed an assurance engagement on Nascon Allied Industries Plc's internal control over financial reporting as of December 31, 2025, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Assessment of Internal Control over Financial Reporting as at 31st December 2025. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our assurance engagement.

Basis for opinion

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

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

PricewaterhouseCoopers
FF Millenium Towers, 13/14 Ligali Ayorinde Street, Victoria Island,
Lagos, Nigeria



Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements of Nascon Allied Industries Plc and our report dated 2 March 2026 expressed an unqualified opinion.

A handwritten signature in black ink that reads 'Yinka Yusuf'. The signature is fluid and cursive, with the first name 'Yinka' and the last name 'Yusuf' clearly distinguishable.

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria
FRC/2023/COY/176894



2 March 2026

Engagement Partner: Yinka Yusuf
FRC/2013/PRO/ICAN/004/00000005161



Independent auditor's report

To the Members of Nascon Allied Industries Plc

Report on the audit of the financial statements

Our opinion

In our opinion, Nascon Allied Industries Plc's ("the company's") financial statements give a true and fair view of the financial position of the company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with international financial reporting standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

Nascon Allied Industries Plc's financial statements comprise:

- the statement of profit or loss and other comprehensive income for the year ended 31 December 2025;
- the statement of financial position as at 31 December 2025;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the annual report and financial statements, which include a summary of material accounting policies.

Basis for opinion

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

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

Independence

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

Key audit matters

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

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

PricewaterhouseCoopers
FF Millenium Towers, 13/14 Ligali Ayorinde Street, Victoria Island,
Lagos, Nigeria



Other information

The directors are responsible for the other information. The other information comprises Directors, Officers and Professional Advisers, Results at a Glance, Report of the Directors, Corporate Governance Report, Report of the Statutory Audit Committee, Statement of Directors Responsibilities for the Preparation and Approval of the Annual report and financial statements, Certification pursuant to Section 405 (1) of Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, Certification of Management's Assessment on Internal Control over Financial Reporting, Management's Report on the Assessment of Internal Control over Financial Reporting as at 31st December 2025, Other National Disclosure - Value Added Statement and Other National Disclosure – Five-Year Financial Summary (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the Nascon Allied Industries Plc 2025 Annual Report, which are expected to be made available to us after that date.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

In preparing the financial statements, the directors are responsible for assessing 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 company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on other legal and regulatory requirements

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

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

In accordance with the requirements of the Securities and Exchange Commission, we performed a limited assurance engagement and reported on management's assessment of Nascon Allied Industries Plc's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unqualified opinion in our report dated 2 March 2026.

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Yinka Yusuf
FRC/2013/PRO/ICAN/004/00000005161



2 March 2026

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Statement of Profit or Loss and Other Comprehensive Income

	Notes	2025 N'000	2024 N'000
Revenue from contracts with customers	5	152,686,973	120,387,151
Cost of sales	7	(78,738,835)	(64,860,102)
Gross profit		73,948,138	55,527,049
Other income	8	236,128	261,239
Other operating losses	9	(1,683,300)	(2,056,949)
Writeback of/(Increase in) impairment allowance	10	63,584	(87,305)
Distribution costs	11.1	(20,706,801)	(23,678,460)
Administrative expenses	11.2	(8,961,645)	(6,928,169)
Operating profit		42,896,104	23,037,405
Finance income	12	6,006,200	1,793,858
Finance costs	14	(659,067)	(1,180,596)
Profit before taxation		48,243,237	23,650,667
Taxation	16	(14,713,955)	(8,067,065)
Profit for the year		33,529,282	15,583,602
Other comprehensive income		-	-
Total comprehensive income for the year		33,529,282	15,583,602
Earnings per share information			
Per share information			
Basic and diluted earnings per share (kobo)	18	1,241	577

The notes to the financial statements on pages 29 to 70 form an integral part of the annual report and financial statements.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Statement of Financial Position as at 31 December

	Notes	2025 N'000	2024 N'000
Assets			
Non-Current Assets			
Property, plant and equipment	19	33,498,157	12,340,012
Right of use assets	20	3,474,639	3,741,027
		36,972,796	16,081,039
Current Assets			
Inventories	21	15,689,487	18,261,106
Trade and other receivables	22	40,019,127	17,223,440
Other financial assets	23	764,569	635,901
Other assets	24	187,736	1,600,851
Cash and cash equivalents	25	41,632,242	24,700,150
		98,293,161	62,421,448
Total Assets		135,265,957	78,502,487
Equity and Liabilities			
Equity			
Share capital	26	1,351,213	1,351,213
Share premium	27	434,037	434,037
Retained earnings	28	69,394,638	41,270,210
		71,179,888	43,055,460
Liabilities			
Non-Current Liabilities			
Borrowings	30	38,570	38,570
Lease liabilities	31	3,419,442	3,517,756
Retirement benefit obligation	32	110,834	122,258
Deferred tax liabilities	17	4,239,908	5,431,277
		7,808,754	9,109,861
Current Liabilities			
Trade and other payables	33	33,688,438	12,744,083
Borrowings	30	27,955	2,821,656
Lease liabilities	31	303,401	385,461
Contract liabilities	34	6,676,611	5,509,920
Current tax payable	16	15,580,910	4,876,046
		56,277,315	26,337,166
Total Liabilities		64,086,069	35,447,027
Total Equity and Liabilities		135,265,957	78,502,487

The notes to the financial statements on pages 29 to 70 form an integral part of the annual report and financial statements.

The financial statements, notes and other national disclosures on pages 25 to 72, were approved by the Board on the 23 February 2026 and were signed on its behalf by:



Olakunle Alake
Chairman
FRC/2013/ICAN/00000002214



Aderemi Saka
Managing Director
FRC/2026/PRO/DIR/003/670433



Oladimeji Sorinmade
Acting Financial Controller
FRC/2025/PRO/ICAN/001/987274

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Statement of Changes in Equity

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
Balance at 01 January 2024	1,324,719	434,037	25,713,102	27,471,858
Profit for the year	-	-	15,583,602	15,583,602
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	15,583,602	15,583,602
Transactions with owners				
Bonus Issue	26,494	-	(26,494)	-
	26,494	-	(26,494)	-
Balance at 31 December 2024	1,351,213	434,037	41,270,210	43,055,460
Balance at 01 January 2025	1,351,213	434,037	41,270,210	43,055,460
Profit for the year	-	-	33,529,282	33,529,282
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	33,529,282	33,529,282
Transactions with owners				
Dividends	-	-	(5,404,854)	(5,404,854)
	-	-	(5,404,854)	(5,404,854)
Balance at 31 December 2025	1,351,213	434,037	69,394,638	71,179,888
Note(s)	26	27	28	

The notes to the financial statements on pages 29 to 70 form an integral part of the annual report and financial statements.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Statement of Cash Flows

	Note(s)	2025 N'000	2024 N'000
Cash flows from operating activities			
Cash generated from operations	35	49,117,955	10,926,015
Tax paid	17	(5,200,460)	(6,760,840)
Retirement benefit obligations paid	32	(11,424)	(547)
Net cash generated from operating activities		43,906,071	4,164,628
Cash flows from investing activities			
Purchase of property, plant and equipment	19	(23,717,742)	(2,299,709)
Proceeds from sale of property, plant and equipment	19.3	9,900	85,000
Lease prepayments recognised as right of use assets	20	(169,255)	(141,457)
Interest received	12	6,006,200	1,793,858
Net cash used in investing activities		(17,870,897)	(562,308)
Cash flows from financing activities			
Payment of borrowings	30	(2,793,701)	(2,672,443)
Dividends paid	29	(5,404,854)	-
Interest paid on borrowings	14	(284,664)	(808,460)
Payment on lease liabilities	31	(724,031)	(736,161)
Net cash used in financing activities		(9,207,250)	(4,217,064)
Total cash and cash equivalents movement for the year		16,827,924	(614,744)
Cash and cash equivalents at the beginning of the year		24,700,150	25,612,894
Effect of exchange rate movement on cash balances		104,168	(298,000)
The total cash and cash equivalents at end of the year	25	41,632,242	24,700,150

The notes to the financial statements on pages 29 to 70 form an integral part of the annual report and financial statements.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

Corporate information

Nascon Allied Industries Plc is a public limited company incorporated and domiciled in Nigeria.

The annual report and financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on Monday, 23 February 2026.

1 General information

Nascon Allied Industries Plc (Formerly known as National Salt Company of Nigeria) was incorporated in Nigeria as a limited liability Company on 30 April 1973. It was fully privatised in April, 1992 and became listed on the (then) Nigerian Stock Exchange on 20 October 1992. At a general meeting held on 29 September 2006, the shareholders approved the acquisition of the assets, liabilities and business undertakings of Dangote Salt Limited and the issue and allotment of additional NASCON PLC shares as the purchase consideration. The major shareholder of the Company is Dangote Industries Limited which owns 62.19% of the issued share capital, while the remaining 37.81% is held by the general public.

The ultimate controlling party is Greenview International Corp, a Company incorporated in Cayman Island.

