AFRILAND PROPERTIES

TRANSFORMING CITIES' SKYLINES

2021
ANNUAL REPORT & FINANCIAL STATEMENTS

www.afrilandproperties.com

TABLE OF CONTENT

AFRILAND
PROPERTIES

OWN A UNIT AT THE EMPORIUM

Trans-Amadi, Port-Harcourt

- 10 Mins from the City Center
- 5 Mins from Golf Estate, Trans-Amadi

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Chika: 0803 319 9436
Gladys: 0803 363 4460

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Features:

- Suitable for Shops/Offices
- Inbuilt Stores & Restrooms
- Adequate Parking Spaces
- Deluxe finishing
- 10 mins from the City Center
- 5 Mins from Golf Estate, Trans-Amadi

DIRECTORS AND OTHER CORPORATE INFORMATION

DIRECTORS AND OTHER CORPORATE INFORMATION

BOARD OF DIRECTORS	Emmanuel Nnorom	Chairman
	Uzoamaka Oshogwe	Managing Director/Chief Executive Officer
	Olayinka Ogunsulire	Independent Non-Executive Director
	Samuel Nwanze	Non-Executive Director
	Agatha Obiekwugo	Non-Executive Director
	Ayodeji Adigun	Non-Executive Director
	Obong Idiong	Non-Executive Director
	Olubunmi Akinremi	Independent Non-Executive Director
SECRETARY	Omomene Obanor	
REGISTERED OFFICE	Afriland Towers 97/105 Broad Street Lagos.	
REGISTRATION NUMBER	RC684746	
WEBSITE	www.afrilandproperties.com	
AUDITOR	Ernst & Young 10th & 13th Floors UBA House 57 Marina, Lagos	
PRINCIPAL BANKER	United Bank for Africa Plc.	
REGISTRAR	Africa Prudential Plc. 220B, Ikorodu Road Palm grove Lagos.	

COMPANY OVERVIEW

COMPANY OVERVIEW

WHO WE ARE

Afriland Properties Plc is a property management, investment and development company offering end to end services along the real estate value chain.

With a property portfolio size of over N12billion, one of the largest in Nigeria, Afriland is pioneering the opportunities presented by an institutional approach to real estate, serving niche markets throughout Africa.

We bring innovation to the real estate sector in Nigeria and other African Countries by drawing on experience, new competencies, and technology to achieve continuous improvement in service delivery to our clientele.

OUR PURPOSE

Improving lives by investing in the development, management and maintenance of world class real estate offerings across Africa.

OUR CORE VALUES

ENTERPRISE

- Passion
- Ingenuity
- Tenacity

EXECUTION

- Hard Work
- Result-Driven
- Accountability

EXCELLENCE

- Responsiveness
- Diligence
- Distinction

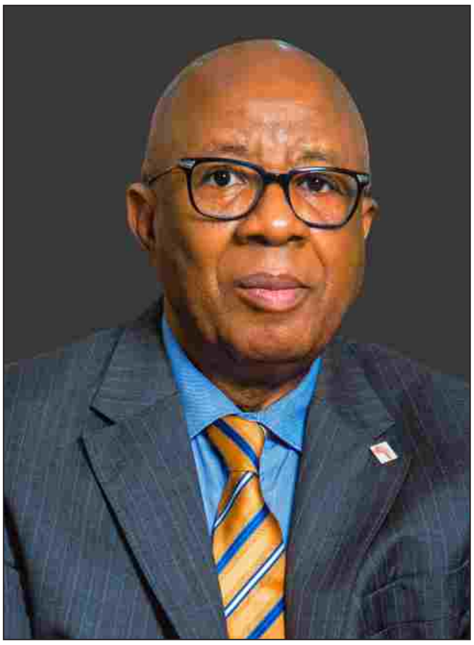
RESULTS AT A GLANCE

31 December	**2021**	**2020**
	N'000	**N'000**
Revenue	1,626,878	1,413,978
Profit before taxation	1,603,877	1,009,285
Income tax (expenses)/credit	(1,648,610)	1,056,370
(Loss)/Profit for the year	(44,733)	2,065,655
Earnings Per Share	(N0.03)	N1.50

31 December	**2021**	**2020**
	N'000	**N'000**
Total assets	17,300,830	27,069,330
Total equity	10,019,489	9,772,467

AFRILAND PROPERTIES

BOARD OF DIRECTORS PROFILE



Emmanuel N. Nnorom
Chairman

Emmanuel N. Nnorom is the Chairman of the Board of Directors of Afriland Properties Plc. He is presently the Group Chief Executive Officer of Heirs Holdings Limited. Prior to joining the Heirs Holdings, he served as the President/CEO of Transnational Corporation of Nigeria Plc, overseeing the Transcorp businesses, including Transcorp Power, Transcorp Hilton Abuja, Transcorp Hotels Calabar and Transcorp Energy. Prior to Transcorp, Emmanuel held senior positions as the Executive Director at United Bank for Africa (UBA) and Managing Director of UBA Africa, overseeing the Group's African subsidiaries and executing corporate strategy in 18 African Countries. Other senior roles held within UBA includes Group Chief Operating Officer, followed by his appointment as Group Chief Financial Officer, with responsibility for Finance and Risk.

He is a Chartered Accountant and brings over three decades of professional experience in the corporate and financial sectors, working with publicly listed companies. He is an alumnus of Oxford University's Templeton College and a prize winner and Fellow of the Institute of Chartered Accountants of Nigeria. He also serves as the Chairman, Transcorp Power Limited and Transcorp Hotels Plc.

He was appointed to the Board of Afriland on October 30, 2014 and has served for a cumulative period of seven (7) years.

Uzoamaka Oshogwe
Chief Executive Officer

Uzoamaka Oshogwe is the Managing Director/Chief Executive Officer of Afriland Properties Plc. She is a seasoned and skilled professional who joined the company when it was still known as UBA Properties Limited and has garnered over 25 years of working experience in her professional career.

She is responsible for implementing strategic plans, driving organizational success, providing guidance and direction to the Company to ensure that it achieves its financial vision, mission and long-term goals.

She holds a BSc in Chemistry from Ambrose Alli University, Edo state, an MSc in Information Systems Design from the University of Westminster, London and a professional certificate in Real Estate Management from Harvard Business School. She also holds an Advanced Management Program (AMP) certification from Lagos Business School and IESE Barcelona.

She is an RICS Accredited Civil and Commercial Mediator and a Fellow of the Institute of Management Consultants.
Her career progression has seen her distinguish herself in international organisations such as Ford Motors UK, Accenture UK, J. Sainbury's Uk and UBA PLC before joining UBA Properties Limited.

BOARD OF DIRECTORS PROFILE (Continued)

Olayinka Ogunsulire
Independent
Non-Executive Director

Olayinka Ogunsulire, is an Independent Non-Executive Director on the Board of Afriland Properties Plc. She is regarded as one of the leading property development professionals in Nigeria and is currently the Chief Executive Officer of Orange Island Development Company Limited.

Prior to that, she was the Managing Director of ARM Properties Plc, the real estate subsidiary of Asset and Resource Management Limited. She holds a M.Phil in Land Management from the University of Reading, England. She has been a member of the Royal Institution of Chartered Surveyors since 1992.

She was appointed to the Board of Afriland on January 14, 2013 and has served for a cumulative period of 8 years.

Samuel Nwanze
Non-Executive Director

Samuel Nwanze is a Non-Executive Director of the Board of Afriland Properties Plc. He is presently the Executive Director/Chief Financial Officer, Heirs Holdings Oil & Gas Limited. Prior to this, he was the Director, Finance & investment Officer at Heirs Holdings Limited, where he is responsible for the administration and management of the group's overall financial activities and investment programmes.

He has a Masters' in Finance and Management from Cranefield School of Management (UK). Prior to joining Heirs Holdings, Sam worked in banking institutions in various roles that saw him oversee strategy, financial control, performance management and treasury, as well as play a key role in the STA-UBA merger.

He was appointed to the Board of Afriland on January 14, 2013 and has served for a cumulative period of eight (8) years.

Agatha Obiekwugo
Non-Exectuive Director

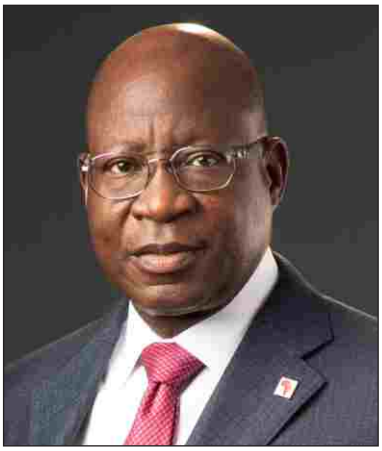
Agatha Obiekwugo brings on board a proven track record of 25 years of corporate experience spanning banking, commerce and industry, information technology and consulting. She currently sits on the board of 3 other companies.

As a serial entrepreneur, Agatha is a strategic thinker and has an uncanny ability to spot good business opportunities. She is the founder and Managing Director of ADASSA Energy Limited, a downstream oil and gas company. She is also the founder of Treasure Pacs limited, a procurement & logistics company & TNC computers, an Information Technology company.

Agatha holds a B.A in English & Literary studies from Edo State University, Ekpoma, Edo State and an MBA in Marketing from Enugu State University of Science and Technology.

She was appointed to the Board on October 23, 2018 and has served for a cumulative period of three (3) years.

BOARD OF DIRECTORS PROFILE (Continued)



Ayodeji Adigun
Non-Executive Director

Ayodeji Adigun is currently the Group Chief Finance Officer at Heirs Holdings Limited. Until his appointment at Heirs Holdings, he was the Executive Director/Chief Operating Officer at Nova Merchant Bank Limited. He has over three decades of banking and finance experience with strong background and competencies in financial control, performance management, project management, operations, audit, strategic planning and business transformation.

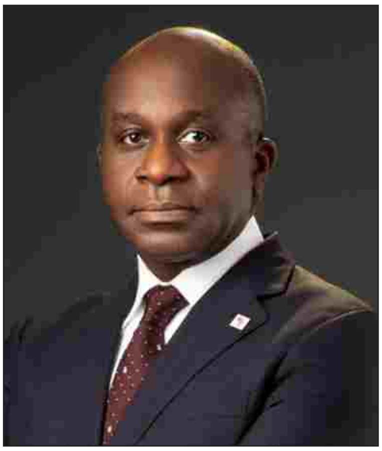
Prior to joining Nova Merchant Bank, he was the Chief of Staff to the Group Managing Director/Chief Executive Officer at United Bank for Africa Plc (UBA). He also served as the Head, Strategy and Business Transformation, Head, Performance Management, the Chief Financial Officer (North Region), and Chief Operating Officer, UBA Properties.

He has served in several executive roles in the banking industry including the Chief Finance Officer at Standard Trust Bank, Head Financial Control & Strategy at Diamond Bank, Head Financial Control & Head Corporate Planning & Development at NAL Merchant Bank (now part of Sterling Bank).

Before joining the banking industry, he worked at Ernst & Young after a brief stint as an Assistant Lecturer at the University of Lagos. Mr. Adigun possesses a B.Sc. Hons in Accounting (First Class) from the University of Lagos.

He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an Associate Member of the Chartered Institute of Management Accountants UK (CIMA) and an Associate Member of the Chartered Institute of Taxation of Nigeria (CITA). He is also an alumnus of the Senior Management Programme at the Lagos Business School.

He was appointed to the Board on February 15, 2021.



Olubunmi Akinremi
Independent
Non-Executive Director

Olubunmi Akinremi is an experienced financial expert with over 30 years of top-level experience in investment banking and transactional experience across the UK, USA and Nigeria.

His illustrious career includes serving as the Chief of Staff at Heirs holdings where he performed various roles aimed at proffering innovative solutions to create value for stakeholders. He has also served in the public sector as a special assistant on economic policy.

He has vast experience in leading highly motivated teams toward delivering remarkable standards of financing solutions to a diverse universe of clients, including large corporates, governments, multilateral agencies and government parastatals/public enterprises. He has been involved in fundraising exercises that raised over US$3bn in the Nigeria market alone. Notably, he was part of the team that completed the most innovative merger in the banking sector in sub-Saharan Africa at the time; Standard Trust Bank's acquisition of United Bank for Africa Plc.

He holds a BA in Economics (Essex, UK), an MBA (Cranfield, UK) and is a member of the Institute of Chartered Accountants in England and Wales.

He was appointed to the Board on October 28, 2021.

BOARD OF DIRECTORS PROFILE (Continued)

Obong Idiong
Non-Executive Director

Obong Idiong is the Chief Executive Officer of Africa Prudential Plc, charged with driving the Company's digital transformation agenda, which has seen the Company evolve its traditional Registrar business and expand into digital technology offerings including the development and implementation of business solutions across the financial, hospitality, transportation, cooperative, e-commerce sector, etc.

Previously, he was the Legal Adviser/Company Secretary of Heirs Holdings Limited, an African proprietary investment company where he oversaw the legal responsibilities of the company's investment portfolios in Financial Services, Oil & Gas, Energy, Real Estate, Health Care and the Hospitality sector. Specific responsibilities included transaction advisory, implementation and institutionalisation of governance frameworks, mergers and acquisitions, business incubation, compliance, and regulatory.

He worked in United Bank for Africa Plc (UBA Plc), where he had a stints in legal advisory, business development, strategy, research, and customer service. Prior to this, he held senior positions at Alpha Juris Chambers, Lagoon Home Savings & Loans Limited, and Standard Trust Bank (now UBA Plc).

With over 19 years of post-call legal working experience in corporate, commercial legal practice, banking, and financial advisory services, he also brings on board valuable experience in digital transformation.

He holds several qualifications in the legal, finance, and technology fields. He is an alumnus of the Nigerian Law School, the University of Liverpool, Lagos Business School and IESE Business School, the Massachusetts Institute of Technology, among others. He is also a member of the Nigeria FinTech Fund Advisory Board.

He was appointed to the Board on July 29, 2021.

EXECUTIVE MANAGEMENT

Kayode Odebiyi
Director, Property Development

Kayode Odebiyi is a consummate professional with over 20 years' work experience cutting across Real Estate & Portfolio Management, Strategy Development, Finance & Treasury Management, and Business Development. He has functioned in various roles in his career, amassing knowledge in Analysis, Project Management and Design & Building Efficiency, he has a BSc in Economics and a Master's degree in Business Administration. He is an alumnus of Harvard Graduate School of Design where he completed the Advanced Management Development Program.

Prior to joining Afriland he functioned as the Head, Real Estate Portfolio at Total E&P SMCS Limited responsible for the overall operation and management of the Total cooperative real estate portfolio. He also worked at Legacy Realties Limited, Alitheia Capital Limited, and Trojan Estates Group.

EXECUTIVE MANAGEMENT (Continued)

Tokunbo Lawal
Director, Property & Facilities Management

Tokunbo Lawal is an accomplished Facilities Management Professional with over 25 years of work experience in her career. She also has experience in Financial Services, telecommunications and Management Consulting.

She has an MBA from Duke University (Fuqua School of Business) and is a member of the Association of Facilities Management Practitioners, Nigeria.

Prior to joining Afriland Properties, Tokunbo worked at Willco (Facilities, Property & Power Management) a company she founded and functioned as Chief Executive Officer.

Obiorah Ozugha
Chief Financial Officer

Obiorah Ozugha is an experienced finance professional with over 18 years of various experience in financial management, Financial Planning and Control and Audit Risk Financial Advisory.

He is an Associate Member of the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Taxation of Nigeria. He also holds a Higher National Diploma in Accounting from the Institute of Management Enugu.

He started his career in finance with KPMG and also worked with Akintola William Deloitte where he was the team lead in providing Financial Advisory Services to clients in Financial Institutions, Oil and Gas and the Manufacturing Sector. He also worked with Transcorp Hotels Plc prior to joining Afriland Properties Plc as the Chief Financial Officer.

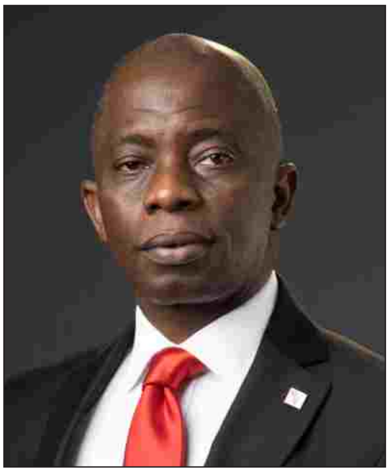
Omomene Obanor
Company Secretary/ Legal Adviser

Omomene Obanor is an astute and dynamic attorney with over fourteen years of professional post-call working experience. Her experience spans different sectors, including Legal, Oil and Gas, and Energy Sector, serving as a Legal adviser and Company Secretary.

She holds an LL.B from University of Benin, MBA, University of South Wales, UK. She is a member, Chartered Institute of Secretary and Administrators of Nigeria (ICSAN), Nigerian Bar Association. Omomene is also a member of the International Bar Association, International Federation of Women Lawyers (FIDA) and Association of Professional Negotiators and Mediators (APNM).

Before joining Afriland Properties Plc, she worked with G-Eurafric as the Company Secretary and Legal Adviser , JURISLAW Associates, JK Gadzama & Partners and Chevron Nigeria Limited where she garnered experience in litigation, Real Estate, corporate /commercial practice, company secretarial and general business advisory.

EXECUTIVE MANAGEMENT (Continued)



Timothy Adeleye
Head, Engineering

Timothy Adeleye is a seasoned professional with over 20 years of experience in engineering design, management and construction. His experience span across commercial and contract management of large engineering projects in building, and civil/structural works as well as oil and gas in countries in Africa and Europe.

He holds a B.Eng in civil engineering from the University of Ilorin and a Masters in Project Management (MPM) from the University of Lagos. He is a member of the Nigerian Society of Engineers (NSE), Nigerian Institution of Civil Engineers (NICE) and is a Registered Chartered member of the Council for the Regulation of Engineering in Nigeria (COREN).

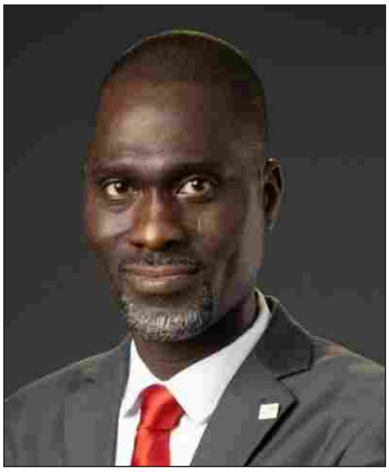
Before joining UBA Properties, now Afriland Properties Plc, Timothy worked with renowned consulting firms and construction companies.

Eneni Halim
Head, Special Projects and Facility Mgt.

Eneni Halim has over 30 years of experience of combined working experience across the Banking sector and construction industry as a Quantity Surveyor/Project Manager.

She holds a B.Tech Quantity Surveying from the Rivers State University (Formerly Rivers State University of Science & Technology, Port Harcourt, Nigeria) and a Masters degree in Project Management (MPM) from the University of Lagos. She is a Fellow of the Nigerian Institute of Quantity Surveyors and a member of the Quantity Surveyors Registration Board of Nigeria as well as the Project Management Institute inc. Pennsylvania USA.

Before joining UBA Properties, now Afriland Properties Plc, Eneni worked at Construction Economist Partnership (CEP) as a full partner and was the lead Quantity Surveyor for the $400million Tinapa Business Resort project in Calabar.



Sarafa Aminu
Head, Project Management Office

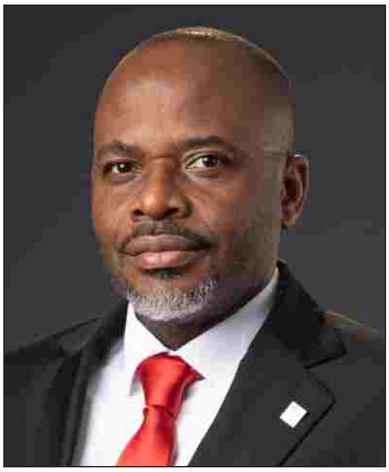
Sarafa Aminu is an experienced professional with over 18 years of experience garnered in Engineering and Project management roles.

He holds a B.Eng in Civil Engineering from the Obafemi Awolowo University and is a member of the Nigerian Society of Engineers. He is also a member of the Project Management Institute (PMI), International Association for the Advancement of Cost Engineering (AACE), and American Society for Quality (ASQ).

His portfolio includes projects as Project Manager/Consultant for Total E&P Nigeria Limited, Association De Francaise Nigeria, Proparco, French Consulate, Proparco, Total Deepwater Nigeria Limited, Egina Field and CAP(Dulux).

AFRILAND PROPERTIES

EXECUTIVE MANAGEMENT (Continued)



Emmanuel Akpan
Head, Technical Consultancy

Emmanuel Akpan has over 20 years of experience in Quantity Surveying practice and Construction Management.

He holds a B.Tech in Quantity Surveying from the Federal University of Technology, Minna, an Advanced Diploma in Safety & Environmental Management from Obafemi Awolowo University, Ife and an Advanced Diploma in Project manager from the University of Lagos. He is also a member of the Nigerian Institute of Quantity Surveyors (MNIQS).

Before Joining Afriland Properties Plc, He worked at Ikeja Hotels Plc, Qu-ess Partnership and Julius Berger Plc.

Jennifer Egbukole
Head, Human Resources

Jennifer Egbukole is a Human Resources professional with over twelve years of experience in Human Resource Affairs. She is well versed in employee recruitment and retention, employee relations, staff development, HR records management, HR policies and procedure development, talent management, organizational and strategic planning.

She holds a BSc in Political Science from Ahmadu Bello University, Zaria, Kaduna and a Masters Degree in International Law & Diplomacy from the University of Lagos.

She is certified by the HRCI as a Senior Professional in Human Resources (SPHRI).

Abimboye Ogunbanjo
Head. Estate Management

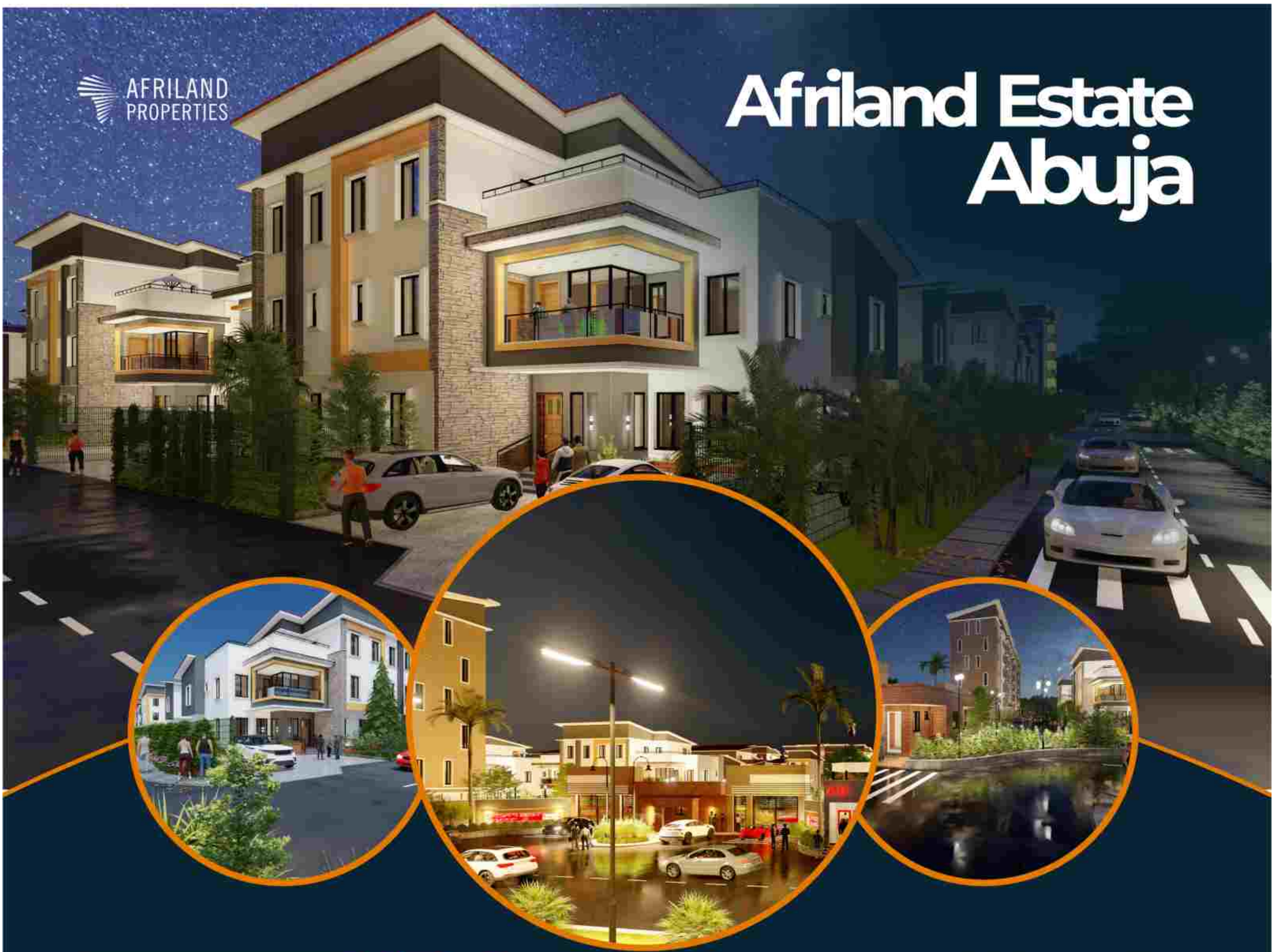
Abimboye Ogunbanjo is an experienced and versatile professional with over 14 years working experience in Estate Management and associated roles.

She holds a B.Tech from the Federal University of Technology Minna and a Masters degree in Facilities Management from University of Lagos. Abimboye is also a member of the Nigerian Institute of Estate Surveyors and Valuers.

Before joining Afriland Properties, she worked for UAC Property Development Company (UPDC) where she garnered valuable experience in Estate Management and Real Estate advisory.

AFRILAND PROPERTIES

Afriland Estate Abuja



Save up to **N5M** by taking advantage of our pre-sales offer

We make your **Dreams** come **Alive**

Key features:

Afriland estate is a fully residential neighborhood located within the fast-developing district in karmo, abuja.

This gated estate built to offer affordable housing, will offer a **non- stop** smart community with all the basic amenities guaranteed to ensure comfortable living

The community offers good internal road network, greenery, drainage systems, central sewage connection & water connection systems.

To bring the family experience all together, the community will also offer a grocery building, recreational area and swimming pool.

Contact us today @

0916 607 3000, 0916 607 4000

or sales@afrilandproperties.com

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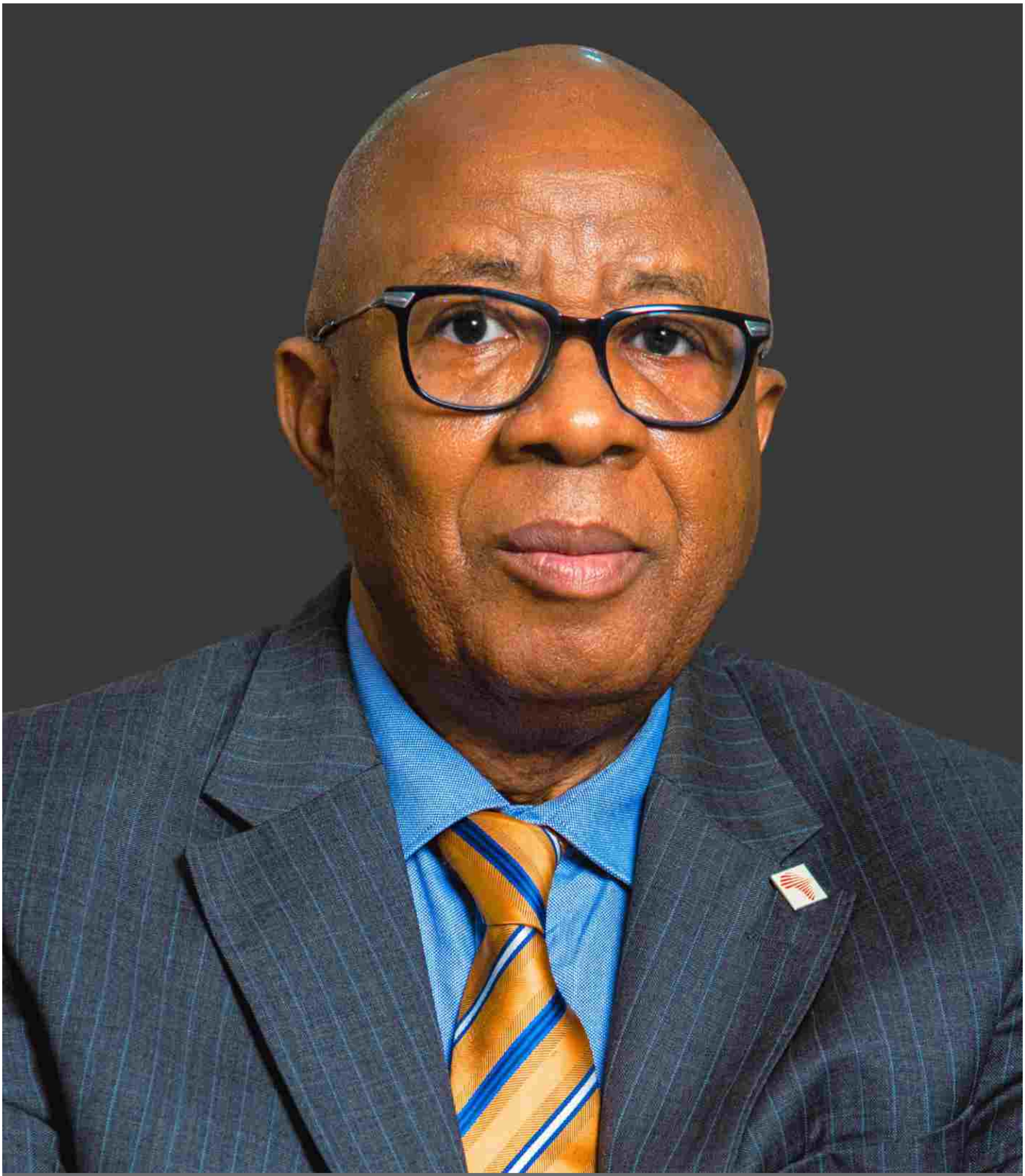


Emmanuel N. Nnorom
Chairman

CHAIRMAN'S STATEMENT

Dear Distinguished Shareholders, I am delighted to welcome you to the 9th Annual General Meeting of your Company, and present to you, the annual reports and financial statements for the year ended 31 December 2021.

I would like to sincerely thank you all for your unwavering commitment and loyalty, which has contributed immensely to the continued success of your Company.

The year 2021 was typified by continuous recovery in world economies even as the COVID-19 pandemic kept resurging. Against this backdrop, it is therefore pertinent to review the economic environment within which your Company operated in the year under review and attempt to review the outlook for your Company in 2022.

The Global Economy

The global economy continued in the path of recovery in 2021, mainly due to fiscal and monetary policy support from Governments and Central banks. According to the Organisation for Economic Co-operation and Development (OECD), the global growth real Gross Domestic Product (GDP) closed at 5.8% in 2021.

However, the growth recorded was uneven across countries due to different challenges faced by different countries. The disproportionate growth achieved was driven by varying levels of access to the COVID vaccination across various countries and the resurgence of more transmissible coronavirus strains.

Despite rebound in economic activities recorded globally, the pandemic- triggered supply chain disruptions, had an impact on the prices of goods and services, which inadvertently has driven inflation rates to levels not witnessed in over a decade.

Furthermore, the jump back on economic activities as governments loosened pandemic-related restrictions, resulted in increased global demand for commodities.

The lifting of mass lockdowns resulted in oil demand outpacing supply, thereby pushing oil prices from as low as $50 per barrel at the start of 2021 to an annual high of $76.25 by the end of December 2021.

In the real estate sector, despite COVID-19 containment measures put in place because of the rapid surge of the Omicron variant and most recently, IHU variant and the more cautious behavior exhibited by consumers, the real estate global retail markets were impacted negatively.

Although COVID is still with the world, some communities have elected to live with the virus as opposed to operating with stringent restrictions. This has led to demand picking up in markets highly impacted by restrictions such as office, retail, and hotels as of December 2021.

The Local Economy

The Nigerian economic recovery which began in the last quarter of 2020 was sustained in 2021 as economic activities returned to full throttle. Despite the macroeconomic challenges, the economy exceeded pre-pandemic growth level, as gross domestic product (GDP) according to the National Bureau of Statistics (NBS) recorded an annual growth rate of 3.4%.