The registered address of the Company is Salt City, Ijoko Ota, Ogun State.

1.1 The principal activity

The principal activities of the Company during the year include processing of raw salt into refined, edible and grade salt. The Company also produces Seasoning cubes. The Company's products are sold through distributors across the country.

1.2 Financial period

The financial statements cover the financial year from 01 January 2025 to 31 December 2025 with comparatives for the year ended 31 December 2024.

1.3 Going concern status

The Company has consistently generated profits since 2007. The Directors believe that there is no intention or threat from any party to curtail significantly its line of business in the foreseeable future. Thus, these annual report and financial statements are prepared on a going concern basis.

2 Material accounting policies

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

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with, and comply with, International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), Companies and Allied Matters Act (CAMA) and Financial Reporting Council of Nigeria (Amendment) Act, 2023 and effective at the time of preparing these financial statements.

2.2 Basis of measurement

The annual report and financial statements have been prepared under the going concern assumption and historical cost convention except for the following items:

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.2 Basis of measurement (continued)

- Non-derivative financial instruments - initially at fair value and subsequently at amortised cost using effective interest rate.
- Inventory - lower of cost and net realisable value.
- Lease liabilities - measured at the present value of future lease payments.

Historical cost is generally based on the fair value of the consideration given in exchange for assets. All values are rounded to the nearest thousand except when otherwise indicated.

2.3 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency and presentation currency of the Company is the Nigerian Naira (N)

2.3.1 Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual report and financial statements are recognised in profit or loss as other operating (losses)/gains in the period in which they arise.

When a gain or loss on a non-monetary item is recognised in other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised in other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any foreign exchange component of that gain or loss is recognised in profit or loss as other operating gains/(losses).

Cash flows arising from transactions in a foreign currency are recorded in Naira by applying to the foreign currency amount the exchange rate between the Naira and the foreign currency at the date of the cash flow.

2.4 Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable for goods and services, in the ordinary course of the Company's activities and it is stated net of Value Added Tax (VAT), rebates and returns. A valid contract is recognised as revenue after:

- The contract is approved by the parties;
- Rights and obligations are recognised;
- Collectability is probable;
- The contract has commercial substance; and
- The payment terms and considerations are identifiable.

The probability that a customer would make payment is ascertained based on the evaluation done on the customer as stated in the credit management policy at the inception of the contract. The Company is the principal in all of its revenue arrangement since it is the primary obligor in most of the revenue arrangements, has inventory risk and determines the pricing for the goods and services. The customer payment are categorised into cash and 30 days credit sales.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.4 Revenue from contracts with customers (continued)

Revenue is recognised when the control of the goods and services are transferred to the customer. This occurs when the goods are delivered to the customer and customer's acceptance is received or when goods are picked up by the customers. Revenue is recognised at a point in time. Revenue is driven by the regional spread of the Company's customer network.

Nascon Allied Industries Plc transfers control to the customers after the goods have been delivered to the customer, However, the customer obtains the right to return goods that are bad or damaged immediately they have been delivered.

Sale occurs when the goods have been delivered to the specific location, the risks of obsolescence and loss have been transferred to the customer, and when the customer has accepted the products in accordance with the sales contract, or the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sale of goods is recognised based on the price specified in the contract, net of the estimated rebates and returns. Rebates are estimated at the inception of the contract except where the period between the recognition of revenue and grant of rebates is within one month.

Returns on goods are considered at the inception of the contract except where the timing between when the revenue is recognised and when the returns occur is considered immaterial. In these instances, the returns are accounted for when they occur. Contract liability is recognised for consideration received for which performance obligation (sales of goods) has not been met.

Specifically, revenue from the sale of goods is recognised when goods are delivered (or collected, if sold under self-collection terms) and legal title is passed.

2.5 Finance income

This represents interest income earned on short term placements with banks and other financial assets at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to its gross carrying amount.

2.6 Employee benefits

Short-term employee benefits

Short term employee benefits: such as any wages, salaries, incentives, other contributions and paid annual leave are accrued in the period in which the associated services are rendered by employees of the Company.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or as a result of an offer made to encourage voluntary redundancy. The expected cost of compensation is recognized as an expense in the profit or loss account when it occurs.

Retirement benefit obligations

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's net obligation in respect of defined benefit gratuity scheme is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior years and that benefit is discounted to determine the present value.

Defined contribution plan

The employees of the Company are members of a Defined Contribution Pension plan administered by third-party Pension Fund Administrators under the Pension Reform Act of 2014. The assets of the plan are held separately from those of the Company. The scheme is funded in accordance with the Pension Reform Act of 2014 with the employee and employer contribution representing 8% and 10% respectively of the employee's relevant emoluments.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Current income tax is the expected amount of income tax payable on the taxable profit for the year determined in accordance with the Companies Income Tax Act (CITA) using statutory tax rates at the reporting date. Tertiary Education tax is assessed at 3% of the assessable profits as defined by the Tertiary Education Tax Act and Police Trust Fund levy is charged at 0.005% of profit before tax section 4 of the Nigeria Police Trust Fund (Establishment) Act.

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred tax charge are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax charge are recognised in other comprehensive income or directly in equity respectively.

2.8 Property, plant and equipment

2.8.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Assets under construction are disclosed as capital work-in-progress. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

2.8.2 Subsequent costs

The cost of replacing a part of an item of property, plant and 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 Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.8.3 Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life.

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

Freehold land	Nil
Buildings	50 years
Tools and equipment	4 years
Plant and machinery	15 years
Furniture and fittings	5 years
Motor vehicles	4 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Capital work-in-progress and freehold land are not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

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

2.8.4 Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss as other operating gains/(losses).

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.9 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset, this may be specified explicitly or implicitly. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company's leases include land and building. The lease terms are typically for fixed periods ranging from 2- 20 years but may have extension options as described below. On renewal of a lease, the terms may be renegotiated.

Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead account for these as a single lease component. Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension and termination options. The lease agreements do not impose any covenants, however, leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right -of-use asset and a corresponding lease liability at the commencement date.

Lease liabilities

At the commencement date of a lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payments that are based on an index or a rate,
- amounts expected to be payable by the Company under residual value guarantees,
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company's exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the Company's incremental borrowing rate (IBR) as the rate implicit in the lease cannot be readily determined. The IBR represents the rate that would have to be paid to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received or uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for its leases which does not have recent third-party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced by the lease payments made, lease interest paid is presented as cash flow from financing. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset where applicable.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

Right of use

Right-of-use assets are initially measured at cost, comprising of the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date, less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life on a straight-line basis over the lease term.

Short-term lease and leases of low-value assets

Short-term leases are those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Low-value assets are assets that have values less than N2,305,500 when new, and depends on the nature of the asset, e.g., small equipment. Lease payments on short-term leases and leases of low-value assets would be recognised as expenses in the statement of profit or loss on a straight-line basis over the lease term.

Extension and termination options

Extension and termination options are included in the Company's lease arrangements. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Most of the extension options are subject to mutual agreement by the lessee and lessor and the termination options held are exercisable only by the lessee and the lessor.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials, packaging materials, work in progress, oil and lubricants, engineering spares and consumable stock is determined on a weighted average basis. Cost of finished goods is determined on the basis of actual costs.

Cost of inventories comprises of all costs of purchase, conversion cost (materials, labour and overhead) and other costs incurred to bring inventories to their present location and condition. Finished goods, which include materials, direct labour and factory overheads, are valued at actual cost basis using First-In, First-Out (FIFO).

Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to the particular class of inventory, with the majority being valued on an average cost basis.

2.11 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation (when the time value of money is material).

The amount recognised as provision is the present value of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where some or all of the expenditure required to settle a provision is expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the Company has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.11 Provisions and contingencies (continued)

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability, and no disclosure is made.

2.12 Financial instruments

Financial instruments held by the Company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the Company as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to liabilities which are held for trading).

Note 36 Financial instruments and risk management presents the financial instruments held by the Company based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Company are presented below:

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Company or the counterparty.

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT, WHT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 22).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on trade and other receivables.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.12 Financial instruments (continued)

Recognition and measurement

Trade and other receivables are recognised when the Company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Measurement and recognition of expected credit losses

Nascon Allied Industries Plc applies the simplified approach or the three-stage general approach to determine impairment of receivables depending on their respective nature. The simplified approach is applied for trade receivables while the general approach is applied to other receivables and cash and bank balances. The Company applies a simplified approach in calculating ECLs on its trade receivables by recognizing a loss allowance that is based on the lifetime ECLs at each reporting date using the provision matrix. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion, prudential classification and forbearance flag or other regulatory penalties that may impair future financial performance. Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD is determined based on management's estimate of expected cash recoveries after considering the historical pattern of the receivable and assessing the portion of the outstanding receivable that is deemed to be irrecoverable at the reporting period. The EAD is the total amount of outstanding receivable at the reporting period. These three components are multiplied together and adjusted for forward looking information, such as the Gross Domestic Product (GDP) in Nigeria, Brent oil price, and inflation rate, to arrive at an ECL which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss and presented on the face of the statement of profit or loss.

Write off policy

The Company writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit or Loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 22) and the financial instruments and risk management note (note 36).

Derecognition

Refer to note 2.12.1 section of the accounting policy for the policies and processes related to derecognition.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.12 Financial instruments (continued)

Borrowings

Classification

Borrowings consist of Usance credit facility from banks. They are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings are recognised when the Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 14).

Borrowings expose the company to liquidity risk and interest rate risk. Refer to note 36 for details of risk exposure and management thereof.

Derecognition

Refer to note 2.12.1 section of the accounting policy for the policies and processes related to derecognition.

Trade and other payables

Classification

Trade and other payables (note 33), excluding Withholding Tax, VAT and amounts received in advance, are classified as financial liabilities and are subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Company becomes a party to the contractual provisions, and are measured, on initial recognition, at fair value plus transaction costs, if any.

They 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 effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in the statement of profit or loss in finance costs (note 14).

Trade and other payables expose the Company to liquidity risk and possibly to interest rate risk. Refer to note 36 for details of risk exposure and management thereof.

Derecognition

Refer to note 2.12.1 section of the accounting policy for the policies and processes related to derecognition.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.12 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and bank balances. Cash and cash equivalents are stated at carrying amounts which are deemed to be at fair value. They are subsequently measured at amortized cost.

Cash and cash equivalents are repayable on demand; hence no impairment was determined for cash and cash equivalents. Due to the liquid nature of cash and cash equivalents, management believes that the ECL on them will be immaterial for recognition.

Cash and cash equivalents are initially measured at their fair value, which normally equals the transaction price at the date the entity obtains control of the cash or cash equivalent asset. This includes: Cash on hand and demand deposits, which are recognized at the amount of cash received. Short term, highly liquid investments that qualify as cash equivalents under IAS 7 (maturity of three months or less, readily convertible to known amounts of cash, and subject to insignificant risk of changes in value). These are initially recognized at fair value, which is generally the amount of consideration paid to acquire the instrument.

2.12.1 Derecognition

Financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

Reclassification

Financial assets

The Company only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

2.13 Contract Liabilities

Contract liabilities represent amounts received from customers for which the Company has not yet transferred the promised goods. These liabilities arise when customers make prepayments or when the Company issues invoices in advance of the delivery of salt products or related services.

Customers make advance payments for salt products or other services. Billing occurs before the fulfillment of the Company's performance obligations, such as product delivery or service completion.

Contract liabilities are measured at the transaction price allocated to the undelivered portion of the order. The liability is reduced as performance obligations are fulfilled by delivering goods to customers.

Contract liabilities are presented under current liabilities on the statement of financial position unless the obligation will not be fulfilled within 12 months, in which case they are classified as non-current liabilities.

Examples are:

- Prepayments by distributors or wholesalers for bulk orders.
- Deferred revenue for forward delivery agreements with key customers.
- Deposits received for customized salt products or packaging services.

The following details about contract liabilities are disclosed in the financial statements:

- Opening and closing balances of contract liabilities.
- Revenue recognized during the period from amounts included in contract liabilities at the beginning of the period.
- Payments received in advance of delivery of performance obligations.

2.14 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until the asset is ready for its intended use.

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 recognised as an expense in the period in which they are incurred.

2.15 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as share capital in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared. Dividend is paid once declared and approved.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

2.16 Earnings per share

The Company presents basic Earnings Per Share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for effects of all potentially dilutive shares.

2.17 Other Assets

Other assets comprise prepayments, deposits for imports, and promotional items, and are classified as current assets unless their expected realisation exceeds twelve months after the reporting date.

Prepayments represent amounts paid in advance for goods or services to be received in future periods. They are initially recognized at cost and subsequently expensed on a systematic basis over the periods in which the related benefits are consumed, in accordance with the accrual basis of accounting.

Deposits for import represent advance payments made to suppliers for the purchase of inventory items. These deposits are carried at cost and reclassified to the relevant inventory items category.

Promotional items include marketing materials and branded merchandise held for future distribution. These items are measured at cost and recognised as an expense when issued or used in promotional activities, consistent with the treatment of inventories under IFRS.

2.18 Other financial assets

Unclaimed dividends represent amounts declared and approved for payment to shareholders but remaining unpaid at the reporting date. Such amounts are recognised as a current financial liability and measured at the dividend amount declared. The liability remains outstanding until claimed by shareholders or until it becomes statute barred in line with applicable laws. Once the obligation legally expires, the liability is derecognised and transferred or remitted as required by relevant regulations.

3 Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's material accounting policies, described in Note 2, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3.1 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

3.1.1 Useful life of property, plant and equipment

The Company reviewed and revised the estimated useful lives of its property. Useful lives are estimated based on the engineer's report, as at each reporting date. Some of the factors considered include the current service potential of the assets, potential cost of repairs and maintenance.

There is a degree of subjective judgment in such estimation which has a resultant impact on profit and total comprehensive income for the year.

3.1.2 Allowances for credit losses

The loss allowances for financial assets are based on assumptions about risk of default, expected loss rates and maximum contractual period. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the annual report and financial statements

3. Critical accounting judgement and key sources of estimation uncertainty (continued)

3.1.3 Lease term

The application of IFRS 16 requires the directors to make judgements that affect the measurement of lease liabilities. These include identifying the contract tenure, determining the terms of the fixed and variable lease payments, accounting for contract modifications and determining the discount rate to be applied to historic leases.

The Company has applied judgement to determine the lease tenure for those lease contracts that include a renewal or termination option. The assessment of whether the company is reasonably certain to exercise a renewal option or reasonably certain not to exercise a termination option significantly impacts the value of lease liabilities recognized on the balance sheet. Where an extension option exists, the company recognises this as part of the lease liability as invariably this is exercised. The company also revised some lease liabilities when the lease term was modified. This required exercise of judgement in accounting for changes in contract terms. Estimates are also required to determine the appropriate discount rate used to measure lease liabilities.

3.1.4 Net realizable value of inventory

Net realizable value of inventory is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The Company estimates the selling price of inventory based on current market conditions, including supply and demand mechanism, pricing trends and macro-economics conditions that might affect the selling price of the inventory. The Company also evaluates historical sales data and patterns to understand the inventory performance in the past to provide insights to likely selling price in the future, adjusted for factors such as inventory damage, obsolescence, change in technology. The Company estimated selling cost include marketing expenses, commission on sales, shipping costs and other incidental costs directly related to the sale. If the inventory requires further processing or manufacturing before it can be sold, the estimated cost of completion will include material cost, labour cost and overhead necessary to complete the inventory..

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

4. New Standards and Interpretations

4.1 New standards and interpretations effective in the current year

The following amendments were effective for the first time for the reporting period commencing 1 January 2025. These amendments do not have a material impact on the financial statements.

(i) Amendments to IAS 21 - Lack of Exchangeability (Effective from 1 January 2025)

"In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

These new requirements will apply for annual reporting periods beginning on or after 1 January 2025.

The adoption of this amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

4.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published that are not mandatory for 31 December 2025 reporting period and have not been adopted by the company. The standards are set out below;:

(i) Amendments to the Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7 (Effective from 1 January 2026)

"On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted subject to any endorsement process.

This amendment is not expected to have impact on the financial statement"

(ii) IFRS 19: Subsidiaries without Public Accountability Disclosures (Effective from 1 January 2027)

"This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19 reduce disclosure requirements balance the information needs of the users of eligible subsidiaries financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if;

- it does not have public accountability, and

- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

This amendment is not expected to have impact on the financial statement"

(iii) IFRS 18: Preparation Disclosure in Financial Statements (Effective from 1 January 2027)

"This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals,

- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss,

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

4. New Standards and Interpretations (continued)

- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is management-defined performance measures), and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company will apply the new standard from its mandatory effective date of 1 January 2027. While IFRS 18 will not change recognition criteria or measurement bases, it might have a significant impact on presenting information in the financial statements, in particular the income statement. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18."

(iv) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (Effective from 1 January 2028)

"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 S1 is mandatory for public interest entities from period beginning 1 January 2028.

The Company is assessing the impact on the financial statements."

(v) IFRS S2 Climate-related Disclosures (Effective from 1 January 2028)

"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

IFRS S2 is mandatory for public interest entities from the period beginning 1 January 2028.

The Company is assessing the impact on the financial statements."

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
--	---------------	---------------

5. Revenue from contracts with customers

Sale of goods	152,686,973	120,387,151
---------------	-------------	-------------

Revenue is recognised at a point in time.

6. Segmental information

The Company has identified reportable segments which represent the structure used by the Management to make key operating decisions and assess performance.

The Company's reportable segments are treated as operating segments which are differentiated by the activities that each undertake, the products they manufacture and the markets they operate in.

These reportable segments as well as the products and services from which each of them derives revenue are set out below:

Segmental revenue and results

The Management assesses the performance of the operating segments based on the measure of gross profit. This measure excludes the effects of non-recurring expenditure from the operating segments. The measure also excludes the effects of unrealised gains/losses on financial instruments. Interest income and expenditure are not allocated to operating segments, as this type of activity is driven by the central treasury function. This measure is consistent with all prior periods which are presented.