Driving the recovery process are performance from the non-oil sector (crop production; trade; Information and Communication; & Financial and Insurance) which produced positive GDP growth.

Contributing significantly to growth in 2021 is the manufacturing sector, which recorded an increase in the Purchasing Managers' Index (PMI) of 52.0 index points in December 2021as compared with 49.6 index points in 2020, thus reflecting continuing economic recovery. The consumption expansion was driven largely by increase in business activities in the economy, due to new orders and uptrend in employment and production levels.

In the year under review, the Central Bank of Nigeria suspended the sale of foreign currencies to Bureau De Change (BDC) operators in the country. In addition, the apex bank stopped further issuance of licenses to potential operators of BDC. These actions by the Central Bank of Nigeria, triggered supply shortage in the system and consequently led to exchange rate pressures as demand for forex exceeded supply.

Furthermore, the Government, through the International Monetary Fund (IMF) accessed a total of $3.4bilion via the special drawing rights issuance. The inflow from (IMF) helped to cushion the pressure on the country's external reserve and improved the balance to $40.5billion as against the 2020-year end position of $35.4billion.

The pricing on commodities such as crude oil was stable in the year under review. This was attributable to the Declaration of Cooperation (DOC) agreement between OPEC and Non-OPEC members that ensured compliance with the supply of crude oil to the market. In addition, the easing of lockdown restriction across the globe has ensured higher demand for Crude oil consumption, thus improving dollar receipt to the government.

Annual growth recorded in the real estate sector was 2.26% while annual contribution to the Gross Domestic Product was 6.23%. These contributions indicate a significant improvement from the negative growth recorded in 2020 and reflects recovery recorded in the economy.

Financial Performance

Inspite of the challenging business environment, the Company recorded strong operating performance in revenue and profit. Revenue grew by 8% to ₦1.99billion as opposed to ₦1.85billion recorded in 2020 financial year.

The Profit Before Tax performance of ₦1.60billion showed a 58% increase in the year as against ₦1.01billion recorded in prior year.

The total assets of the Company for the year ended 31 December 2021 was ₦17.30billion as against ₦27.10 billion recorded in 2020.

In view of the outstanding performance in the year, the Board of Directors is proposing the sum of ₦137,390,000.00 as dividend payment for the year ended 31 December 2021. This translates to 10 kobo per ordinary share. We hereby request your approval of this dividend proposal.

Activities during the year

In 2021, the Company commenced and completed twenty-two (22) clients projects while thirty-one (31) are at various stages of completion across different locations in the country.

Outlook for 2022

According to the Organisation for Economic Co-operation and Development (OECD), the global economic growth will moderate at 4.5% in 2022. The organisation declared that recovery will be along trade, employment, and incomes. However, the revival will be unbalanced, with countries, businesses and people facing very different economic realities. It also stated that recent improvements conceal structural changes, that could see some sectors not returning to their pre-pandemic trends.

The International Monetary Fund (IMF) expects the Sub-Sahara Africa regional growth to rebound to 3.8% in 2022. The projected growth is expected to be driven by strong performances in the economies of countries in the region such as Nigeria, Ghana, Kenya, Senegal, Rwanda, and South Africa.

Based on rebound in crude oil prices and output, the Africa Development Bank (AFDB) predicted that the Nigeria's economy will grow by 2.9 percent in 2022.

Board Changes

During the year, effective 22nd March 2021, Mr. Samuel Nwanze resigned his appointment as a director of the Company. To address perceived vacuum because of the resignation of the former director with the Company, Mr. Ayodeji Adigun was appointed as a Non-Executive Director effective from 15th of February 2021.

In compliance with the Company's board charter on the number of Non-Executive Director, Mr. Obong Idiong was appointed as a Non-Executive Director effective from 28th October 2021, while Mr. Olubunmi Akinremi was appointed as an Independent Non-Executive Director effective from 1st December 2021 as a replacement for Ms. Yinka Ogunsulire whose tenure elapsed on 13th January, 2022.

Conclusion

My appreciation goes to our distinguished shareholders and business partners for their unwavering support and commitment over the years.

The Board would like to appreciate Mrs. Uzoamaka Oshogwe, her management team and all our hardworking and enterprising employees, for their dedication to duty and untiring efforts.

I would like to thank my colleagues on the Board for their commitment to the cause of your Company and for working closely with management team to ensure that your Company delivers on its promises and targets.

Emmanuel N. Nnorom
Chairman, Board of Directors

Uzoamaka Oshogwe
Chief Executive Officer

CEO'S *Report*

Distinguished Shareholders,

Representatives of regulatory agencies present, esteemed Ladies and Gentlemen, it is with great pleasure that I welcome you, on behalf of the Board of Directors, to the 9th Annual General Meeting of Afriland Properties Plc ("Afriland").

I am excited and honored to present to you the Annual Report and the Financial Statements for the financial year ended 31 December 2021, but not without first highlighting key issues in the Nigerian business environment that influenced and impacted our performance.

Afriland's stated business goals and objectives which includes the following were continued with in 2021:

- Real estate development
- Project construction, supervision and management
- Facilities management of clients' and proprietary properties
- Renovation/Upgrades.
- Breaking into new grounds in the real estate development space

The global economy recovery was in an upward trajectory in 2021, pulling out from the subdued growth induced by the pandemic in early year 2020. The recovery gained was amplified by increased consumer spending, upswing in investments and soaring world merchandise trade which was above pre-pandemic levels.

Furthermore, the persistent supply side disruptions and pent-up demand associated with mobility restrictions have given rise to high inflation in most countries.
Notwithstanding the rebound in economic recovery, the upsurge in growth were hindered by poor access to vaccines and limited policy support in Emerging Market and Developing Economies (EMDEs) countries. In China, output weakened in the third quarter of 2021 and has continued to weaken as the COVID-19 infection continue to rage amid power supply shortages and a turbulent property market.

The performance of the domestic economy in 2021 shows that the Nigeria economy recovered strongly. According to the National Bureau of Statistic (NBS), the country ended the year with an annual real Gross Domestic Product (GDP) of 3.4% as against -1.9% recorded in year 2020.

The rally in economic activities was driven by the opening of the national borders hitherto shut by the Nigerian Government, improvements in vaccine supply and vaccination, increase in the volume and price of crude oil as well as resumption of international travel and the hospitality sector, as against prior year performances that was stifled by COVID 19-induced lockdowns.

To further boost the economy in 2021, the Central Bank of Nigeria disbursed the sum of ₦151.23 billion under the Real Sector Facility for 15 additional projects in agriculture, manufacturing, mining, and services. These funds were utilized for both greenfield and brownfield (expansion) projects under the Covid-19 Intervention for the Manufacturing Sector (CIMS) and the Real Sector Support Facility from Differentiated Cash Reserve Requirement (RSSF-DCRR)

Nonetheless, the Nigerian economy struggled with rising consumer prices that consequently led to headline inflation from 15.75% as at December 2020, to a four-year high of 18.17% by March 2021 prior to swerving downwards to

15.63% by December 2021.
The nation's high inflationary environment amid fragile and unbalanced growth across economic sectors present a challenge to policymakers as they strive to reduce the cost of doing business in Nigeria.

To ensure continuous recovery, sustain recorded growth in the economy and rein in inflation, the Central Bank of Nigeria through its Monetary Policy Committee, retained key monetary policy tools in the year without adjustments. These key policy tools and the rates maintained are Monetary Policy Rate (MPR) at 11.5%, Cash Reserve Ratio (CRR) at 27.5% and Liquidity ratio (LR) 30% respectively.
In the real estate sector, as part of its revenue drive, the Lagos State government reviewed fees for property regularization from 25% to over 100% in some cases. Governor's consent fee is fixed at 8% of the assessed value with Capital Gains Tax and Stamp Duty at 2% apiece while registration fees are now 3%.

The fundamentals of our business remain very strong. These are:

Team work
In Afriland, we acknowledge that nothing great is accomplished in isolation and so we work together as a team to surpass our clients' expectations.

Our harmonized and cooperative efforts are in the interest of a common goal, which is to be Africa's leading Real Estate Company that creates long term value for all stakeholders.

Corporate Social Responsibility
Afriland's commitment to corporate social responsibility is motivated by the belief that we are a part of the communities we serve, consequently, giving back is a fundamental aspect of our Company's identity and values.

Service Delivery
The Company is guided by sets of principles, policies and standards, which enable us consistently offer excellent service experiences to our clients. We connect with them; we communicate with them, and we listen to them. This way, our deliverables are aligned with our clients' requirements.

2021 Performance
Afriland's annual report and accounts have been prepared in conformity with International Financial Reporting Standards (IFRS) and this presents the operating results of the Company for the year ended December 31, 2021.
In line with our foundation of sound corporate governance and our adherence to regulatory standards, IFRS has provided a uniform and consistent basis of preparing our financial information for comparison and greater transparency.

Financial Performance

Revenue and Profitability
Our performance for the year ended 31st December 2021, has been nothing but exhilarating and commendable amidst the challenges posed by the uneven recovery in various sectors across the globe.

Your Company, delivered a stellar performance, reporting top line improvement on total Revenue and Profit Before Tax of ₦1.99Billion and ₦1.60Billion when compared to revenue and profit before tax of ₦1.85Billion and ₦1.01Billion recorded in the same period last year.

This represents, 8% and 58% growth on Revenue and Profit Before Tax over year 2020 performance.

Financial Position
The company's total assets as of 31 December 2021 stood at ₦17billion as against ₦27billion as of 31 December 2020.

Shareholders' funds as of 31 December 2021 stood at ₦10.1billion as against ₦9.8billion in 2020.

Key Business Achievements and Overview
During the year under review, we commenced and completed the construction of some clients' business projects located nationwide while proprietary projects commenced in the year are at various stages of completion.

Outlook for 2022
The global economy started in 2022 in a weak position and may not hit the targeted growth

rate as previously anticipated. The Omicron COVID-19 variant continued spread made some countries to reimpose mobility restrictions locally, resulting in the disruption of supply chains, clogged ports which consequently halted economic activities in the first two months of 2022.

Furthermore, the rising cost of energy and food prices will result in higher and more broad-based inflation than anticipated in the United States, Europe, sub-Saharan Africa, and other developing countries.

Global growth is expected to moderate from 5.9% in 2021 to 4.4% in year 2022 as predicted by the International Monetary Fund (IMF).
The Africa Development Bank (AFDB) predicted a moderate growth of 2.9% for Nigeria in 2022. The forecasted rate is based on continued stability in the volume and sustenance of crude oil price.

In the energy sector, following the assent of the Petroleum Industry Act of 2021, the regime of subsidizing the cost of fuel products to Nigerian may be withdrawn by the Government in 2022. The sustained practice of under-recovery of the cost of fuel will adversely impact the revenue of the Federal Government of Nigeria.
Furthermore, contribution from the oil sector hitherto in recession is expected to reverse in 2022 and help spur growth especially with expected increase in the production quota of Nigeria which is currently below OPEC's approved quota.

As a Company, we are positioned to take advantage of Government's policy direction and optimize future rental income from our proprietary properties and to continue with the aggressive development of the underlisted properties for residential and commercial purposes with a view to maximizing shareholders wealth.

- Aromire Ikeja, Lagos (Development of Studio, Two- & Three-Bedroom Apartments)
- Club Road, Ikoyi, Lagos (Development of Two, Three -Bedroom & Penthouse Apartments)
- Abule Egba, Lagos (Development of a Business Office, Shopping Mall & Office Spaces)
- Port Harcourt Road, Owerri (Development of Business Office)
- Bwari Abuja (Development of Business Office)
- POWA Nasarawa (Development of Business Office)
- Phase 1, Karmo Estate, Abuja (Development of fully detached maisonnettes & Semi-detached duplex apartments).
- Trans Amadi Industrial Layout, Port Harcourt (Development of shopping mall).

Finally, we will continue to explore the possibility of partnering with any reputable organizations with a view to optimizing our property portfolio and thus delivering superior value to shareholders.

Closing

I want to use this opportunity to thank our shareholders, the Board of Directors, the Management and Staff, our customers, our business partners and other stakeholders for your trust, loyalty, and support in year 2021.

We continually reiterate our resolve to achieve the Company's set vision to be Africa's leading Real Estate Company that creates long term value for all stakeholders.

Since the last Annual General Meeting, Mr. Samuel Nwanze and Ms. Yinka Ogunsulire retired from the Board. On your behalf, we thank them for their contributions to Afriland Properties Plc during their many years of service and wish them the very best in their future ventures.
Let me also use this occasion to welcome the new Non-Executive Directors, Mr. Obong Idiong and Mr. Olubunmi Akinremi to the Board of Afriland Properties Plc.

Thank you.

UOshogwe

Uzoamaka Oshogwe
Managing Director/Chief Executive Officer

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

Afriland Properties Plc ("Afriland" or the "Company") is committed to upholding the highest standards of Corporate Governance through the adoption of a robust Corporate Governance framework. The framework promotes effective governance through the strategic direction and oversight of the Board thereby enhancing shareholder value and promoting the rights' protection of shareholders and stakeholders.

During the year ended 31 December 2021, Afriland complied with the provisions of the Financial Reporting Council's Nigerian Code of Corporate Governance ("FRC NCCG"), the Corporate Governance Guidelines issued by the Securities & Exchange Commission ("SEC CG Guidelines"), and extant laws and regulations bordering on corporate governance.

The Board is of the opinion that the Company has significantly complied with the requirements of the FRC NCCG, SEC CG Guidelines, and its own governance standards during the 2021 financial year.

1. GOVERNANCE STRUCTURE

The Board of Directors of the Company has the overall responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Company. To promote effective governance of the Company, the following structures have been maintained for the execution of the Company's Corporate Governance strategy:

1. Board of Directors
2. Board Committees
3. Statutory Audit Committee
4. Executive Management Committee

The Company has also implemented corporate governance policies and standards to encourage good and transparent corporate governance practices, as it is the Company's belief that such governance practices have a direct correlation with the Company's performance and its commitment to stakeholders.

The Company's approved corporate governance policies that remained operational throughout the 2021 financial year as follows:

- **Board Governance and Board Committee Governance Charter:**
  This Charter provides the governance framework for the Board and Board Committees of the Company to promote effective governance. It stipulates the mandate and terms of reference, procedures, and structures of the Board and Board Committees of the Company. The Board of Directors carries out its responsibilities through its standing committees. These are the Finance, Risk & General-Purpose Committee and the Nominations, Audit & Governance Committee.

- **Statutory Audit Committee Terms of Reference**
  The Statutory Audit Committee (SAC) Terms of Reference (ToR) specifically highlights the responsibilities of the SAC to include evaluation of the adequacy of the internal control, ensuring the integrity of the Company's financial statements, review of audit exceptions, etc. Furthermore, the ToR includes the administration and procedure to be adopted by the SAC at its meetings.

- **Executive Management Committee Charter:**
  The Executive Management Committee Charter provides the framework for directing the affairs of the Executive Management of the Company in the running of the Company's day-to-day operations. The Charter sets out the membership, terms of reference and role of the Executive Management Committee members.

- **Code of Conduct Policy**
  The Code of Conduct sets out the expected standards of behavior and ethical responsibilities of directors, employees, vendors and other third parties who have any form of dealings with the Company.

- **Whistle Blowing Policy**
  The Policy provides a complimentary procedure for raising concerns about any actual or potential infraction of the Company's business practices and ethics. It further encourages employees and other stakeholders to bring any suspected breach of the Company's business practices to the attention of the Company. These concerns can be treated anonymously.

  The Company has a dedicated whistle blowing email address (whistleblowing@afrilandproperties.com) and telephone number with capacity for voice calls and text messages. The telephone number is +234 [01-6310652]. A direct link is also available on the Company's website www.afrilandproperties.com for whistleblowing reports.

- **Board of Directors Appointment Procedure**
  The Board Governance Charter sets out and prescribes a formal procedure for the selection and appointment of Non-Executive Directors of the Company. The Nominations, Audit and Governance Committee ("NAGC") is saddled with the responsibility of identifying and assessing potential candidates in line with stipulated criteria in the policy, which includes gender, appropriate mix of skills, qualifications and experience, time and commitment, obligations, conflicts of interest and independence. The nomination by the NAGC is presented to the Board for approval.

  Shareholding in the Company is not a considered criterion for the nomination or appointment of a Director. The appointment of Directors is subject to the approval of shareholders at the Annual General Meeting.

- **Company Remuneration Policy**
  The Directors are responsible for the governance of remuneration by setting the direction for how remuneration is addressed on a Company-wide basis. The Board ensures that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

  The Board acting through the NAGC reviews the remuneration structure of the Board and the Company periodically to ensure that remuneration and reward strategies enable the Company to attract, motivate and retain the right skills required to efficiently manage the operations and growth of the Company.

The form and amount of Non–Executive Director remuneration is approved by the Board, on the evaluation and recommendation of the NAGC. Remuneration and incentive policies for Chief Executive Officer (CEO) and the Executive Directors (EDs) shall be approved by the NAGC with the concurrence of the Chairman of Finance, Risk and General-Purpose Committee (FRGPC) and the Chairman of the Board.

The remuneration of Directors is reflected and broken down in Note 28 of the Financial Statement.

2. BOARD OF DIRECTORS

2.1 Introduction

The principal role of the Company's Board of Directors is to provide overall guidance and policy direction to the Management of the Company with key roles focused on strategic direction, policy formulation, decision making and oversight.

The corporate governance principles of the Company rest on the Board of Directors to ensure due compliance and alignment with acceptable corporate governance standards.

2.2 Board Structure

The Board of Directors comprises eight (8) members made up of five (5) Non-Executive Directors, two(2) Independent Non-Executive Directors, and one (1) Executive Director. By the provisions of the Companies and Allied Matters Act, 2020 (CAMA 2020) and the Board Governance Charter of the Company, the Chairman of the Board of Directors presides over the Board meetings.

2.3 Chairman and Chief Executive Officer Positions

The role of the Chairman and Chief Executive Officer are separated and clearly defined in compliance with corporate governance rules on the roles and responsibilities of the Board members. The Chairman is primarily responsible for the workings of the Board while the Chief Executive Officer is responsible for the implementation of the Board strategy and policy and day-to-day management of the Company. The Chief Executive Officer is assisted by the Executive Management Committee in managing the day-to-day operations of the Company. The Chairman is not involved in the day-to-day operations of the Company and is not a member of any Committee of the Board.

2.4 Non-Executive Directors

The Non-Executive Board members possess strong knowledge of the Company's business and usually contribute actively at Board meetings.

In choosing directors and in accordance with the Company's Board Charter, the Company seeks individuals who have very high integrity, a good image and reputation, are business savvy, have shareholder orientation, and a genuine interest in, and commitment to the Company. The Company's Directors also have a wealth of industry expertise across the core areas of Real Estate Management, Finance, Investment, Project Development, and Project Management.

2.5 **Induction and Training of Directors**

The Company has a robust induction program for newly appointed directors to familiarize the director with his/her role and responsibilities together with the Company's expectations. The Director is also enlightened on the business, policies, and regulatory obligations of the Company.

Trainings are also organized by the Nominations, Audit & Governance Committee for the Board members on all aspects of corporate governance practices and procedures. These trainings are paid for by the Company.

2.6 **Proceedings and frequency of meetings**

The Board meets at least once every quarter or as frequently as the Board's attention may be required. Sufficient notices with clear agenda/report are usually given prior to convening such meetings. All Directors have access to the Company Secretary who is appointed and removed by the Board and is also responsible to the Board. The details of Directors' attendance of Board meetings are disclosed on page 29 of the Annual Reports.

2.7 **Delegation of Authority**

The Board establishes formal delegations of authority. It defines the limits of Management's power and authority. The Board delegates to Management certain powers for the day-to-day operations of the Company. The delegation of authority conforms to statutory provisions that regulate the capacity of the Board to delegate power to Management. Any of the responsibility not delegated remains with the Board and its committees. The Company has a formal Delegation of Authority Policy in place.

2.8 **Risk Management and Internal Control**

The Board is responsible for and ensures proper financial reporting as well as the establishment of strong internal control procedures. The Company has consistently upgraded its internal control system to ensure the effective management of risks. The Directors review the effectiveness of the internal control systems through regular reports, updates, and reviews at the Nominations, Audit & Governance Committee meetings of the Board and the Statutory Audit Committee.

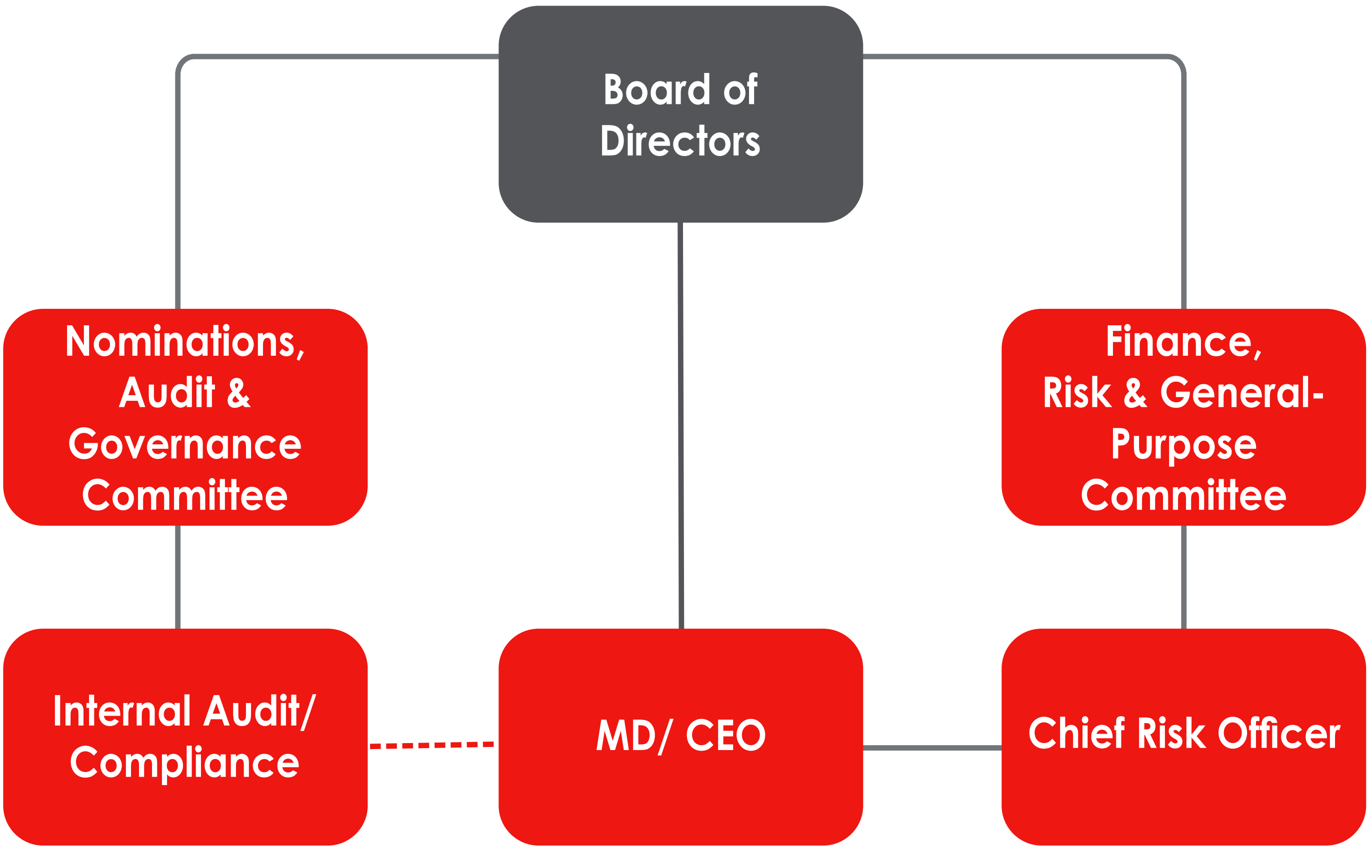
Furthermore, the Board continually emphasizes risk management as an essential tool of achieving the Company's objectives by approving a robust Enterprise Risk Management Policy, Internal Audit Charter, and Internal Audit Policy Manual. The Board adopts a risk governance approach that balances the demands of entrepreneurship, control, and transparency in the Company while also driving the achievement of the Company's objectives with an effective decision-making process.

To ensure compliance with the risk framework, the Board oversees the implementation and monitoring of the extant policies, approves and periodically reviews risks strategies and policies, as well as monitors the Company's risk profile against its risk appetite. This is achieved through regular review of reports, updates by both the internal and external Audit personnel at the Finance, Risk & General-Purpose Committee, and through the conduct of an annual assessment of the Company's risk. The Board continuously seeks means of improving the

Company's risk appetite through recommendations on effective means of eliminating and mitigating identified risks on all levels and monitoring the implementation of such recommendations to ensure compliance.

The Internal Audit function is headed by the Head, Internal Audit & Compliance who presents his reports quarterly to the Nominations, Audit & Governance Committee. The Company adopts the Risk-Based Internal Audit methodology in carrying out audit functions. This involves five phases which are Strategic Analysis, Risk Assessment, Development of Internal Audit Plan, Audit Execution and Reporting, and Follow-up. This has proved effective in identifying, monitoring, and mitigating the strategic and operational risks of the Company.

RISK GOVERNANCE STRUCTURE



2.9 External Auditors

The Company's auditor are Ernst & Young who review the financial statements to ensure that same does not contain any material misstatements,

The auditors have worked with the Company for a cumulative period of Nine (9) years.

2.10 Changes on the Board

During the year ended 31 December 2021, there were changes that occurred in the composition of the Board of Directors of the Company. The Board of Directors of the Company comprised the following in the year 2021:

S/N	Director	Position	Date appointed to the Board	Cumulative term on the Board
1	Mr. Emmanuel N. Nnorom	Chairman/ Non - Executive Director	30 October 2014	7 years
2	Mrs. Uzo Oshogwe	Managing Director /Chief Executive Officer	29 January 2013	8 years
3	Ms. Olayinka Ogunsulire	Independent Non-Executive Director	14 January 2013	8 years
4	Mr. Samuel Nwanze	Non-Executive Director	14 January 2013	8 years
5	Mrs. Agatha Obiekwugo	Non-Executive Director	23 October 2018	3 years
6	Mr. Ayodeji Adigun	Non-Executive Director	15 February 2021	1 year
7	Mr. Obong Idiong	Non-Executive Director	29th July 2021	5 Months
8	Mr. Olubunmi Akinremi	Independent Non-Executive Director	28th October 2021	2 Months

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2.11 Retirement by Rotation

In compliance with the provisions of Section 285 of the CAMA 2020 which requires one-third of the Directors (excluding Executive Director) or if their number is not three or a multiple of three, the number nearest one third, to retire from office at each Annual General Meeting, Mrs. Agatha Obiekwugo and Mr. Ayodeji Adigun will retire at the 9th Annual General Meeting.

Profile of Directors Being Re-elected

Profile of Mrs. Agatha Obiekwugo

Mrs. Agatha Obiekwugo is the founder and Managing Director of ADASSA Energy Limited, a downstream oil and gas company. She is also the founder of Treasure Pacs Limited, a procurement & logistics company & TNC Computers, an Information Technology company.

Mrs. Obiekwugo has a proven track record of 25 years of corporate experience spanning banking, commerce and industry, information technology, and consulting. She currently sits on the board of 3 other companies. she is a serial entrepreneur and a strategic thinker and has an uncanny ability to spot good business opportunities.

Mrs. Obiekwugo holds a B.A. in English & Literary from Edo State University, Ekpoma, Edo State, and an MBA in Marketing from Enugu State University of Science and Technology.

Mrs. Obiekwugo joined the Board on the 23rd of October 2018 and has served for a cumulative period of (3) three years. she is a member of the Nominations, Audit & Governance Committee and the Finance Risk and General-Purpose Committee. Mrs. Obiekwugo has satisfied the requirements for attendance of the Board and Committee meetings as required by the Code of Corporate Governance during the period under review.

A record of her Attendance at Board and Committee Meetings is available on page 30 of this report.

Mrs. Obiekwugo is resident in Nigeria.

Profile of Mr. Ayodeji Adigun

Mr. Ayodeji Adigun is currently the Group Chief Finance Officer at Heirs Holdings Limited. Until his appointment at Heirs Holdings, Mr. Ayodeji Adigun was the Executive Director/Chief Operating Officer at Nova Merchant Bank Limited. He has over three decades of banking and finance experience with strong background and competencies in financial control, performance management, project management, operations, audit, strategic planning, and business transformation.

Prior to joining Nova Merchant Bank, Mr. Adigun was the Chief of Staff to the Group Managing Director/Chief Executive Officer at United Bank for Africa Plc (UBA). He also served at various times as the Head, Strategy and Business Transformation, Head, Performance Management, the Chief Financial Officer (North Region), and Chief Operating Officer, UBA Properties during his time at UBA.

Mr. Adigun has served in several executive roles in the banking industry including the Chief Finance Officer at Standard Trust Bank, Head Financial Control & Strategy at Diamond Bank, Head Financial Control & Head Corporate Planning & Development at NAL Merchant Bank (now part of Sterling Bank).

Mr. Adigun joined the Board on the 15th of February 2021 and has served for one (1) year. He is the Chairman of the Finance Risk and General-Purpose Committee, member of the Nominations, Audit & Governance Committee, and the Statutory Audit Committee. He has satisfied the requirements for attendance at the Board and Committee meetings as required by the Code of Corporate Governance during the period of review

A record of his Attendance at Board and Committee Meetings is available on page 30 of this report

Mr. Adigun is resident in Nigeria.

2.12 Appointment of Directors

The Nominations, Audit & Governance Committee having assessed the qualifications of Mr. Obong Idiong and Mr. Olubunmi Akinremi based on the established criteria in the Company's Charter and to comply with the minimum number of directors on the Board and the vacancy arising from the retirement of one of its directors, recommended to the Board for approval the appointment of Mr. Obong Idiong and Mr. Olubunmi Akinremi respectively.

The Board on the 29th of July 2021 approved the appointment of Mr. Obong Idiong as a Non-Executive Director of the Company.

The Board on the 28th of October 2021 approved the appointment of Mr. Olubunmi Akinremi as an Independent-Executive Director of the Company.

The appointments of Mr. Obong Idiong and Mr. Olubunmi Akinremi are subject to the approval of the Shareholders at the 9th AGM.

Profile of Mr. Obong Idiong

Mr. Obong Idiong is the Chief Executive Officer (CEO) of Africa Prudential Plc. Before he was appointed the CEO of Africa Prudential, he was the Legal Adviser/Company Secretary of Heirs Holdings and a Legal Adviser at United Bank for Africa (UBA) Plc.

Mr. Idiong has over 19 years of impactful experience in corporate, commercial legal practice, banking, and financial advisory services and invaluable experience in Information Technology.

Mr. Idiong holds several qualifications in the legal, finance, and technology fields. He is an alumnus of the Nigerian Law School, the University of Liverpool, Lagos Business School and IESE Business School, the Massachusetts Institute of Technology, among others. He is also a member of the Nigeria FinTech Fund Advisory Board.

Mr. Idiong is resident in Nigeria.

Profile of Mr. Olubunmi Akinremi

Mr. Olubunmi Akinremi is an experienced financial expert with over 30 years of top-level experience in investment banking and corporate transactions across the UK, the USA, and Nigeria at international companies, multilateral agencies, and government parastatals/public enterprises.

Mr. Akinremi's illustrious career includes serving as the Deputy Group Chief Executive Officer, United Capital Plc; Special Assistant to the President on Economic Matters, and Senior Special Assistant to the President on Policy Matters and the Chief of Staff at Heirs Holdings. His roles have earned him a reputation for proferring innovative and sustainable financial solutions that create value for stakeholders.

Notable among Akinremi's achievements is the USD 800 million equity funds raised from the global market for a Multinational Bank, N3 billion budget actualization in United Capital; Africa's foremost Investment company, and driving the most innovative merger in the banking sector in Sub-Saharan Africa; Standard Trust Bank's acquisition of United Bank for Africa Plc.

He holds a BA in Economics (Essex, UK), an MBA (Cranfield, UK), and is a member of the Institute of Chartered Accountants in England and Wales.

Mr. Akinremi is resident in Nigeria.

2.13 Board Evaluation and Corporate Governance Assessment

On an annual basis the company undertakes a review of its Board and Corporate Governance. During the period under review, the Company engaged the services of an independent consultant, AA & Company Limited to carry out an extensive Board and Directors' appraisal exercise and evaluation of the Company's compliance with its corporate governance principles.