The segment information provided by the Management is presented below:

2025

	Total segment revenue N'000	Segment cost of sales N'000	Segment gross profit N'000
Continuing operations			
Salt	141,170,949	(72,145,653)	69,025,296
Seasoning	11,516,024	(6,593,182)	4,922,842
Total	152,686,973	(78,738,835)	73,948,138

2024

	Total segment revenue N'000	Segment cost of sales N'000	Segment gross profit N'000
Salt	112,964,742	(58,661,980)	54,302,762
Seasoning	7,422,409	(6,198,122)	1,224,287
Total	120,387,151	(64,860,102)	55,527,049

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

6. Segmental information (continued)

Segment assets and liabilities

The amounts provided from the Management with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

The deferred tax liabilities and retirement benefit obligations are not considered to be segment liabilities and are not allocated to segments.

Capital expenditure reflects additions to non-current assets, other than financial instruments, deferred tax assets, post employment benefit assets and rights arising under insurance contracts.

The amounts provided by Management with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

The company's interest-bearing liabilities are not considered to be segment liabilities but rather are managed by the company's treasury function.

The depreciation as disclosed in note 13 relate to the Salt and Seasoning segments.

The table below provides information on segment assets and liabilities as well as a reconciliation to total assets and liabilities as per the statement of financial position.

2025

	Total assets	Total liabilities
	N'000	N'000
Salt	121,822,199	56,690,897
Seasoning	13,443,758	3,044,430
Total	135,265,957	59,735,327
Unallocated		
Retirement benefit obligations	-	110,834
Deferred tax liabilities	-	4,239,908
Total as per statement of financial position	135,265,957	64,086,069

2024

	Total assets	Total liabilities
	N'000	N'000
Salt	65,866,949	27,687,580
Seasoning	12,635,538	2,205,912
Total	78,502,487	29,893,492
Unallocated		
Retirement benefit obligations	-	122,258
Deferred tax liabilities	-	5,431,277
Total as per statement of financial position	78,502,487	35,447,027

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
6. Segmental information (continued)		
Geographical information		
	Revenue by location of customer N'000	Revenue by location of customer N'000
East	8,554,898	6,779,644
West	28,403,945	23,941,527
North	115,728,130	89,665,980
Total	152,686,973	120,387,151
7. Cost of sales		
Raw materials consumed	69,516,760	55,886,619
Employee costs (Note 15)	2,065,158	1,896,481
Depreciation of property, plant and equipment (Note 13)	596,347	611,470
Depreciation of right of use assets (Note 13)	433,198	600,450
Manufacturing expenses	6,127,372	5,865,082
Total	78,738,835	64,860,102
8. Other income		
Rental income	22,167	20,515
Sale of scrap	192,469	218,498
Insurance claim	21,492	22,226
Total	236,128	261,239
9. Other operating gains/(losses)		
(Losses) /gains on disposals, scrappings and settlements		
Property, plant and equipment (Note 19.3)	(261,511)	5,207
Foreign exchange (losses)/gains		
Net foreign exchange loss	(1,421,789)	(2,062,156)
Total other operating (losses)/gains	(1,683,300)	(2,056,949)
This relates to exchange differences arising from payments and receipts in foreign denominated currencies.		
10. Increase of impairment allowance		
Trade and other receivables		
Impairment writeback of /(increase in) trade receivable (Note 22)	53,333	(74,911)
Impairment writeback on intercompany receivables (Note 22)	5,153	13,062
Impairment writeback of /(Increase in) staff loans (Note 22)	5,098	(25,456)
Total	63,584	(87,305)

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
11. Operating expenses		
11.1 Distribution costs		
Market activation	502,644	536,530
Branding expenses	616,994	382,749
Delivery expenses	18,455,922	21,931,408
Depreciation for trucks (Note 13)	1,131,241	827,773
Total	20,706,801	23,678,460
11.2 Administrative expenses		
Management fees	469,018	362,693
Auditors remuneration	60,000	50,000
Bank charges	118,197	106,828
Cleaning	143,583	109,334
Consulting and professional fees	124,116	98,774
Depreciation of property, plant and equipment (Note 13)	560,600	538,123
Depreciation right of use assets (Note 13)	2,445	3,090
Directors' remuneration (Note 37)	634,580	382,074
Employee costs (Note 15)	3,490,308	2,849,708
Entertainment	113,906	104,943
Business development	88,141	117,520
Insurance	119,166	45,282
Petrol and oil	128,236	84,897
Printing and stationery	48,362	43,893
Repairs and maintenance	133,347	135,603
Secretarial fees	46,674	217,983
Security	249,054	116,957
Staff welfare	279,613	191,683
Telephone and fax	1,331,137	846,532
Travel - local	796,540	522,252
Travel - overseas	24,622	-
Total	8,961,645	6,928,169

11.3 In compliance with the rules issued by the Financial Reporting Council of Nigeria rule 2b and 3 amended we disclose as follows.

Name of professional	FRC number of the professional	Name of firm	FRC number of the firm	Nature of service
Ogunbamowo Olukunle Adebusayo	FRC/2013/ICAN/00000000818	Deloitte & Touche	FRC/2022/COY/091021	Tax computation

11.4 No non-audit services were provided by our auditors.

12. Finance income

Interest income on bank balances	2,932	304
Interest income on short term fixed deposit	6,003,268	1,793,554
Total	6,006,200	1,793,858

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
13. Depreciation		
The following items are included within depreciation:		
Depreciation		
Property, plant and equipment (Note 19)	2,288,188	1,977,366
Right of use assets (Note 20)	435,643	603,540
Total	2,723,831	2,580,906
Total depreciation		
Depreciation (Administrative expenses Note 11.2)	560,600	538,123
Depreciation (Cost of sales Note 7)	596,347	611,470
Depreciation (Distribution cost Note 11.1)	1,131,241	827,773
Total	2,288,188	1,977,366
Depreciation right of use assets		
Depreciation (Administrative expenses Note 11.2)	2,445	3,090
Depreciation (Cost of sales Note 7)	433,198	600,450
Total	435,643	603,540
14. Finance costs		
Interest expense on borrowings	284,664	808,460
Interest on lease liabilities (Note 31)	374,403	372,136
Total	659,067	1,180,596
In the current year, the Company had a Usance facility with Zenith Bank Plc and United Bank for Africa Plc at an average rate of 10.6% per annum . The value of the borrowing was based on drawdown of the facility.		
15. Employee costs		
The following items are included within employee benefits expense:		
Direct labour costs		
Basic	1,106,236	1,092,004
Medical aid - company contributions	25,285	23,213
Other payroll levies	13,577	12,123
Leave pay provision charge	42,549	42,719
Short term benefit	759,717	620,340
Post-employment benefits - Pension (Defined contribution plan)	117,794	106,082
Direct labour costs (Note 7)	2,065,158	1,896,481
Indirect employee costs		
Basic	1,975,006	1,712,333
Bonus	451,419	142,456
Medical aid - company contributions	15,683	14,986
Other payroll levies	74,796	55,898
Leave pay provision charge	82,174	77,268
Short term benefit	709,804	688,894
Other short term costs	56,900	43,065
Post-employment benefits - Pension (Defined contribution plan)	119,906	114,808
Termination benefits	4,620	-
Administrative cost (Note 11.2)	3,490,308	2,849,708

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
--	---------------	---------------

15. Employee costs (continued)

Total employee costs		
Direct employee costs	2,065,158	1,896,481
Indirect employee costs	3,490,308	2,849,708
Total	5,555,466	4,746,189

Average number of persons employed during the year

	Number	Number
Management	49	109
Senior staff	306	234
Junior staff	671	350
Total	1,026	693

The table below shows the number of employees (excluding Directors), whose earnings during the year, fell within the ranges shown below in thousand:

N'000	Number	Number
1 - 5,000	884	540
5,001 - 10,000	95	103
10,001-15,000	16	14
15,001-20,000	12	16
20,001 and above	19	20
Total	1,026	693

16. Taxation

Major components of the tax expense

Current

Company income tax	13,963,776	4,339,250
Tertiary education tax	1,690,974	513,394
Police Trust Fund Levy	2,412	1,183
Capital gain tax	-	1,373
Adjustments recognised in the current year in relation to tax of prior year	248,162	185,778
	15,905,324	5,040,978

Deferred Tax

In respect of current year (Note 17)	(1,191,369)	3,026,087
Total	14,713,955	8,067,065