The annual appraisal sought to ascertain the level of compliance by the Board, and by extension, the Company, with the Financial Reporting Council of Nigeria Nigerian Code of Corporate Governance (FRC NCCG) and Security and Exchange Commission (SEC) Code, the Company's Board Governance and Board Committees Governance Charter and other best corporate governance practices, the report of which forms part of this Annual Report.

The 2018 FRC NCCG introduced an annual assessment of the corporate governance practices adopted by the Company. The Board and Corporate Governance Assessment report forms part of this Annual Report.

AA & Company Limited has worked with the Company and conducted board evaluation of the Board for a cumulative period of four (4) years.

2.14 Membership of the Board

The Board of Directors of the Company comprised the following during the year:

Mr. Emmanuel Nnorom	-	Chairman
Mrs. Uzoamaka Oshogwe	-	Managing Director/CEO
Ms. Olayinka Ogunsulire	-	Independent Non-Executive Director
Mr. Samuel Nwanze	-	Non-Executive Director (Retired March 22, 2021)
Mrs. Agatha Obiekwugo	-	Non-Executive Director
Mr. Ayodeji Adigun	-	Non-Executive Director
Mr. Obong Idiong	-	Non-Executive Director
Mr. Olubunmi Akinremi	-	Independent Non-Executive Director

2.15 Board Meetings Attendance

The Board held five (5) meetings during the year ended 31 December 2021 and the table below shows the meetings of the Board in 2021 and frequency of members' attendance:

Directors	Date of Meetings Held	No of meetings attended	Date of meetings not attended
Mr. Emmanuel Nnorom	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	5	N/A
Mrs. Uzoamaka Oshogwe	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	5	N/A
Ms. Olayinka Ogunsulire	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	5	N/A
Mr. Samuel Nwanze	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	1	Mr. Nwanze retired from his position as a Director at the AGM held March 22, 2021.
Mrs.Agatha Obiekwugo	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	5	N/A
Mr. Ayodeji Adigun	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	5	N/A
Mr. Obong Idiong	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	2	Mr. Idiong's appointment on the Board became effective on 28th October 2021.

Directors	Date of Meetings Held	No of meetings attended	Date of meetings not attended
Mr. Olubunmi Akinremi	15th February 2021 29th April 2021 29th July 2021 28th October 2021 8th December 2021	1	Mr. Akinremi's appointment on the Board became effective 1st December 2021.

N/A
means "Not Applicable"

2.16 Board Committees

The Board Committees of the Company comprises a majority of Non-Executive Directors tasked with the performance of various functions as delegated by the Board in the discharge of their responsibilities to the shareholders.

The Board Committees are as follows:

2.16.1 Nominations Audit & Governance Committee

The Nominations Audit & Governance Committee (NAGC) is tasked with the following terms of reference:

- Evaluate the adequacy of internal audits and internal controls to ensure the integrity of the Company's financial statements and adopt special audit steps in the event of significant control deficiencies, if any, including those reported by the Internal Audit.
- Assist the Board of Directors in fulfilling its oversight responsibilities with respect to audit and control.
- Review Audit exception reports relating to the Company's compliance with major policies including Expense and HR policies, company processes, and applicable laws and regulations.
- Establish procedures for the nomination of Directors.
- Advise and recommend to the Board the composition of the Board.
- Approve recruitments, promotions, redeployments, and disengagements for the Company's heads of departments that make up the Executive Management Committee.
- Review and evaluate the skills of members of the Board.
- Recommend to the Board compensation for all staff members of the Company and subsidiary Boards.
- Advise the Board on corporate governance standards and policies.
- Review and approve all human resources, risk, internal control, governance, and other policies for the Company.

CORPORATE GOVERNANCE REPORT (Continued)

- Review and recommend to the Board and Shareholders any changes to the memorandum and articles of association.
- Evaluate and appraise the performance of the Board and Board Committees and its members annually in conjunction with consultants.
- Monitor compliance with all legal and regulatory requirements.

Membership of the Committee during the year comprised non-executive directors as follows:

Ms. Olayinka Ogunsulire	-	Chairman/Independent Non-Executive Director
Mr. Samuel Nwanze	-	Member
Mr. Ayodeji Adigun	-	Member
Mrs. Agatha Obiekwugo	-	Member

The table below shows the frequency of meetings of the NAGC in 2021 and members' attendance:

Directors	Date of Meetings Held	Number of meetings attended	Date of meetings not attended
Ms. Olayinka Ogunsulire	8th February 2021 14th April 2021 13th July 2021 13th October 2021	4	N/A
Mr. Sam Nwanze	8th February 2021 retired from his position as a Director at the AGM held on March 22, 2021.	1	N/A
Mr. Ayodeji Adigun	8th February 2021 14th April 2021 13th July 2021 13th October 2021	4	N/A
Mrs. Agatha Obiekwugo	8th February 2021 14th April 2021 13th July 2021 13th October 2021	4	N/A

N/A means "Not Applicable"

2.16.2 Finance, Risk & General-Purpose Committee

The Finance, Risk & General-Purpose Committee (FRGPC) is tasked with the following terms of reference:

- Review and approve the company's risk management policy including risk appetite and risk strategy.
- Review the adequacy and effectiveness of risk management and controls.
- Oversight of the Management's process for the identification of significant risks across the Company and the adequacy of prevention, detection, and reporting mechanisms.
- Review of the Company's compliance level with applicable laws and regulatory requirements that may impact the Company's risk profile.
- Periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile.
- Review and recommend for approval of the Board risk management procedures and controls for new products and services.
- Discharge the Board's responsibilities for Information Technology (IT) governance and IT security and ensure it aligns with the Company's objectives, enables the business strategy, delivers value, and improves performance.
- Ensure that risk assessments are performed continuously.
- Monitor and assess the integrity of the overall risk management framework of the Company.
- Discharge the Board's responsibilities concerning strategic direction and budgeting.
- Provide oversight on financial matters and the performance of the Company.
- Review and recommend investment opportunities or initiatives to the Board for decision.
- Recommend financial and investment decisions within its approved limits.
- Monitor and assess the overall integrity of the financial statements and disclosures of the financial condition and results of the Company.
- Formulate and shape the strategy of the Company.
- Review the Company's investment portfolio.
- Recommend Company policies relating to risk, finance, and investment.

During the period under review in 2021, membership of the Committee comprised four (4) non-executive directors and one (1) executive director as follows:

Mr. Ayodeji Adigun	-	Chairman / Non-Executive Director
Ms. Olayinka Ogunsulire	-	Member / Independent Non-Exective Director
Mr. Samuel Nwanze	-	Member/Independent Non-Executive Director
Mrs Uzoamaka Oshogwe	-	Member / Executive Director
Mrs Agatha Obiekwugo	-	Member / Non-Executive Director

The table below shows the frequency of meetings of the FRGPC in 2021 and members' attendance:

Directors	Date of Meetings Held	Number of meetings attended	Date of meetings not attended
Mr. Samuel Nwanze	8th February 2021 14th April 2021 13th July 2021 13th October 2021	1	Mr. Nwanze retired as a Director from the Board on 22nd March 2022.
Mr. Ayodeji Adigun	8th February 2021 14th April 2021 13th July 2021 13th October 2021	3	Mr. Adigun was appointed to the Board on 15th February, 2021
Mrs. Uzoamaka Oshogwe	8th February 2021 14th April 2021 13th July 2021 13th October 2021	4	N/A
Ms. Olayinka Ogunsulire	8th February 2021 14th April 2021 13th July 2021 13th October 2021	4	N/A
Mrs. Agatha Obiekwugo	8th February 2021 14th April 2021 13th July 2021 13th October 2021	4	N/A

N/A means "Not Applicable"

2.17 Statutory Audit Committee

The Statutory Audit Committee (SAC) was set up in accordance with the provisions of the CAMA 2020. It comprises of Non-Executive Directors and ordinary shareholders elected at the 8th Annual General Meeting of the Company which was a hybrid (Proxy and Physical) meeting held on 22nd March 2021. Its terms of reference include the monitoring of processes designed to ensure compliance by the Company in all respects with legal and regulatory requirements, including disclosure, controls, and procedures. It evaluates annually, the independence and performance of the External Auditors. The Committee also reviews with Management and the External Auditors, the annual audited financial statement before submission to the Board.

Membership of the Committee in 2021 comprised the following:

Mr. Joshua Okorie - Chairman
Alhaji Wahab A. Ajani - Member
Ms. Moyosore Ayanwamide - Member
Ms. Olayinka Ogunsulire - Member / Independent Non-Executive Director
Mr. Samuel Nwanze - Member / Non-Executive Director
Mr. Ayodeji Adigun - Member / Non-Executive Director

The table below shows the frequency of meetings of the SAC in 2021 and members'

Directors	Date of Meetings Held	Number of meetings attended	Date of meetings not attended
Mr. Joshua Okorie	8th February 2021 14th April 2021 13th July 2021 14th October 2021	4	N/A
Alhaji Wahab A. Ajani	8th February 2021 14th April 2021 13th July 2021 14th October 2021	4	N/A
Miss Moyosore Ayanwamide	8th February 2021 14th April 2021 13th July 2021 14th October 2021	4	N/A
Mr. Samuel Nwanze	8th February 2021 14th April 2021 13th July 2021 14th October 2021	1	Mr. Nwanze retired from the Board on the 22nd of March 2021.
Ms. Olayinka Ogunsulire	8th February 2021 20th April 2021 21st July 2021 16th October 2021	4	N/A
Mr. Ayodeji Adigun	14th April 2021 13th July 2021 14th October 2021	3	Mr. Adigun was appointed on Board on 15th February, 2021.

N/A means "Not Applicable"

3. THE EXECUTIVE MANAGEMENT COMMITTEE

The Executive Management Committee (EMC) comprises senior management of the Company. The EMC is tasked with the following terms of reference:

- To Articulate the strategy of the Company and recommend same to the Board.
- To discuss strategic matters and their impact on the Company's property and investment portfolio.
- To outline the manner and techniques in which the Company's objectives shall be accomplished.
- Execute the Company's strategy.
- Identify, analyze and make recommendations on risks arising from the day-to-day operations of the Company and its investments.
- Prepare annual financial plans to be approved by the Board and ensure that all the Company's objectives are achieved.

4. SHAREHOLDERS RIGHTS

The Board of the Company has always placed considerable importance on effective communication with shareholders. It ensures that the rights of shareholders are protected at all times. Notice of meetings and all statutory notices and information are communicated to the shareholders regularly.

The Company's Annual General Meetings provide shareholders with the platform to contribute to the administration of the Company. The Annual General Meetings (AGMs) are held in accessible locations and are open to shareholders or their proxies. The AGMs are conducted in a manner that facilitates shareholders' participation in accordance with relevant regulatory and statutory requirements. The Company encourages shareholders to attend these meetings whilst ensuring that notices of meetings and other information required by shareholders to make informed decisions are dispatched in a timely manner. The office of the Company Secretary additionally affords shareholders channels of communication to the Board and the Management of the Company.

5. HUMAN RESOURCES

Diversity

The Company seeks to achieve adequate representation of female at the Board and top management levels based on the identification of candidate with the requisite criteria set out in its policies. As a result, the Company currently has 60% female and 40% male representation on the Board while the Executive Management Team has 44% female and 56% male representation respectively.

Employment Share Owner Scheme

The Company does not adopt an employee share ownership scheme.

Internal Management Structure

Afriland's organizational structure requires unit head to be accountable to the Managing Director / Chief Executive Officer who is responsible for the day-to-day operations of the company. Staff member are in turn accountable to respective unit heads. This sets out a structure where all officers are duly accountable for their duties and responsibilities which are clearly define through key performance indices and create adequate level of checks and balances.

REPORT OF THE DIRECTORS

REPORT OF THE DIRECTORS

For the year ended 31 December 2021

The directors have the pleasure to present to the members of the Afriland Properties Plc ("the Company") their report together with the audited financial statements for the year ended 31 December 2021.

LEGAL FORM

Afriland Properties Plc was incorporated as a public limited liability Company on 14 March 2007 and is headquartered in Lagos, Nigeria with other satellite locations in Abuja, Port-Harcourt, and Benin. The company began operations on 1 February 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company is real estate investment and development as well as offering a broad range of products/services along the Real Estate Value chain to the general public.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Company's affairs continues to be satisfactory and there has been no material change since the reporting date, which would affect the financial statements as presented.

CHANGE IN REPORTING FRAMEWORK

There was no change in the Company's accounting policies during the year

RESULTS FOR THE YEAR

	2021 ₦'000	2020 ₦'000
Revenue	1,626,878	1,413.978
	=========	=========
Profit before taxation	1,603,877	1,009,285
Taxation	(1,648,610)	1,056,370
	-------------	-------------
Loss for the year	(44,733)	2,065,655
	========	========

DIVIDEND

The Directors have recommended the payment of a dividend of 10 kobo per share of the outstanding ordinary shares of 1,373,900,000 in respect of the year ended 31 December 2021 (2020: payment of a dividend of 5k per share of the outstanding ordinary shares of 1,373,900,000). The dividend shall become payable upon approval by the shareholders at the annual general meeting.

PROPERTY, PLANT, AND EQUIPMENT

Information relating to changes in property, plant, and equipment (PPE) during the year is shown in Note 12 of the audited financial statements. In the opinion of the Directors, the market value of the Company's PPE is not less than the value shown in the audited financial statements.

ACQUISITION OF OWN SHARES
The company has not purchased any of its own shares during the year under review. (2020: Nil).

DIRECTORS
The names of the Directors at the date of this report and of those who held office during the year are as follows:

Director	Position
Emmanuel Nnorom	Chairman
Uzoamaka Oshogwe	Managing Director/Chief Executive Officer
Olayinka Ogunsulire	Independent Non-Executive Director
Samuel Nwanze	Non-Executive Director
Agatha Obiekwugo	Non-Executive Director
Ayodeji Adigun	Non-Executive Director
Obong Idiong	Non-Executive Director
Olubunmi Akinremi	Independent Non-Executive Director

Directors' Interest In Shares
The direct and indirect interests of the Directors in the issued share capital of the Company as recorded in the register of Directors' shareholdings and/or as notified by the Directors for the purpose of Sections 301 and 302 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 are as follows:

	31 December 2021		31 December 2020	
	Direct Holding	**Indirect Holding**	**Direct Holding**	**Indirect Holding**
Emmanuel Nnorom	317,647	66,158	317,647	66,158
Uzoamaka Oshogwe	836,128	-	836,128	-
Olayinka Ogunsulire	248	-	248	-
Samuel Nwanze	-	-	19,202	-
Agatha Obiekwugo	1,367	-	1,367	-
Ayodeji Adigun	-	-	-	-
Obong Idiong	955	-	-	-
Olubunmi Akinremi	23,905	-	-	-
	1,180,250	**66,158**	**1,174,592**	**66,158**

Directors' interest in contracts
None of the Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act 2020, of any disclosable interest in contracts in which the Company is involved as at 31st December 2021 (2020: Nil).

Analysis of shareholding
According to the Register of Members, no shareholder held more than 5% of the ordinary shares issued by the Company as 31st December 2021 (2020: Nil).

Shareholding range analysis
The shareholding range analysis as at reporting date is shown below:

RANGE ANALYSIS AS AT 31-12-2021

Range			No. of Holders	Holders %	Holders Cum.	Units	Units %	Units Cum.
1	-	10,000	276,346	98.43%	276,346	140,943,503	10.26%	140,943,503
10,001	-	50,000	3,506	1.25%	279,852	73,027,100	5.32%	213,970,603
50,001	-	100,000	447	0.16%	280,299	31,379,735	2.28%	245,350,338
100,001	-	500,000	330	0.12%	280,629	63,808,969	4.64%	309,159,307
500,001	-	5,000,000	80	0.03%	280,709	101,638,235	7.40%	410,797,542
5,000,001	-	50,000,000	26	0.01%	280,735	361,332,053	26.30%	772,129,595
50,000,001	-	2,000,000,000	10	0.00%	280,745	601,770,405	43.80%	1,373,900,000
Grand Total			**280,745**	**100%**		**1,373,900,000**	**100%**	

RANGE ANALYSIS AS AT 31-12-2020

Range			No. of Holders	Holders %	Holders Cum.	Units	Units %	Units Cum.
1	-	10,000	276,346	98.43%	276,346	140,943,503	10.26%	140,943,503
10,001	-	50,000	3,506	1.25%	279,852	73,027,100	5.32%	213,970,603
50,001	-	100,000	447	0.16%	280,299	31,379,735	2.28%	245,350,338
100,001	-	500,000	330	0.12%	280,629	63,808,969	4.64%	309,159,307
500,001	-	5,000,000	80	0.03%	280,709	101,638,235	7.40%	410,797,542
5,000,001	-	50,000,000	26	0.01%	280,735	361,322,053	26.30%	772,129,595
50,000,001	-	2,000,000,000	10	0.00%	280,745	601,770,405	43.80%	1,373,900,000
Grand Total			**280,745**	**100%**		**1,373,900,000**	**100%**	

EMPLOYMENT AND EMPLOYEES

Employment of disabled persons

No disabled person was employed by the Company during the year ended 31 December 2021. However, it is the Company's policy to consider disabled persons for employment, bearing in mind the respective aptitudes and abilities of the applicants concerned.

Health, Safety, and Welfare of Employees at Work

The company places a high premium on the health, safety, and welfare of its employees in their places of work. To this end, the Company has various forms of insurance policies including group life insurance to adequately secure and protect its employees. The company also has in place a healthcare insurance scheme for employees and their immediate family members' medical needs.

Employees' Interest and Training
The company places considerable value on the development of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and other forms of communication. The company organizes in-house and external training for its employees based on the requirements of their job. Overseas courses are also arranged where and when necessary.

CHARITABLE CONTRIBUTIONS AND DONATIONS
The company made provision of ₦26,844,090 for charities during the year ended 31 December 2021 (2020: ₦25,000,000).

EVENTS AFTER REPORTING DATE
As stated in Note 36, there are no other events or transactions that have occurred since the reporting date which would have a material effect on the financial statements as presented.

FORMAT OF FINANCIAL STATEMENTS
The financial statements have been prepared in accordance with the reporting and presentation requirements of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the provisions of the Companies and Allied Matters Act, 2020. The directors consider that the format adopted is the most suitable for the Company.

AUDITORS
Ernst & Young have expressed their willingness to continue in office as the Company's auditors in accordance with Section 357(2) of the Companies and Allied Matters Act 2020.

A resolution will be proposed at the Annual General Meeting authorizing the Directors to fix their remuneration.

BY ORDER OF THE BOARD

OMOMENE OBANOR
COMPANY SECRETARY
FRC/2022/PRO/NBA/002/057966
Lagos Nigeria
30th August 2022

SUSTAINABILITY REPORT

SUSTAINABILITY REPORT

Afriland Properties Plc understands the importance of integrating environmental and social standards with its business strategies and operations. With this in view, the Company adopts sustainability policies that ensure its continued growth for the ultimate benefit of all stakeholders.

To build a successful company underpinned by excellence, execution, and entrepreneurship and to create sustainable value for its stakeholders in its chosen markets, the Company recognizes the need for efficient use of its human, social, and capital resources overarched with a practical approach to corporate governance.

In line with our commitment to sustainable development, we are committed to ensuring the health, safety, and welfare of our employees; continuous learning and improvement, and adherence to all national laws and regulations in the industry and locations where we operate.

COMMUNITY INVESTMENT AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

Just as Afriland recognizes legitimate land tenure and the rights of local communities and individuals, we commit to encouraging and respecting the rights of indigenous folks, vulnerable groups, and local communities while ensuring that their concerns are properly addressed where we operate.

PRESERVING THE ENVIRONMENT

The Company adopts policies that seek to protect and enhance the environment by minimizing wastage, being energy efficient, and avoiding, causing, or contributing to adverse social and environmental impacts in its construction projects.
Our efforts towards sustainability are etched towards constructing and maintaining energy-efficient and high-performing buildings, geared towards reduction in maintenance cost, reduction in utility bills, and optimal use of space.

Furthermore, the Company seeks to improve occupants' experiences within our construction projects by improving their lifestyle with the provision of recreational activities like gym, relaxation spots, library, hang-out zone, etc. which creates a more fulfilling experience for the employees and occupants. This overall improves indoor environmental quality.

Afriland's sustainability strategies are being driven through our efficient buildings and improved operations and excellence in property management and our facilities management operations.

ETHICS AND WHISTLEBLOWING

Afriland is committed to high ethical standards with the Board of Directors setting the tone at the top. The Company's Code of Conduct Policy accurately serves as a guide to all directors, employees, and third-party vendors. Furthermore, to ensure continued commitment to ethical practices, the Company has in place its Whistle Blowing Policy and channels through which complaints can be made. One of those channels is available on the Company's website.

PROHIBITION AGAINST CORRUPT PRACTICES

The Company shuns and does not endorse bribery and corrupt practices which are express provisions embedded in our Code of Conduct policy.

HUMAN RESOURCES

- **Diversity**

  All decisions about recruitment and selection, career advancement, compensation, benefits, and training are based solely on the individual's qualifications, performance assessment, merit, and business need in accordance with the provisions of the Human Resource policies contained in this manual.

  Discrimination of any individual employee or group of employees based on gender, nationality, or religion by another employee, if proven, will be regarded as a sanctionable offense.

- **Workplace Development Initiatives**

  The Company promotes a cordial work environment among colleagues through policies that guide employee behavior to ensure there is no harassment and enhance teamwork.

  Notwithstanding the challenges posed by the Covid-19 restrictions, staff members attended varying virtual training ranging from training targeted to help deal with the changing work conditions arising from the pandemic, mental health, managing stress to different technical pieces of training beneficial to enhance their productivity.

- **Health and Safety**

  The Company maintains business premises and work environments that guarantee the safety and health of its employees and other stakeholders. The Company's rules and practices in this regard are reviewed and tested regularly.

  Safety regulations are in place within the Company's premises and employees are regularly informed of the regulations. The Company ensures that visitors undergo security checks before gaining access to its offices. With the Government's directive on the limited gathering of persons due to the COVID-19 pandemic, restrictions on visitors have been put in place to safeguard staff members.

  A wellness check was also organized for the entire workforce to check the soundness of their health conditions during the year. For employees to express their grievances or make suggestions on ways to improve the Company's systems and processes, the Company held town hall meetings with the Managing Director and executive management team.

- **Employment and Labor Relations**

  We maintain a robust orientation program for new employees. The orientation program provides a smooth and seamless transition for new employees. All aspects of our business operations, procedures, processes, and policies are taught to new employees.

  For existing employees, we maintain a reward system by giving out long service awards to employees who have remained and are committed to the organization for more than 5 years and also recognize high performers.

  We also have male and female representation in the workforce. Remunerations are offered on an equal basis to men and women who are at the same level in the organization irrespective of gender.

  Recruitment is carried out without prejudice and with respect for the human rights of all parties involved.

  Employees are granted access to engage in continuous training and career advancement programs without any form of discrimination.

AFRILAND PROPERTIES

BOARD EVALUATION REPORT

AA&Co

Angela Aneke & Co. Suite 81 Dolphin Plaza, Corporation Drive, Dolphin Estate, Lagos, Nigeria, boardevaluations@angelaanekeco.com

March 7, 2022

Statement by the External Consultants on the Board Evaluation of Afriland Properties Plc. for the year ended December 31, 2021

The Board of Directors of Afriland Properties Plc. (the "Company") engaged Angela Aneke & Co. Limited to perform an evaluation of the Board for the year ended December 31, 2021, in line with the requirements of Principle 14 of the Financial Reporting Council's Nigerian Code of Corporate Governance (FRC Code). The agreed scope of services for the evaluation exercise was specified in our letter of engagement.

The criteria for our review and report are benchmarked on the principles in the FRC Code, Securities and Exchange Commission Corporate Governance Guidelines (SCGG), the Company's Corporate Governance Framework, as well as global best practice.

Our methodology included a review of documents provided by the Company, research on global best practice, interviews, and questionnaires, including an online self and peer assessment by members of the Board. Our detailed report has been submitted to the Board of Directors for their adoption and further action.

The Chairman of the Board effectively leads the operations of the Board to ensure the company's strategic objectives are met and acts as the main link between the Board and the CEO as well as advising the CEO in the effective discharge of her duties.

The Board of Afriland Properties Plc has a formalized Board Governance Charter. The mandates and terms of reference of the Board Committees are clearly defined in the Board Governance Charter and they address the effective monitoring of financial performance, strategy, governance, remuneration, risk management, internal audit and controls, regulatory compliance, and information technology governance. Furthermore, Directors achieved 100% attendance at all the Board and Board Committee meetings held in 2021.

The Board and its Committees have an appropriate mix and balance of skills and diversity including experience and gender. The Board is composed of seasoned professionals with a wealth of experience committed to the long-term success of the Company. The Board was refreshed in 2021 and 3 new Directors were appointed in the course of the year.

The Board executed its functions of Strategic Direction, Policy Formulation, Decision Making and Oversight within the year objectively and effectively aided by the diverse background of Board members. It is a cohesive Board and Directors are rated highly by their peers.

On the basis of our work, we conclude that the Board of Afriland Properties Plc. operates effectively and continues to demonstrate a commitment to maintaining strong corporate governance in line with global best practice. It has a formal corporate governance framework in place and the Company has satisfactorily applied the 28 principles of the FRC Code.

Yours faithfully,
FOR: **Angela Aneke & Co. Limited**

Angela Aneke

Angela Aneke
Managing Director

CORPORATE GOVERNANCE EVALUATION REPORT

AA&Co

Angela Aneke & Co. Suite 81 Dolphin Plaza, Corporation Drive, Dolphin Estate, Lagos, Nigeria, boardevaluations@angelaanekeco.com

March 7, 2022

Statement by the External Consultants on the Corporate Governance Evaluation of Afriland Properties Plc. for the year ended December 31, 2021.

The Board of Directors of Afriland Properties Plc. (the "Company"), engaged Angela Aneke & Co. Limited to perform a Corporate Governance evaluation for the year ended December 31, 2021, in line with the requirements of Principle 15 of the Financial Reporting Council's Nigerian Code of Corporate Governance (FRC Code). The agreed scope of services for the evaluation exercise was specified in our letter of engagement.

The criteria for our review and report are benchmarked on each of the 28 principles of the FRC Code of Corporate Governance, Securities and Exchange Commission Corporate Governance Guidelines (SCGG), the Company's Corporate Governance Policies and Charters, as well as global best practice.

Our methodology included a review of documents provided by the Company, research on global best practice, interviews, and questionnaires, including an online self and peer assessment by members of the Board. Our detailed report has been submitted to the Board of Directors for their adoption and further action.

Afriland Properties Plc. has formal policies and charters that guide the governance culture of the Company. The Board of Afriland Properties Plc. has an approved Board Governance Charter. The mandates and terms of reference of the Board Committees are clearly defined in the Board Governance Charter and they address the effective monitoring of financial performance, strategy, governance, remuneration, risk management, internal audit and controls, regulatory compliance, and information technology. Policies that address risk management, internal control, code of conduct, business ethics, shareholder engagement and disclosures are formalized at Afriland Properties Plc.

A framework for managing risk and internal control is in place at Afriland Properties Plc. The risks the company faces and risk mitigating strategies are reported to the Board at its quarterly meetings. The internal control function also provides assurance to the Board and its Committees on its effectiveness at its quarterly meetings. A whistle blowing framework for reporting illegal and unethical behavior is in place. The Company also acted as a responsible citizen by embarking on several corporate social responsibility activities in 2021.

On the basis of our work, we conclude that corporate governance practices at Afriland Properties Plc. are formalised and are in line with global best practice. The corporate governance framework of the Company has satisfactorily applied the 28 principles of the FRC Code.

Yours faithfully,
FOR: **Angela Aneke & Co. Limited**

Angela Aneke

Angela Aneke
Managing Director

STATUTORY AUDIT COMMITTEE REPORT

For the year ended 31 December 2021

TO THE MEMBERS OF AFRILAND PROPERTIES PLC

In accordance with the provisions of section 404(7) of the Companies and Allied Matters Act, 2020, we the members of the Statutory Audit Committee hereby report as follows:

- The Statutory Audit Committee met in exercise of its statutory responsibilities in accordance with section 404(7) of CAMA;
- We have examined the auditor's report including the financial statements for the year ended 31st December 2021;
- We have deliberated with the external auditors, reviewed their findings and recommendations and confirm that the auditors' report for this period is consistent with our review; and
- We are satisfied that the accounting and reporting policies of the Company are in accordance with legal requirements and meet ethical standards.

Members of the Statutory Audit Committee

1	Mr. Joshua Okorie	-	Chairman
2	Alhaji Wahab A. Ajani	-	Member
3	Miss Moyosore Ayanwamide	-	Member
4	Mr. Ayodeji Adigun	-	Member/Non-Executive Director
5	Ms. Olayinka Ogunsulire	-	Member/Independent Non-Executive Director

Joshua Okorie
CHAIRMAN, STATUTORY AUDIT COMMITTEE
FRC/2020/003/00000020811

30th August 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES
For the year ended 31 December 2021

The Companies and Allied Matters Act, 2020, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, 2020 and Financial Reporting council of Nigerian Act No. 6, 2011;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board and the requirements of the Companies and Allied Matters Act, 2020.

The directors are of the opinion that the audited financial statements give a true and fair view of the state of the financial affairs of the Company and of its loss for the year ended 31 December 2021. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the audited financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Emmanuel Nnorom
Chairman
FRC/2014/ICAN/00000007402

Uzoamaka Oshogwe
Managing Director/ Chief Executive Officer
FRC/2013/IODN/00000004689

INDEPENDENT AUDITOR'S REPORT

EY
Building a better working world

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Independent Auditor's Report

To the Shareholders of Afriland Properties Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Afriland Properties Plc ('the Company'), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Afriland Properties Plc as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria Act No. 6, 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing the audit of the Company. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of the Company. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Building a better working world

Independent Auditor's Report

To the Shareholders of Afriland Properties Plc

Report on the Audit of the Financial Statements - Continued

Key Audit Matter	How the matter was addressed in the audit
Goodwill impairment assessment The balance of goodwill on acquisition of Heirs Real Estate Limited in 2014 of N561.18 million is allocated to cash generating units ('CGUs') for the purpose of impairment testing. The goodwill impairment assessment involves judgment and forecast future cash flows associated with the utilization of goodwill, the discount rates, the growth rate of revenue and costs to be applied in determining the value-in-use and future business performance. No impairment was recorded against goodwill in the current financial year (2020: Nil). The disclosure of the goodwill impairment assessment is set out in Note 16.	Our audit procedures include, amongst others, the following: > We checked the accuracy of the underlying model to assess whether the processes are applied to the correct input data and the outputs are mapped accurately. > We evaluated management's future cash flow forecasts and the process by which they were determined and approved, including checking that the forecasts were consistent with the latest Board approved budgets and confirming the mathematical accuracy of the underlying calculations. > We considered the accuracy of previous Management forecasts. > We assessed evidence regarding the carrying value of goodwill, and the related disclosures, through challenging: - key assumptions for growth rates in the cash flow forecasts by comparing them to historical results, and economic forecasts; and - the discount rates by independently estimating a range based on market data. > We performed sensitivity analysis around these assumptions to asssess the extent of change that individually, or in combination, would be required for the goodwill to be impaired. > We reviewed the appropriateness of the disclosures provided in accordance with IAS 36 'Impairment of Assets.
Valuation of investment properties Investment properties upon valuation, amounted to a gain of N721 million (2020: N10.32 billion). The value of the properties was assessed by a professional valuer using the market data approach based on recent sales transaction of similar properties in comparable location. As regards the buildings/structures, the depreciated replacement cost was also assessed based on current building/ construction costs indices and taking into account the condition, age, qualities, features and characteristics of the buildings/structures. The disclosure of the valuation of investment property is set out in Note 13.	Our audit procedures include, amongst other, the following: > We obtained a detailed list of investment properties that includes the related additions, disposals and reclassifications and agree balances to the respective general ledger accounts. > For significant properties acquired during the year, we confirmed that the allocation of purchase price is in accordance with the entity's accounting policies and applicable financial reporting framework and that the total purchase price is in accordance with the relevant supporting documentations showing the cost. > For significant property disposals during the year, we reviewed the executed agreement and verified that all requirements to recognize a gain on sale have been met, in accordance with the entity's accounting policies and applicable financial reporting framework. We also obtained the calculation of the gain on disposal and reviewed for mathematical accuracy, traced and verified the gain on disposal to the trial balance and checked that cash was received to bank statement. > For properties selected for fair value testing, we reviewed the investment valuation report and also had an understanding of the qualifications of the professional valuer that carried out the valuation assessment. We also assessed the validity of underlying market data used in the assessment and the reasonableness of the prevailing conditions in the real estate market and verified that appropriate adjustments are made in accordance with the entity's accounting policies and applicable financial reporting framework.