The charge for taxation in these annual report and financial statements is based on the provisions of the Companies Income Tax Act, CAP C21 LFN 2004 and the Education Tax Act CAP E4, LFN 2004. Company income tax and Tertiary Education tax is calculated at 30% and 3% respectively of the estimated taxable profit for the year, Police Trust Fund levy is charged at 0.005% of profit before tax. The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000	
16. Taxation (continued)			
Reconciliation of tax expense			
Reconciliation between accounting profit and tax expense.			
Profit before tax from continuing operations	48,243,237	23,650,667	
Tax at the applicable tax rate of 30% (2024: 30%)	14,472,971	7,095,200	
Education tax rate of 3% (2024: 3%)	1,690,974	513,394	
Tax effect of adjustments on taxable income			
Effect of expenses that are not deductible in determining taxable profit	5,249	15,945	
Adjustments recognised due to difference in tax rates	(322,526)	256,886	
Effect of tax adjustments (minimum tax, dividend tax, petroleum trust fund levy, information tax levy, capital gain tax, etc)	2,412	2,557	
Pioneer Profit not liable to tax - Seasoning	(1,383,287)	-	
Adjustments recognized in the current period in relation to the deferred tax of prior periods	-	1,425	
Adjustments recognised in the current year in relation to the current tax of prior years	248,162	185,778	
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	(4,120)	
	14,713,955	8,067,065	
Current tax liabilities:			
At 1 January	4,876,046	6,595,908	
Charge for the year	15,905,324	5,040,978	
Payment during the year	(5,200,460)	(6,760,840)	
At 31 December	15,580,910	4,876,046	
17. Deferred tax liabilities			
Deferred tax liabilities	(5,431,277)	(5,659,321)	
Deferred tax asset	1,191,369	228,044	
Total net deferred tax liabilities	(4,239,908)	(5,431,277)	
Reconciliation of deferred tax liabilities			
At January 1	(5,431,277)	(2,405,190)	
Temporary difference movement in the year	1,191,369	(3,026,087)	
At 31 December	(4,239,908)	(5,431,277)	
Analysis of deferred tax is made up of			
31 December 2025	At 01 January 2025	Recognize in profit or loss	At 31 December 2025
Deferred tax (asset) or liability in relation to:	N'000	N'000	N'000
Property, plant and equipment	2,651,178	2,180,938	4,832,116
Allowance for doubtful debt	(127,841)	21,629	(106,212)
Unrealised exchange difference	3,008,143	(3,361,655)	(353,512)
IFRS 16 Leases	(100,203)	(32,281)	(132,484)
Total	5,431,277	(1,191,369)	4,239,908

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

17. Deferred tax liabilities (continued)

31 December 2024	At 01 January 2024	Recognize in profit or loss	At 31 December 2024
Deferred tax (asset) or liability in relation to:	N'000	N'000	N'000
Property, plant and equipment	2,452,257	198,921	2,651,178
Allowance for doubtful debt	(99,211)	(28,630)	(127,841)
Unrealised exchange difference	75,363	2,932,780	3,008,143
IFRS 16 Leases	(23,219)	(76,984)	(100,203)
Total	2,405,190	3,026,087	5,431,277

18. Earnings per share

Basic earnings per share

From continuing operations (kobo per share)	1,241	577
---	-------	-----

Reconciliation of profit or loss for the year to basic earnings

Profit or loss for the year attributable to equity holders of the parent	33,529,282	15,583,602
	33,529,282	15,583,602
Weighted average number of ordinary shares as at 31 December ('000)	2,702,427	2,702,427

The Company has no potentially dilutive shares. Accordingly, the basic EPS and diluted EPS have the same values.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

19. Property, plant and equipment

	Freehold land	Buildings	Tools and equipment	Plant and machinery	Furniture and fittings	Motor vehicles	Computer equipment	Capital work-in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost									
Balance at 01 January 2024	70,000	4,164,064	870,303	8,864,560	482,093	8,086,244	275,352	124,070	22,936,686
Addition	-	43,028	52,941	78,507	68,475	1,927,938	51,878	76,942	2,299,709
Disposal	-	-	(14,070)	(184,137)	-	(14,009)	-	-	(212,216)
Reclassification	-	40,596	83,474	-	-	-	-	(124,070)	-
Balance at 31 December 2024	70,000	4,247,688	992,648	8,758,930	550,568	10,000,173	327,230	76,942	25,024,179
Addition	-	414,663	192,804	363,501	124,106	11,176,604	110,246	11,335,818	23,717,742
Disposal	-	(254,949)	(338,920)	(1,208,818)	(136,783)	(921,471)	(49,738)	-	(2,910,679)
Balance at 31 December 2025	70,000	4,407,402	846,532	7,913,613	537,891	20,255,306	387,738	11,412,760	45,831,242
Accumulated depreciation									
Balance at 01 January 2024	-	377,771	554,356	3,348,256	262,385	6,083,838	212,619	-	10,839,225
Charge for the year	-	83,951	150,854	527,519	86,598	1,085,330	43,114	-	1,977,366
Disposal	-	-	(14,070)	(104,345)	-	(14,009)	-	-	(132,424)
Balance at 31 December 2024	-	461,722	691,140	3,771,430	348,983	7,155,159	255,733	-	12,684,167
Charge for the year	-	81,932	136,240	514,415	91,509	1,416,266	47,826	-	2,288,188
Disposal	-	(74,919)	(338,919)	(1,147,277)	(128,965)	(899,453)	(49,737)	-	(2,639,270)
Balance at 31 December 2025	-	468,735	488,461	3,138,568	311,527	7,671,972	253,822	-	12,333,085
Carrying amount									
Balance as at 31 December 2025	70,000	3,938,667	358,071	4,775,045	226,364	12,583,334	133,916	11,412,760	33,498,157
Balance as at 31 December 2024	70,000	3,785,966	301,508	4,987,500	201,585	2,845,014	71,497	76,942	12,340,012

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

19. Property, plant and equipment (continued)

19.1 Capital work-in-progress

Work-in-progress comprises amounts expended on renovation of Administrative building at Salt Village plant.

19.2 Asset pledged as security

None of the Company's assets were pledged as security for any liabilities as at 31 December 2025 (2024:Nil).

19.3 Sale of Property, plant and equipment

	2025	2024
	N'000	N'000
Net book value of disposed assets	271,411	79,793
Proceeds from sales	(9,900)	(85,000)
Losses/(gains) on disposals	261,511	(5,207)

The loss on disposal of property, plant and equipment amounting to N261.5 million relates to the sale of various assets during the year.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

20. Right of use assets

This note provides information for leases where the Company is a lessee.

Amounts recognised in the statement of financial position.

The statement of financial position shows the following amounts relating to leases:

Right of Use Asset

	Land N'000	Building N'000	Total N'000
Cost			
At 01 January 2024	2,853,073	2,210,623	5,063,696
Prepaid lease payments	-	141,457	141,457
Initial lease liabilities	-	71,925	71,925
Reassessment	-	15,658	15,658
Termination	-	(21,352)	(21,352)
At 31 December 2024	2,853,073	2,418,311	5,271,384
01 January 2025	2,853,073	2,418,311	5,271,384
Reassessment	-	169,255	169,255
At 31 December 2025	2,853,073	2,587,566	5,440,639
Depreciation			
At 01 January 2024	-	(938,708)	(938,708)
Depreciation	(331,315)	(272,225)	(603,540)
Termination	-	11,891	11,891
At 31 December 2024	(331,315)	(1,199,042)	(1,530,357)
At 01 January 2025	(331,315)	(1,199,042)	(1,530,357)
Depreciation	(165,431)	(270,212)	(435,643)
At 31 December 2025	(496,746)	(1,469,254)	(1,966,000)
Carrying amount			
At 31 December 2024	2,521,758	1,219,269	3,741,027
At 31 December 2025	2,356,327	1,118,312	3,474,639

21. Inventories

Raw materials	8,471,788	12,249,173
Work in progress	2,423	1,245
Finished goods	2,217,395	716,406
Spare parts and consumables	3,321,022	2,905,050
Oil and lubricants	345,835	323,264
Packaging materials	1,331,024	2,065,968
Total	15,689,487	18,261,106

During the year, there were no inventory written down/reversal to net realisable value (2024: Nil).

The cost of inventories recognised as an expense during the year in respect of continuing operations was N69.52 billion (2024: N55.89 billion).

21.1 Inventory pledged as security

No inventory was pledged as security for any liability (2024: Nil).

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
22. Trade and other receivables		
Financial instruments*:		
Trade receivables	1,903,847	2,662,590
Trade receivables - related parties (Note 37.1)	37,189,674	8,798,478
Loss allowance	(137,870)	(196,357)
Trade receivables at amortised cost	38,955,651	11,264,711
Employee loans and advances	264,417	288,707
Loss allowance on employee loans and advances	(21,229)	(26,327)
Interest receivables**	564,905	897,120
Non-financial instruments:		
VAT	194,294	3,920,653
Other receivables	61,089	878,576
Total trade and other receivables	40,019,127	17,223,440

22.1 Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

*All the financial instruments are subsequently measured at amortised cost.

**Expected credit loss impairment on interest receivables was assessed as immaterial hence no impairment allowance has been recognised.

	2025	2025	2024	2024
	Estimated gross carrying amount at default N'000	Loss allowance (Lifetime expected credit loss) N'000	Estimated gross carrying amount at default N'000	Loss allowance (Lifetime expected credit loss) N'000
Expected credit loss rate:				
Trade receivables				
Outstanding for 0 - 3 months: 4.53% (2024: 4.53%)	1,907,941	(65,868)	2,631,150	(119,201)
Outstanding over 1 year: 99.82% (2024: 99.82%)	31,439	(31,439)	31,440	(31,440)
	1,939,380	(97,307)	2,662,590	(150,641)
Related party receivables				
Outstanding over 1 year: 73.21% (2024: 73.21%)	62,443	(40,563)	62,443	(45,716)
Total	2,001,823	(137,870)	2,725,033	(196,357)

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

22. Trade and other receivables (continued)

Staff loans	Stage 1	Stage 2	Stage 3	Total
	12 months ECL N'000	Lifetime ECL N'000	Lifetime ECL N'000	
Gross exposure at default	216,513	-	-	216,513
Loss allowance as at 31 December 2025	(21,229)	-	-	(21,229)
	-	-	-	-
Total	195,284	-	-	195,284

Staff loans	Stage 1	Stage 2	Stage 3	Total
	12 months ECL N'000	Lifetime ECL N'000	Lifetime ECL N'000	
Gross exposure at default	268,507	-	-	268,507
Loss allowance as at 31 December 2024	(26,327)	-	-	(26,327)
	-	-	-	-
Total	242,180	-	-	242,180

22.2 Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

	2025 N '000	2024 N '000
Opening balance in accordance with IFRS 9	(222,684)	(135,379)
Impairment write back on new related party receivables	5,153	13,062
Impairment write back of / (increase in) on settled trade receivables	53,333	(74,911)
Impairment write back of / (increase in) on staff loan	5,098	(25,456)
Closing balance	(159,100)	(222,684)

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
22. Trade and other receivables (continued)		
22.3 The reconciliation of gross carrying amount for Nascon is as follows:		
Gross carrying amount as at 1 January	11,471,068	7,046,807
Revenue from third parties	152,686,973	120,387,151
Receipts from third parties	(158,567,236)	(115,962,890)
Gross carrying amount as at 31 December	5,590,805	11,471,068
23. Other financial assets		
Fixed deposit	764,569	635,901
The fixed deposit balance represents the aggregate amounts of dividends that remained unclaimed after 15 months or more which the Registrars returned to the Company in line with Securities and Exchange Commission (SEC) regulations and is invested with Meristem Wealth Management Limited.		
24. Other assets		
Prepayments:		
Prepayment-Others	178,679	-
Deposit for import	-	1,502,533
Promotional items	9,057	98,318
Total	187,736	1,600,851
Deposits for imports represents Central Bank of Nigeria (CBN) forwards (averaging 60 to 180 days) received during the year which are still awaiting maturity as at year end.		
25. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	2,923	1,134
Bank balances	41,629,319	24,699,016
	41,632,242	24,700,150
26. Share capital		
Authorised, issued and fully paid		
2,702,427,145 ordinary shares of 50 kobo each	1,351,213	1,351,213
27. Share premium		
Issued		
Share premium	434,037	434,037

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
28. Retained earnings		
At 1 January	41,270,210	25,713,102
Profit for the year	33,529,282	15,583,602
Dividend declared and paid	(5,404,854)	-
Bonus issue	-	(26,494)
At 31 December	69,394,638	41,270,210

At the Annual General Meeting held on 8 May 2025, the shareholders approved that dividend of 200 kobo per ordinary share amounting to N5.40 billion be paid to shareholders for the year ended 31 December 2025.

In respect of the current year, the Directors' propose that a dividend of 600 kobo per ordinary share be paid to shareholders. The dividend is subject to approval by shareholders at the Annual General Meeting and deduction of withholding tax at the appropriate rate. Consequently, it has not been included as a liability in these financial statements. The total estimated dividend to be paid is N16.2 billion.

29. Dividend payable

At 1st January	-	-
Dividend declared	5,404,854	-
Payments - Meristem Registrars and Probate Services Limited	(5,404,854)	-
At 31 December	-	-

30. Borrowings

Held at amortised cost

At 1 January	2,860,226	5,532,669
Interest expense	284,664	808,460
Principal repayment	(2,793,701)	(2,672,443)
Interest paid	(284,664)	(808,460)
At 31 December 2025	66,525	2,860,226

Split between non-current and current portions

Non-current liabilities	38,570	38,570
Current liabilities	27,955	2,821,656
Total	66,525	2,860,226

At the time of privatisation in 1992, the debt owed to the Federal Government of Nigeria by the Company (N38.570 million) was restructured by the Bureau for Public Enterprise. This is a non-interest bearing loan. The Board of Directors has taken steps to obtain a waiver of the loan from the Federal Government of Nigeria and currently awaiting a response.

The Company had a Usance facility with Zenith Bank Plc and Access Bank Plc an average rate of 10.6% per annum. The value of the borrowing was based on drawdown of the facility.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
--	---------------	---------------

31. Lease liabilities

Lease liabilities	Land N'000	Building N'000	Total N'000
Opening balance as at 01 January 2025	2,842,072	1,061,145	3,903,217
Addition	-	-	-
Interest expenses	256,351	118,052	374,403
Payments made during the year	(333,333)	(390,698)	(724,031)
Reassessment	-	169,254	169,254
Termination	-	-	-
At 31 December 2025	2,765,090	957,753	3,722,843

Lease liabilities			
Current	84,315	219,086	303,401
Non-current	2,680,775	738,667	3,419,442
	2,765,090	957,753	3,722,843

Lease liabilities	Land N'000	Building N'000	Total N'000
Opening balance as at 01 January 2024	2,911,641	1,279,391	4,191,032
Addition	-	71,925	71,925
Interest expenses	263,764	108,372	372,136
Payments made during the year	(333,333)	(402,828)	(736,161)
Reassessment	-	15,658	15,658
Termination	-	(11,373)	(11,373)
At 31 December 2024	2,842,072	1,061,145	3,903,217

Lease liabilities			
Current	76,982	308,479	385,461
Non-current	2,765,090	752,666	3,517,756
	2,842,072	1,061,145	3,903,217

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
32. Retirement benefits obligations		
32.1 Movement in gratuity		
At 1 January	122,258	122,805
Benefit paid out	(11,424)	(547)
At 31 December	110,834	122,258

The entity was operating a defined benefit for its permanent Nigerian staff, the benefits under which are related to employees' length of service and final remuneration.

However, the Board resolved to eliminate the scheme effective January, 2013. The valuation of the liabilities is as of that date. The balance as at 31 December, 2025 represents what is owed to staff who are still in service from the old scheme. Payments are disbursed to staff upon disengagement from the company.

As at 31 December, 2025 no fund has been set up from which payments can be disbursed.

Defined contribution plan

The employees of the Company are members of a Defined Contribution Pension plan administered by third-party Pension Fund Administrators under the Pension Reform Act of 2014. The assets of the plan are held separately from those of the Company. The scheme is funded in accordance with the Pension Reform Act of 2014 with the employee and employer contribution representing 8% and 10% respectively of the employee's relevant emoluments effective July 2014.

Staff pension

At 1 January	-	-
Contributions during the year	428,499	577,327
Remittance in the year	(407,583)	(577,327)
At 31 December	20,916	-

The only obligation of the Company with respect to the pension scheme is to make the specified contributions. The total expense recognised in profit or loss of N237.70 million (2024: N220.89 million) represents contributions payable to this plan by the Company as at 31 December 2025.

33. Trade and other payables

Financial instruments:

Trade payables	19,728,973	1,985,672
Amounts due to related parties (Note 37.1)	4,148,998	4,831,365
Unclaimed dividend	764,569	635,901
Staff pension	20,916	-
Accrued expenses	6,432,937	3,118,354
Other payables	72,236	48,898

Non-financial instruments:

Accrued audit fees	30,750	50,000
Other accrued expenses	2,400,252	1,952,804
Withholding tax payable	88,807	121,089

Total	33,688,438	12,744,083
--------------	-------------------	-------------------

Trade payables comprise amounts outstanding for trade purchases. The average credit period taken for trade purchases is 30 days. For most suppliers no interest is charged on the trade payables. The Directors consider that the carrying amount of trade payables approximates to the fair value.