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Independent Auditor's Report

To the Shareholders of Afriland Properties Plc

Report on the Audit of the Financial Statements - Continued

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Afriland Properties Plc Annual Report, Audited Financial Statements and Other National Disclosures for the year ended 31 December 2021", which includes the Report of the Directors, Statement of Corporate Responsibility for the financial statements, Statement of Director Responsibilities, Audit Committee Report and other National Disclosures which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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. All other information has been obtained before the date of the audit report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria Act No. 6, 2011, 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.

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 judgment and maintain professional skepticism 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 controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.

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Independent Auditor's Report

To the Shareholders of Afriland Properties Plc

Report on the Audit of the Financial Statements - Continued

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, 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) in our opinion proper books of account have been kept by the Company, in so far as it appears from our examination of those books; and
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.

Omolola Alebiosu, FCA
FRC/2012/ICAN/00000000145
For: Ernst &Young
Lagos, Nigeria

30th August 2022

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0008408

AFRILAND PROPERTIES

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- Family Lounge
- 22 Parking Slots
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- Utility Room
- Reception/ Entrance
- Recreational Facilities

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Notes	2021 ₦'000	2020 ₦'000
Revenue from contract with customers			
Fees and commission	4	849,074	662,348
Project management	5	93,852	134,147
		942,926	**796,495**
Other revenue			
Rental income	6	683,952	611,403
Sales of inventory property (Build to sell)		-	14,535
Cost of sales on inventory property		-	(8,455)
Profit on inventory property		**-**	**6,080**
Total rental income and net revenue from contracts with customers		**1,626,878**	**1,413,978**
Other operating income	7	300,445	178,804
Administrative expenses	8	(1,004,132)	(10,952,698)
		(703,687)	**(10,773,894)**
Profit on disposal of investment properties	13.1	11,780	211,817
Valuation gains from investment properties	13	721,353	10,320,896
Net gains on investment properties		**733,133**	**10,532,713**
Operating profit		**1,656,324**	**1,172,797**
Finance income	9	59,015	47,648
Finance cost	9.1	(111,462)	(211,160)
Net finance cost		**(52,447)**	**(163,512)**
Profit before taxation		1,603,877	1,009,285
Income tax (expense)/ credit	10	(1,648,610)	1,056,370
(Loss)/ profit for the year		**(44,733)**	**2,065,655**
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Fair value gain/ (loss) on equity instrument measured at fair value through Other comprehensive income	17	360,450	(203,400)
Total comprehensive income for the year		**315,717**	**1,862,255**
Earnings per share:			
Basic/ diluted (loss)/ earnings per share (Naira)	11	(0.03)	1.50

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

STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Notes	2021 ₦'000	2020 ₦'000
Assets			
Non-current assets			
Property, plant and equipment	12	74,929	128,340
Investment properties	13	12,196,578	22,426,720
Right-of-use assets	15	1,575	2,475
Intangible assets	16	563,120	563,009
Equity instrument at fair value through OCI	17	1,089,450	729,000
Prepayments	18.1	20,344	3,063
		13,945,996	**23,852,607**
Current Assets			
Inventory property	14	477,576	4,228
Trade and other receivables	19	1,485,590	2,196,470
Other assets	20	27,195	136,158
Prepayments	21	27,033	35,756
Cash and short-term deposit	22	1,337,440	844,111
		3,354,834	**3,216,723**
Total assets		**17,300,830**	**27,069,330**
Equity and Liabilities			
Equity			
Share capital	23.1	686,950	686,950
Share premium	23.2	2,944,271	2,944,271
Fair value reserve of financial assets through OCI		145,050	(215,400)
Retained earnings		6,243,218	6,356,646
Total equity		**10,019,489**	**9,772,467**
Non Current Liabilities			
Contract liabilities	25	6,076	13,734
Interest-bearing loans and borrowings	27.1.1	-	7,911,030
Deferred tax liabilities	26.2	1,326,764	-
		1,332,840	**7,924,764**
Current Liabilities			
Trade and other payables	24	2,805,478	3,155,378
Interest-bearing loans and borrowings	27.1.2	-	3,107,176
Contract liabilities	25	2,787,096	2,946,764
Income tax payable	26.1	355,927	162,781
		5,948,501	**9,372,099**
Total liabilities		**7,281,341**	**17,296,863**
Total equity and Liabilities		**17,300,830**	**27,069,330**

The audited financial statements were approved by the Board of Directors on 26th August 2022 and signed on behalf of the Board of Directors by:

Emmanuel Nnorom	Uzoamaka Oshogwe	Obiorah Ozugha
Chairman	Managing Director/ CEO	Chief Financial Officer
FRC/2014/ICAN/00000007402	FRC/2013/IODN/00000004689	FRC/2013/ICAN/00000004513

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

AFRILAND PROPERTIES

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Notes	Issued share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Fair value reserve of financial assets through OCI ₦'000	Total equity ₦'000
At 1 January 2021		686,950	2,944,271	6,356,646	(215,400)	9,772,467
Loss for the year		-	-	(44,733)	-	(44,733)
Other comprehensive income for the year, net of tax		-	-	-	360,450	360,450
Cash dividend	23.3	-	-	(68,695)	-	(68,695)
At 31 December 2021		**686,950**	**2,944,271**	**6,243,218**	**145,050**	**10,019,489**
At 1 January 2020		686,950	2,944,271	4,428,381	(12,000)	8,047,602
Profit for the year		-	-	2,065,655	-	2,065,655
Other comprehensive income for the year, net of tax		-	-	-	(203,400)	(203,400)
Cash dividend	23.3	-	-	(137,390)	-	(137,390)
At 31 December 2020		**686,950**	**2,944,271**	**6,356,646**	**(215,400)**	**9,772,467**

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

AFRILAND PROPERTIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	Notes	2021 ₦'000	2020 ₦'000
Profit before taxation		1,603,877	1,009,285
Adjustments to reconcile profit before tax to net cash flows:			
Expected credit write back on financial assets	32	(955)	(11,041)
Expected credit loss charge/ (write back) on short-term deposits	22	301	(827)
Amortisation of intangible assets	16	1,709	2,588
Depreciation of property, plant and equipment	12	55,311	49,054
Depreciation of right-of-use asset	15	900	900
Gain on disposal of investment properties	13.1	(11,780)	(211,817)
Finance income	9	(59,015)	(47,648)
Bad debt written off	8	-	10,141,084
Finance cost	9.1	111,462	211,160
Fair value gain on investment properties	13	(721,353)	(10,320,896)
Working capital adjustments:			
Decrease in inventory properties		-	8,455
Decrease/ (increase) in trade and other receivables		616,059	(635,861)
Increase in prepayments		(8,558)	(4,533)
Decrease/ (increase) in other assets		108,963	(87,278)
Increase in trade and other payables		(349,900)	886,245
Decrease in contract liabilities and deferred income		(167,326)	(77,670)
		1,179,695	911,200
Income tax paid	26.1	(32,924)	(25,935)
Net cash flows from operating activities		1,146,771	885,265
Investing activities			
Purchase of equity instruments	17	-	(197,400)
Purchase of property, plant and equipment	12	(1,900)	(5,479)
Purchase of intangible assets	16	(1,820)	(1,710)
Purchase of investment properties	13	(645,153)	(297,026)
Proceeds from disposal of investment properties (net)	13.1	38,080	328,817
Interest received	9	59,015	47,648
Net cash flows (used in) investing activities		(551,778)	(125,150)
Financing activities			
Dividend paid	23.3	(68,695)	(137,390)
Repayments of loans and borrowings	27.2	-	(566,454)
Interest paid		(32,668)	-
Loan restructuring fee paid	9.1	-	(19,898)
Net cash flows used in financing activities		(101,363)	(723,742)
Net increase in cash and cash equivalents		493,630	36,373
Cash and cash equivalents at 1 January		844,508	808,135
Cash and cash equivalents at 31 December	22	1,338,138	844,508

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

Afriland Properties Plc was incorporated as a private limited liability Company on 14 March 2007 and became a public company in 2011.

Afriland Properties Plc (APP) is a Company domiciled in Nigeria. The address of the Company's registered office is 97/105 Broad Street, Lagos. The company is a property management, investment and development company offering end-to-end services along the real estate value chain, from management to joint venture investments.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as approved by the Financial Reporting Council of Nigeria Act No 6, 2011 and in accordance with Companies and Allied Matters Act, 2020.

2.2 Income and cash flow statement

"Afriland Properties Plc has elected to present a single statement of comprehensive income and presents its expenses by function."

The Company reports cash flows from operating activities using the indirect method. Interest received is presented within investing cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Company's business activities.

2.3 Basis of measurement

These financial statements are prepared on the historical cost basis except for the following:

- Investment properties which are measured at fair value.
- The investment in quoted equity instruments are classified as Fair Value through Other Comprehensive Income.

2.4 Functional and presentation currency

The financial statements are presented in Nigerian Naira (₦), which is the Company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousands (₦'000).

2.5 Going concern

The Company's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continues to be prepared on going concern basis.

2.6 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements
In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease contracts – the Company as lessor
The company has entered into commercial property leases on its investment property portfolio. The company has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

The Company as lessee
The company has a lease contract for the rented office building. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Although the lease contract contains an extension option, Management is reasonably certain that they will not exercise its option to extend but terminate at the end of the non-cancellable lease term in the contract. Refer to Note 3.18 for details.

Revenue from contracts with customers
Afriland applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Identifying performance obligations in a bundled sale of design and project management services The Company provides architectural designs that are either sold separately or bundled together with the provision of project management services to a customer. The project management services are a promise to ensure conformity to the approved design which is completed typically within a year or less than 12 months.

The Company determined that both the design and project management services are capable of being distinct. The fact that the Company regularly sells both design and project management services on a stand-alone basis indicates that the customer can benefit from either the product or service on their own. The Company also determined that the promises to transfer the design and to provide project management services are distinct within the context of the contract. The design and project management are not inputs to a combined item in the contract. The Company is not providing a significant integration service because the presence of the design and project management service together in this contract do not result in any additional or combined functionality and neither the design nor the project management service modify or customise the other. In addition, the design and project management service are not highly interdependent or highly interrelated, because the Company would be able to transfer the design even if the customer declined project management service and would be able to provide project management service in relation to products sold by other distributors.

Consequently, the Company allocated a portion of the transaction price to the design and the project management services based on contract price.

Estimates and assumption
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 described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Property, plant and equipment
The management's estimate is used in determining the depreciation rates and useful lives of these assets at the end of the period. Further details of property, plant and equipment are disclosed in Note 12.

Investment property
The Company makes use of external valuation experts. All properties are valued by external valuers on an annual basis. The following valuation assumptions are used:

In arriving at the Fair Value of the properties, we have adopted the Investment and Depreciated Current Replacement Cost Methods of Valuation. According to IFRS 13, "Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The concept of Fair Value is in line with that of Market Value as defined by the International Valuation Standards (IVS) which defined Market Value as the most probable price that an item should be bought in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from the seller to the buyer under conditions whereby: The Investment Method of Valuation entails the estimation of the rental value of the property and there from deducting outgoings necessary to maintain the property in a state to continue to command such rent and capitalizing the residue over the unexpired term of leasehold interest or in perpetuity as the case may be.

The Depreciated Current Replacement Cost Method of Valuation is the current cost of reinstating the existing structures on site with the entire site works in today's market price, depreciated adequately to reflect the physical condition, economic and functional obsolescence onto which is added the market value of the bare site in its existing use.

Further details of fair value of investment properties are disclosed in Note 13.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less, incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment losses on financial assets
The measurement of impairment losses under IFRS 9 requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models."
  "It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary."

3 Summary of significant accounting policies

3.1 Current versus non-current classification
The company presents assets and liabilities in the Statement of Financial Position based on current/non-current classification. An asset is current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
  All other assets are classified as non-current.
  A liability is current when:
- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

3.2 Goodwill

Goodwill is initially measured at cost, being the excess of the fair value of the consideration transferred and the amount recognised for non-controlling interests, and the fair value of any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3.3 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The company has determined that its chief operating decision-maker is the Chief Executive Officer (CEO) of the Company. Segment information is presented in respect of the following Company's business segments:

1 Facilities Management
2 Project Development
3 Business Development
4 Others

Others comprises transactions outside the three revenue streams, such as agency services.

3.4 Investment property

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

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the reporting date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued.

These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The company makes use of internal and external valuation experts. All properties are valued by external valuers on an annual basis. It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- The provisions of the construction contract.
- The stage of completion.
- Whether the project/property is standard (typical for the market) or non-standard.
- The level of reliability of cash inflows after completion.
- The development risk specific to the property.
- Past experience with similar constructions.
- Status of construction permits."

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.
The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in the profit or loss. Investment properties are derecognised when they have been disposed. Where the Company disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the profit or loss within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes. Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

3.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of the replaced cost is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

i. Freehold land	-	Nil
ii. Freehold building	-	50 years
iii. Plant and machinery	-	5 to 7 years
iv. Motor vehicles	-	4 to 6 years
v. Furniture, fittings and equipment	-	3 to 5 years
vi. Computer equipment	-	3 to 5 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting date. Where an indication of impairment exists, an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss for the year.

3.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.
Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised. The estimated useful lives for the current year are as follows;

Computer software - 3 years

3.7 Cash and cash equivalents

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

3.8 Inventory properties

Properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Cost includes;

i Freehold and leasehold rights for land
ii Amounts paid to contractors for construction
iii Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when paid.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs of completion and the estimated costs necessary to make the sale.
The cost of inventory property recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when paid. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included under employee benefits and part of cost of sales) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

3.9 Share capital and reserves

Shares are classified as equity when there is no obligation to transfer cash or other assets.

Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on ordinary shares

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

Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies and Allied Matters Act, 2020, a distribution is authorised when it is approved by the shareholders at the Annual General Meetings (AGM). A corresponding amount is recognised directly in equity.

3.10 Employee benefits

i Post-employment benefits - Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to Pension Fund Administrators on a statutory basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. The company operates a funded defined contribution retirement benefit scheme for its employees under the provisions of the Pension Reform Act 2014. The employer and the employee contributions are 10% and 8% respectively of the qualifying employee's salary.

ii Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.11 Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 3.16) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

3.12 Revenue recognition

Revenue is recognised under the following categories:

Revenue from contracts with customers:
- Project development income
- Sale of inventory properties
- Sale of completed property
- Sale of property under development
- Fees from facilities management services

Other revenue:
- Rental income (IFRS 16)

Other income:
- Sale of investment property
- Interest income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which Afriland expects to be entitled in exchange for those goods or services. The Company considers if it is the Principal or Agent in its revenue arrangements.

The company has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since it reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts. Afriland has been able to take a reasonable approach to determine the portfolios that would be representative of its types of customers and business lines. This has been used to categorise the different revenue stream detailed below.

Project development income
Afriland also provides Project Management services that are either sold separately or bundled together with the sale of Design to a customer. The project management services can be obtained from other providers and do not significantly customize or modify the provision of Design. Project development income consist of two separable deliverables of bundled sales whose prices are determined at 7.5% and 2.5% of contract price for design and project management respectively.

Contracts for Project Design and Project Management service are comprised of two performance obligations because the promises to provide Design and provide Project Management services are capable of being distinct and separately identifiable. Accordingly, the Company allocates the transaction price based contract price. The Company recognizes revenue from Project management services at a point in time, because the services only involve ensuring acquiescence with the design provided by the Company and such contracts are completed within a year or less than 12 months. Hence, the Company recognizes revenue generally when the project is completed. The normal credit term for Project development services is 30 to 60 days upon completion. The project management services can be obtained from other providers and do not significantly customize or modify the provision of design.

Sale of Inventory Property
The sale of inventory property can either be a completed property or property under development.

Sale of completed property
A property is regarded as sold when the control of the real estate has been transferred to the buyer, for unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied. Contracts for sale of completed property are valid contracts and enforceable at inception with a promise to deliver completed property. Revenue from sale of completed property is recognised at the point in time when control of the asset is transferred to the customer, generally on transfer of legal title of the property.

Sales of property under development
If, however, the legal terms of the contract are such that the performance obligation represents a transfer of work in progress to the purchaser, revenue will be recognized at a point in time when legal title of the property has been transferred to the customer. Hence when:

- The buyer controls the work in progress, typically when the land on which the development takes place is owned by the final customer, and
- All significant risks and rewards of ownership of the work in progress in its present state are transferred to the buyer in its incomplete state.