Accrued expenses comprise of provision for haulage services, customers performance bonus and provision for services and products delivered not yet pay for.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
34. Contract liabilities		
Summary of contract liabilities		
Advance payment from customers	6,676,611	5,509,920
Reconciliation of contract liabilities		
Opening balance	5,509,920	6,341,007
Revenue recognised on delivery of goods previously paid for	(5,509,920)	(6,341,007)
Payments received in advance of delivery of performance obligations	6,676,611	5,509,920
Total	6,676,611	5,509,920
Contract liabilities represent payments received in advance of the delivery of goods.		
35. Cash generated from operations		
Profit before taxation	48,243,237	23,650,667
Adjustments for:		
Depreciation of property, plant and equipment (Note 19)	2,288,188	1,977,366
Depreciation of right of use assets (Note 20)	435,643	603,540
(Losses)/(Gains) on disposals of property, plant and equipment (Note 9)	261,511	(5,207)
Unrealised exchange loss	-	298,196
Interest income (Note 12)	(6,006,200)	(1,793,858)
Interest expenses (Note 14)	659,067	1,180,596
Write back of /(increase in) impairment allowance (Note 10)	(63,584)	87,305
Performance obligation on contract liabilities (Note 34)	(5,509,920)	(6,341,007)
Changes in working capital:		
Decrease/(increase) in inventories	2,571,619	(7,088,373)
(Increase) in trade and other receivables	(22,795,687)	(7,419,666)
Decrease in related parties	-	-
Decrease in other assets	1,413,115	548,305
Increase/(Decrease) in trade and other payables	20,944,355	(281,769)
Advance payment received on contract liabilities (Note 34)	6,676,611	5,509,920
Cash generated from operations	49,117,955	10,926,015

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
--	---------------	---------------

36. Financial instruments and risk management

36.1 Capital risk management

The capital structure of the Company consists of net debt (which includes the borrowings disclosed in Note 30), offset by cash and bank balances and equity attributable to equity holders, comprising issued capital, reserves and retained earnings as disclosed in relevant notes in the financial statements. The Company monitors its capital structure to ensure that the target debt equity ratio as stated in its debt covenants is not exceeded. The Company is not subject to any externally imposed capital requirements.

The capital structure and gearing ratio of the company at the reporting date was as follows:

Borrowings	66,525	2,860,226
Lease liabilities	3,722,843	3,903,217
Trade and other payables	33,688,438	12,744,083
Total debts	37,477,806	19,507,526
Cash and cash equivalents	(41,632,242)	(24,700,150)
Net debts	(4,154,436)	(5,192,624)
Equity	71,179,888	43,055,460
Net debt gearing ratio	(6)%	(12)%

The company has more cash equivalent than its financial obligations and therefore is not geared.

36.2 Financial risk management

Risk management roles and responsibilities are assigned to stakeholders in the Company at three levels: The Board, Executive Committee and Line Managers.

The Board oversight is performed by the Board of Directors through the Establishment and General Purpose and Finance, Risk and Audit Committees.

The second level is performed by the Executive Management Committee (EXCO).

The third level is performed by all line managers under EXCO and their direct reports. They are required to comply with all risk policies and procedures and to manage risk exposures that arise from daily operations.

The Internal Audit Department provides an independent assurance of the risk framework. They assess compliance with established controls and recommendations for improvement in processes are escalated to relevant management, Audit Committee and Board of Directors.

The Company monitors and manages financial risks relating to its operations through an internal risk report which analyses exposures by degree and magnitude of risks. These risks include market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

36. Financial instruments and risk management (continued)

36.3 Credit risk

36.3.1 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparty and obtaining sufficient collateral where appropriate (bank guarantee and insurance bonds), as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available, and if not available, the Company uses other publicly available financial information, customers' financial position, past trading relationship, its own trading records and other factors to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management team periodically.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and where appropriate, credit guarantee insurance cover is purchased.

About 91% (2024: 18%) of the trade receivables are due from Bulk Commodities Limited, a related party, for rebate on purchase of Salt. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are otherwise diverse including both corporate entities and lots of individual end users. The requirement for impairment is analyzed at each reporting date on an individual basis for corporate and individual customers.

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

	Notes	2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
		N	N	N	N	N	N
Trade and other receivables	22	39,983,932	(159,100)	39,824,832	12,646,895	(222,684)	12,424,211
Other financial assets	23	764,569	-	764,569	635,901	-	635,901
Cash and cash equivalents	25	41,632,242	-	41,632,242	24,700,150	-	24,700,150
		82,380,743	(159,100)	82,221,643	37,982,946	(222,684)	37,760,262

36.3.2 Deposit with banks and other financial institutions

Credit risk from balances with banks and financial institutions is managed by the company's treasury department in accordance with its corporate treasury policy that spells out counterparty limits, list of financial institutions that the Company deals with and the maximum tenure of fixed term funds. Surplus funds are spread amongst these institutions and funds must be within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management periodically and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through the potential counterparty's failure.

The overview below shows the credit ratings of outstanding cash and cash equivalents held with financial institutions.

Credit Rating - Financial Institution	31 December 2025 N'000	31 December 2024 N'000
A+	5,790,548	11,630,209
AA	2,244,839	92,235
AA-	17,146,874	577,226
BBB	245,131	10,803,809
B+	279,886	682,045
WD	621,473	-
Not rated	15,303,491	914,626
Total	41,632,242	24,700,150

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

36. Financial instruments and risk management (continued)

Credit Rating Definition

A+: Very high credit quality

AA: Very high credit quality

AA- Very high credit quality

BBB: Good credit quality

BB+: Speculative

36.4 Liquidity risk

36.4.1 Liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate curves at the statement of financial position date. The contractual maturity is based on the earliest date on which the Company may be required to pay.

2025

	Note(s)	0-3 months N	4-6 months N	7-12 months N	Over 1 years N	Total N	Carrying amount N
Borrowings	30	-	-	27,955	38,570	66,525	66,525
Lease liabilities	31	143,924	143,924	287,848	5,467,019	6,042,715	6,042,715
Trade and other payables	33	22,539,925	8,628,713	-	-	31,168,638	31,168,638
		22,683,849	8,772,637	315,803	5,505,589	37,277,878	37,609,234

2024

	Note(s)	0-3 months N	4-6 months N	7-12 months N	Over 1 years N	Total N	Carrying amount N
Borrowings	30	30,762	1,545,514	1,245,380	38,570	2,860,226	2,860,226
Lease liabilities	31	239,271	143,924	340,836	6,042,715	6,766,746	6,766,746
Trade and other payables	33	4,772,362	1,296,031	2,564,791	1,987,006	10,620,190	10,620,190
		5,042,395	2,985,469	4,151,007	8,068,291	20,247,162	23,454,279

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

36. Financial instruments and risk management (continued)

36.5 Market risk

36.5.1 Foreign exchange risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company is mainly exposed to USD. It monitors the movement in currency rates on an ongoing basis to mitigate the risk that the movements in the exchange rates may adversely affect the Company's income or value of their holdings of financial instruments.

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

	2025 N'000	2024 N'000
US Dollar exposure:		
Current assets:		
Trade and other receivables	27,520,892	29,239,168
Cash and cash equivalents	1,726,471	1,212,270
Non-current liabilities:		
Trade and other payables	(37,973,197)	(27,719,549)
Net US Dollar exposure/(asset)	(8,725,834)	2,731,889

Foreign exchange sensitivity analysis

A thirteen percent (10%) weakening of the Naira against the Dollar at 31 December 2025 (31 December 2024: 13%) would have decreased the profit before tax and retained earnings by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. There are challenges faced in sourcing an adequate quantity of foreign currencies from the official markets resulting in slowdown of business operations when foreign currencies required to purchase production materials are not available. The analysis assumes that all other variables, in particular interest rates, remain constant.

Historically, the likelihood of Naira appreciating against other foreign currencies has been reasonably not significant. The analysis assumes that all other variables, in particular interest rates, remain constant.

	2025 N'000	2024 N'000
Impact on profit or loss:		
Naira strengthens by 10% against the US dollar profit/(loss)	172,525	355,146
Naira weakens by 10% against the US dollar profit/(loss)	(172,525)	(355,146)
	-	-

36.5.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is minimal.

36.5.3 Price risk

Price risk is the possibility that the price of a financial asset, product, or service will change. It can occur due to a number of factors, including interest rates, market conditions, or supply chain issues.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

	2025 N'000	2024 N'000
37. Related parties		
37.1 Related party balances		
Intercompany receivables		
Parent and ultimate controlling party		
Dangote Industries Limited (Parent)	7,812,030	6,840,721
Other related party receivables		
Dangote Sugar Refinery Plc	20,230,795	-
Dangote Oil and Gas Company Limited	-	-
Dangote Oil Refining Company Limited	485,015	325,914
Dangote Cement	200	200
West African Popular Foods*****	1,544	-
Bulk Commodities Limited	62,243	62,243
Loss allowance	8,597,847	1,569,400
Total	37,189,674	8,798,478
Intercompany payables		
Parent and ultimate controlling party		
Dangote Industries Limited (Parent)	973,742	362,237
Other related party payables		
Dangote Sugar Refinery Plc	32,908	381,848
Dancom Technologies Limited	26,057	28,495
Greenview Development Nigeria Limited	2,059,703	2,396,695
Bluestar Shipping Line Limited	94,028	83,585
Aliko Dangote Foundation	-	627
Dangote Packaging Limited	193,738	653,987
Dangote Industries Limited (Central Stores)	2,453	2,453
Dangote Cement Plc (Head Office)	540,758	699,096
Dangote Oil Refining Company Limited	-	-
Dangote Cement Plc. (Benue Plant Truck scheme)	219,311	219,311
Dangote Cement Plc. (Ibese Plant)	6,300	3,031
Total	4,148,998	4,831,365

*****The balance due from West African Popular Foods has been fully impaired.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

37. Related parties (continued)

37.2 Purchases, sales, promotional support, other services and dividend

	Transaction Value		Balance due (to)/from	
	2025 N	2024 N	2025 N	2024 N
Purchases, promotional support and other services				
Ultimate parent	(3,116,953)	(2,224,054)	(2,145,644)	(362,237)
Other related parties	(52,002,640)	(52,527,345)	(51,514,695)	(4,440,633)
Technical services fees				
Other related parties	(115,045)	(97,609)	-	(28,495)
Dividend paid				
	(55,234,638)	(54,849,008)	(53,660,339)	(4,831,365)
Sales and other services				
Ultimate parent	971,309	840,721	-	6,840,721
Other related parties	22,428,452	1,533,321	21,825,462	1,912,041
	23,399,761	2,374,042	21,825,462	8,752,762

Relationships

Dangote Cement Plc, Gboko Plant	Fellow subsidiary, provides trucks for the Company
Greenview International Corp	Ultimate controlling party
Bulk Commodities Limited	Affiliate, purchases raw salt for the Company
Dangote Industries Limited (Central Stores)	Fellow subsidiary, the Company purchases spare parts
Dancom Technologies Limited	Fellow subsidiary, provides internet services and IT support for the Company
Dangote Packaging Limited	Fellow subsidiary, produces empty sacks for the Company
Dangote Cement Plc	Fellow subsidiary, buys Crude Salt from the Company and procures trucks on behalf of the Company
Aliko Dangote Foundation	Affiliate, engages in philanthropy
Dangote Industries Limited	Parent Company
Bluestar Shipping Line Limited	Fellow subsidiary, provide clearing services for the Company
Dangote Oil Refining Company Limited	Fellow subsidiary, the Company purchases AGO
Dangote Sugar Refinery Plc.	Fellow subsidiary, buys crude salt from the Company and provides warehouse facility to the Company
Dangote Transport Limited	Fellow subsidiary, provides haulage services to the Company
Dangote Sinotruk West Africa Limited	Fellow subsidiary, the Company purchases trucks and spare parts
Greenview Development Nigeria Limited	Fellow subsidiary, provides port and terminal services to the Company
Dangote Cement Plc, (Obajana Plant)	Fellow subsidiary, the Company provides haulage services
West African Popular Foods	Joint venture with Unilever, purchased and sold Annapurna Salt
Dangote Fertilizer Limited	Fellow subsidiary, the Company purchases equipment

Dangote Industries Limited (DIL) performed certain administrative services for the Company for which a management fee of N469.018 million (2024: N343.00 million) was charged, being an appropriate allocation of costs incurred by relevant administrative departments.

The Company invested N6 billion in the Dangote Industries Ltd's and N20 billion in Dangote Sugar Commercial Paper(CP), yielding a rate of 15% and 18% per annum respectively. This investment aligns with our strategic objectives of diversifying our investment portfolio while providing stable returns and maximizing value for our stakeholders.

The Company has two leases from related parties. These are classified as current and non-current leases.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

37. Related parties (continued)

	2025 N'000	2024 N'000
Compensation to directors and other key management		
Short-term employee benefits	634,580	382,074
	634,580	382,074
Directors fee and expenses		
Directors fees	6,000	9,000
Directors expenses	628,580	373,074
Total	634,580	382,074

The number of Directors with gross emoluments within the bands stated below were:

N'000	Number	Number
20,001 — 50,000	12	12

38. Commitments

The Company's total capital commitments as at 31 December 2025 amounted to N11.412 billion in respect of costs on CNG buses and construction projects in Salt Village , OTA & PHC Plants (2024: N79.94 million).

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Notes to the Annual Report And Financial Statements

39. Contingent assets and Contingent liabilities

39.1 Pending litigation and claims

There are certain lawsuits and claims pending against the Company in various courts of law which are being handled by external legal counsels. The contingent liabilities in respect of pending litigation and claims amounted to N13.0 million as at December 31, 2025 (2024 - N13.0 million). In the opinion of the Directors and based on independent legal advice, the Company is not expected to suffer any material loss arising from these claim, thus no provision has been made in these financial statements.

39.2 Financial commitments

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

39.3 The Nigerian Tax Act (NTA) 2025

The tax year of assessment is a matter of contention for the NTA 2025, which became effective from 1 January 2026. The Nigeria Revenue Service (NRS) has updated its tax portal to reflect the application of NTA 2025 to financial periods ended 31 December 2025. This position appears inconsistent with the prior year basis principle in tax of the Federal Republic of Nigeria. Our current and deferred tax positions have therefore been determined on the basis of the Companies Income Tax Act (as amended). If the NTA 2025 is ultimately adopted by the NRS, then the impact on the tax positions of the Company would be as follows:

1. Company income tax charge – No impact,
2. Tertiary Education Tax – decrease by N1.69 billion
3. Development levy – increase by N2.25billion, and
4. Deferred tax liabilities – No impact.

The net impact is a reduction in profit after tax and net assets by N561 million. The recognition of these assessments is contingent upon confirmation of the basis of assessment which may be decided in court.

40. Events after the reporting period

There were no events after the reporting period that could have had a material effect on the annual report and financial statements of the Company as at 31 December 2025 that have not been taken into account in these annual report and financial statements.

41 Comparative figures

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

42. Approval of Annual report and financial statements

The Board of Directors approved the annual report and financial statements during its meeting of 23 February 2026.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Other National Disclosure - Value Added Statement

	2025 N'000	2025 %	2024 N'000	2024 %
Value Added				
Turnover	152,686,973		120,387,151	
Finance income	6,006,200		1,793,859	
Other operating income	236,128		261,239	
Other operating (loss)/gains	(1,683,300)		(2,056,949)	
Bought - in materials and services				
- Local	(42,472,281)		(48,720,767)	
- Foreign	(55,766,170)		(39,124,101)	
Total Value Added	59,007,550	100	32,540,432	100
Value Distributed				
To Pay Employees				
Staff salaries and directors emoluments	6,190,046		5,128,263	
	6,190,046	10	5,128,263	16
To Pay Providers of Capital				
Finance costs	659,067		1,180,596	
	659,067	1	1,180,596	4
To Pay Government				
Income tax	14,214,350		4,855,200	
Education tax	1,690,974		185,778	
	15,905,324	27	5,040,978	15
To be retained in the business for expansion and future wealth creation:				
Depreciation	2,723,831		2,580,906	
Deferred tax charge	-		3,026,087	
	2,723,831	5	5,606,993	17
Value retained				
Retained profit	33,529,282		15,583,602	
	33,529,282	57	15,583,602	48
Total Value Distributed	59,007,550	100	32,540,432	100

Value added represents the additional wealth which the Company has been able to create by its own and employees efforts.

Nascon Allied Industries Plc

Annual Report And Financial Statements for the year ended 31 December 2025

Other National Disclosure - Five Year Financial Summary

	2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Statement of Financial Position					
Assets					
Non-current assets	36,972,796	16,081,039	16,222,449	16,363,555	17,901,370
Current assets	98,293,161	62,421,448	49,463,864	39,167,216	22,620,028
Total assets	135,265,957	78,502,487	65,686,313	55,530,771	40,521,398
Liabilities					
Non-current liabilities	7,808,754	9,109,861	6,460,383	5,998,846	5,672,643
Current liabilities	56,277,315	26,337,166	31,754,072	30,489,559	20,218,075
Total liabilities	64,086,069	35,447,027	38,214,455	36,488,405	25,890,718
Equity					
Share capital and premium	1,785,250	1,785,250	1,758,756	1,758,756	1,758,756
Retained earnings	69,394,638	41,270,210	25,713,102	17,283,610	12,871,924
Total equity	71,179,888	43,055,460	27,471,858	19,042,366	14,630,680
Total equity and liabilities	135,265,957	78,502,487	65,686,313	55,530,771	40,521,398
Statement of Profit or Loss and Other Comprehensive Income					
Revenue	152,686,973	120,387,151	80,828,373	58,786,251	33,279,688
Cost of sales	(78,738,835)	(64,860,102)	(36,507,781)	(34,243,932)	(21,320,319)
Gross profit	73,948,138	55,527,049	44,320,592	24,542,319	11,959,369
Other income	236,128	261,239	194,305	124,293	52,271
Other operating (losses)/gains	(1,683,300)	(2,056,949)	267,500	(794,555)	1,782,837
Other operating expenses	(29,604,862)	(30,693,934)	(23,686,328)	(15,197,575)	(9,477,975)
Operating profit	42,896,104	23,037,405	21,096,069	8,674,482	4,316,502
Finance income	6,006,200	1,793,858	927,498	394,538	51,701
Finance costs	(659,067)	(1,180,596)	(1,435,308)	(694,829)	(130,160)
Profit before taxation	48,243,237	23,650,667	20,588,259	8,374,191	4,238,043
Taxation	(14,713,954)	(8,067,065)	(6,859,890)	(2,904,943)	(1,267,061)
Profit for the year	33,529,283	15,583,602	13,728,369	5,469,248	2,970,982
Retained income for the year	33,529,283	15,583,602	13,728,369	5,469,248	2,970,982