Accordingly, the Company recognises the transaction price in the profit or loss. There are no form of variable consideration availed to the purchaser.

Determining the timing of satisfaction of sales of Inventory Properties
The Company concluded that revenue for sales of inventory properties is to be recognised at a point in time; when the customer obtains control of the property. Afriland assess when control is transferred using the indicators below:

- The Company has a present right to payment for the property sold;
- The Customer has legal title to the property;
- The Company has performed its obligations in the contract;
- The Company has transferred control of the asset and payment has been received; and
- The Customer has accepted the asset

Contract assets
If the Company performs by transferring uncompleted properties to a customer before the customer pays consideration or before payment is due contingent on the condition that the property is completed by the Company, a contract asset is recognised for the earned consideration.

Fees and commission
The Company recognises revenue from facilities management over time as service is being performed. The normal credit term is between 30-60 days. The entity recognises revenue from project directorate services over time. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. More so, revenue from agency services is recognised at a point in time, where control is transferred, generally when the customer accepts and pays for the property.

Determining the timing of satisfaction of Facilities Management Services
The company concluded that revenue from Facilities Management is to be recognised over time; as service is being performed which automatically transfers control.

Service charges, management charges and other expenses recoverable from tenants
Income arising from expenses recharged to tenants is recognised in the period in which the compensation becomes receivable. Service and management charges and other such receipts are included in Net rental income gross of the related costs, as the Directors consider that the Company acts as principal in this respect.

Determining the timing of satisfaction of Project Management Services Project management service involves acceptance of design provided by the company. Afriland concluded that revenue for project management services exist at a point in time.

Determining the timing of satisfaction of Project Directorate Services Afriland concluded that revenue for percentage project directorate services exist over-time. Project directorate service contracts are enforceable at inception.

Principal versus agent considerations
The entity sources accommodation, acquires and disposes properties, and negotiates, collect, and pay rent on behalf of its customers. The Company does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Company is acting as an agent, the commission rather than gross income is recorded as revenue. Hence, when it satisfies a performance obligation, the entity recognises revenue in the amount of any fee or commission to which it expects to be entitled

in exchange for arranging for the specified goods or services to be provided by the other party. It records revenue on the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party. It also considers if it is a Principal or Agent in its arrangements with customers. Therefore, the Company has determined that it is an Agent in these contracts and thus, recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party. It records revenue on the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

Determining the timing of satisfaction of Agency Services

The Company concluded that revenue for agency services is to be recognised at a point in time; when the customer obtains control of the product or service. It assesses when control is transferred using the indicators below:

- The Company has a present right to payment for the service;
- The Customer has legal title to the goods;
- The Company has performed its obligations in the contract;
- The Company has transferred control of the asset and payment has been received; and
- The Customer has accepted the asset

Other income

Sale of Investment property Income from the sale of investment properties is recognised by the entity when the control have been transferred to the customer, which is considered to occur when title passes to the customer, all managerial responsibilities and control are completely devolved to the customer and where the costs and income on sale can be measured reliably. Control is transferred when the legal title or possession is passed to the customer. The granting of the legal title is an administrative matter that can have significant delays. Determining the timing of satisfaction of sales of Investment Properties The Company concluded that revenue for sales of investment properties is to be recognised at a point in time; when the customer obtains control of the property. Afriland assess when control is transferred using the indicators below:

- The Company has a present right to payment for the property sold;
- The Customer has legal title to the goods;
- The Company has performed its obligations in the contract;
- The Company has transferred control of the asset and payment has been received; and
- The Customer has accepted the asset

Rental income

The Company is the lessor in operating leases. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease.

Interest
Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently. The calculation of the effective interest rate includes all fees and points paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

3.13 Income tax expense
Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the exposure method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

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

3.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.16 Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are initially measured at fair value plus transaction costs.

i. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, as they initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in Note 3.12 Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the entity commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in three categories:
- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. It measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows And
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.
The financial assets at amortised cost includes trade and other receivables, staff loans, sundry debtors, cash and short-term deposits.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Company elected to classify irrevocably its listed equity investments under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the entity's statement of financial position) when:

- The rights to receive cash flows from the asset have expired Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  (a) it has transferred substantially all the risks and rewards of the asset, or
  (b) it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the entity has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Entity continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entity has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and rent receivables, the Company applies a simplified approach in calculating ECLs. Therefore, it does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. For short-term deposit, the general approach was adopted in calculating the ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment using the loss rate model.

The Company also considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by itself.
A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The financial liabilities include trade and other payables, and interest-bearing loans and borrowings.

Loans and borrowings

This is the category most relevant to Afriland. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the entity's statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.17 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to Other Comprehensive Income. For such properties, the impairment is recognised in Other Comprehensive Income up to the amount of any previous revaluation. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

3.18 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Afriland Properties Plc. (APP) applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

Afriland recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- **Office buildings 5 years**

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii) Lease liabilities

The Company has lease contracts for rented office building. The lease of rented office building has a lease term of 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Although the lease contract contains an extension option, management is reasonably certain that it will exercise its option to terminate at the end of the non-cancellable lease term in the contract.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.19 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

i IFRS 17 – Insurance Contracts – 1 January 2023

ii Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current - 1 January 2023

iii Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework - 1 January 2022

iv Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 - 1 January 2022

v Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37 - 1 January 2022

vi IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter - 1 January 2022

vii IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities - 1 January 2022

viii IAS 41 Agriculture – Taxation in fair value measurements - 1 January 2022

ix Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 - 1 January 2023

x Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 - 1 January 2023
xi Definition of Accounting Estimates - Amendments to IAS 8 - 1 January 2023

The Company intends to adopt these standards, if applicable, when they become effective.

3.20 New standards and interpretations effective in the current year

The nature and effect of the changes as a result of adoption of these new accounting standards are described below. The amendments and interpretations apply for the first time in 2021, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standard, interpretation or amendment that have been issued but are not yet effective.

i Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

ii **Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16**

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 1 April 2021. However, the Company has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

		2021	2020
		₦'000	₦'000
4	**Fees and commission**		
	Facility management	47,800	48,263
	Agency	132,095	133,136
	Project development	327,062	432,519
	Project directorate	342,117	48,430
		849,074	**662,348**
	Timing of revenue recognition		
	Goods and services transferred at a point in time	459,157	565,655
	Goods and services transferred over time	389,917	96,693
		849,074	**662,348**

Facility management fee represents fee earned on planned preventive maintenance and property life cycle maintenance for the Company's clients.

Agency fee represents income earned on the management of tenant in our client's properties.

Project directorate fee represents fee on project advisory and management services to the Company's clients.

Project management fee represents fee on property design and development services for the Company's clients.

At 31 December 2021

Segments	**Facilities Management**	**Project Development**	**Business Development**	**Others**	**Total**
	₦'000	₦'000	₦'000	₦'000	₦'000
Major goods/service lines					
Facilities management services	47,800	-	-	-	47,800
Agency service	-	-	-	132,095	132,095
Project supervision	-	327,062	-	-	327,062
Project directorate	-	-	342,117	-	342,117
	-------------	-------------	-------------	-------------	-------------
Total	**47,800**	**327,062**	**342,117**	**132,095**	**849,074**
	=======	=======	=======	=======	=======

At 31 December 2020

Segments	**Fees and Commission**	**Project Development**	**Business Development**	**Others**	**Total**
	₦'000	₦'000	₦'000	₦'000	₦'000
Major goods/service lines					
Facilities management services	48,263	-	-	-	48,263
Agency service	-	-	-	133,136	133,136
Project supervision	-	432,519	-	-	432,519
Project directorate	-	-	48,430	-	48,430
	-------------	-------------	-------------	-------------	-------------
Total	**48,263**	**432,519**	**48,430**	**133,136**	**662,348**
	=======	=======	=======	=======	=======

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Performance obligations - Tabular form

Revenue
The Company's typical performance obligations include the following:

Performance Obligation	When Performance Obligation is Typically Satisfied	When Payment is Typically Due	How Stand alone Selling Price is Typically Estimated
Facilities Management Services			
Facility managememt	The Company recognizes revenue as it renders the management services to its customers (over time).	Within 60 days	Observable in contract document
Project Development & Management			
Project Design	On completion of the design	Within 60 days	Observable in contract document
Project Supervision	When project is completed	Within 60 days	Observable in contract document
Project Directorate	The revenue from the directorate services is recognised overtime as the project is monitored on behalf of its customers.	Within 60 days	Observable in contract document
Agency Services	When customer accepts and pays for the property (point in time)	Upon acceptance of the property	Observable in contract document
Sales of Properties			
Build to sell	When the title, control of the properties are transferred to the customer and this is generally on delivery of the property (point in time).	Payment is due on delivery date	Observable in contract document

Contract liabilities

Contract liabilities consists of advance payments received from customers and deferred revenue, mainly from rental income.

Movements in contract liabilities for the year ended 31 December are as follows:

	Rents received in advance
Contract liabilities	**₦'000**
1-Jan-21	2,946,764
Deferred during the year	516,626
Released to statement of profit or loss (Note 25.2)	(676,294)
31-Dec-21	**2,787,096**

	Total
Contract liabilities	**₦'000**
1-Jan-20	3,038,168
Deferred during the year	519,999
Released to statement of profit or loss (Note 25.2)	(611,403)
31-Dec-20	**2,946,764**

		2021 ₦'000	2020 ₦'000
5	**Project management**	**93,852**	**134,147**

Project management income represents revenue derived from the execution of facelifts for customers' offices and the supervision of on-going renovation of customers' projects. Contracts relating to project development income are recognised at a point in time when control is transferred.

		2021 ₦'000	2020 ₦'000
6	**Rental income**	**683,952**	**611,403**

There is no contingent rental income during the year ended 31 December 2021 (2020: Nil).

6.1 Leases - Company as lessor

The Company has entered into leases on its property portfolio. The commercial property leases have lease terms between1and 5 years and include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	2021 ₦'000	2020 ₦'000
Within 1 year	557,419	617,871
After 1 year, but not more than 5 years	2,229,677	2,471,484
	2,787,096	**3,089,355**

		2021	2020
7	**Other Operating Income**		
	Write back of expected credit loss on staff loans (Note 32)	-	132
	Write back of expected credit loss on short term deposits (Note 32)	-	827
	Write back of expected credit loss on trade receivables (Note 32)	477	4,378
	Write back of expected credit loss on rent receivables (Note 32)	478	6,531
	Sales of tiles and others	292,070	166,936
	Provisions no longer required (Note 7.1)	7,420	-
		300,445	**178,804**

Other operating income was derived from non-core business activities like earnings from sales of tiles and others.

7.1 Provisions no longer required relates to excess provision on sundry debtors and contracts obtained that are no longer required.

		2021 ₦'000	2020 ₦'000
8	**Administrative expenses**		
	Staff costs (Note 8.1)	420,227	424,367
	Depreciation of property, plant and equipment (Note 12)	55,311	49,054
	Depreciation of Right-of-Use assets (Note 15)	900	900
	Amortization of intangibles (Note 16)	1,709	2,588
	Bad debt written off	-	10,141,084
	Loss on forfeiture of investment property (Note 27.2.1)	172,474	-
	Other administrative expenses (Note 8.2)	353,511	334,705
		1,004,132	**10,952,698**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		2021	2020
		₦'000	₦'000
8.1	**Staff costs**		
	Salaries and wages	359,581	329,195
	Staff allowances and other benefits	60,646	95,172
		420,227	**424,367**
8.2	**Other administrative expenses**		
	Advertising and publicity	29,214	43,157
	Annual General Meeting (AGM)	63,824	58,208
	Audit fees *	10,000	7,000
	Expected credit losses on short-term deposits	301	-
	Bank charges	1,376	1,080
	Consultancy and professional fees **	61,311	41,011
	Directors emoluments	22,785	22,334
	Corporate Social Responsibility	26,844	25,000
	Entertainment	3,966	3,544
	Information system	50,164	45,343
	Insurance premium	5,863	8,467
	Industrial Training Fund (ITF) levy	3,287	4,112
	Land use charge	4,637	3,456
	Newspapers and periodicals	21	6
	Nigerian Social Insurance Trust Fund (NSITF) levy	2,739	5,062
	Nigerian Housing Fund (NHF) levy	1,807	-
	Printing and stationeries	1,751	2,111
	Rent and rates	94	42
	Police Trust Fund (PTF) Levy	48	-
	Repairs and maintenance	39,974	37,992
	Office security	12,598	15,121
	Statutory filling	86	-
	Subscriptions to professional bodies	642	699
	Telephone and communication	2,372	3,566
	Travel and transport	5,813	5,080
	Training and development	1,994	2,314
		353,511	**334,705**

* Audit fees represents fees paid for audit services.

** Consultancy and professional fees comprise the following nature of services-tax, legal, and strategic advisory services. None of these services were rendered by Ernst & Young.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 Finance Income

	2021	2020
	₦'000	₦'000
Interest income on bank placement	57,728	47,434
Interest income on staff loan	1,287	214
	59,015	**47,648**

The finance income is recognised using the effective interest method.

9.1 Finance Cost

	2021	2020
	₦'000	₦'000
Interest expense	111,462	191,262
Loan re-structuring fee	-	19,898
	111,462	**211,160**

10 Income tax expense/ (credit)

	2021	2020
	₦'000	₦'000
Current income tax		
Company income tax expense	183,070	92,908
Education tax	44,644	11,342
Capital gains tax	94,132	8,782
Current year income tax	321,846	113,032
Deferred tax expense/ (credit) (Note 26.2)	1,326,764	(1,169,402)
Total income tax expense/ (credit) reported in profit or loss	**1,648,610**	**(1,056,370)**

10.1 Reconciliation of tax

	2021	2020
Profit before taxation	1,603,877	1,009,285
Tax at Nigeria statutory income tax of 30%	481,163	302,786
Impact of disallowed expenses for tax purpose	3,323,839	3,570,792
Impact of non-taxable income	(3,264,778)	(3,160,062)
Impact of education tax	44,644	11,342
Impact of capital gains tax	94,132	8,782
Loss Relief	(357,154)	(620,608)
Effect of deferred tax	1,326,764	(1,169,402)
	1,648,610	(1,056,370)

11 Basic/diluted (loss)/earnings per share

Basic (loss)/earnings per share are calculated by dividing the (loss)/profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year. Diluted (loss)/earnings per share are calculated by dividing the (loss)/profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted (loss)/earnings computations.

	2021	2020
	₦'000	₦'000
(Loss)/ profit for the year attributable to ordinary equity holders	(44,733)	2,065,655
	Number ₦'000	Number ₦'000
Weighted number of ordinary shares for basic earnings per share	1,373,900	1,373,900
Weighted number of ordinary shares for diluted earnings per share	1,373,900	1,373,900
Basic EPS - Naira	(0.03)	1.50
Diluted EPS - Naira	(0.03)	1.50

There are no dilutive instruments in issue as at reporting date thus dilutive and basic EPS are same.

12 Property, plant and equipment

	Freehold land	Freehold Building	Plant and machinery	Furniture, fittings and equipment	Motor vehicles	Computer equipment	Total
Cost:	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
At 1 January 2020	174,139	93,840	7,871	170,520	83,896	18,336	548,602
Additions	-	107	-	2,045	-	3,327	5,479
Disposal	-	-	-	-	(9,200)	-	(9,200)
Transfer	(174,139)	(93,947)	-	-	-	-	(268,086)
Write-off	-	-	-	(1,879)	-	(3,452)	(5,331)
At 31 December 2020	**-**	**-**	**7,871**	**170,686**	**74,696**	**18,211**	**271,464**
At 1 January 2021	-	-	7,871	170,686	74,696	18,211	271,464
Additions	-	-	-	130	-	1,770	1,900
Disposal	-	-	-	-	-	-	-
At 31 December 2021	**-**	**-**	**7,871**	**170,816**	**74,696**	**19,981**	**273,364**
Accumulated depreciation:							
At 1 January 2020	**-**	**8,835**	**5,663**	**36,813**	**52,795**	**13,783**	**117,889**
Charge for the year	-	453	1,043	30,185	15,771	1,602	49,054
Disposal	-	-	-	-	(9,200)	-	(9,200)
Transfer	-	(9,288)	-	-	-	-	(9,288)
Write-off	-	-	-	(1,879)	-	(3,452)	(5,331)
At 31 December 2020	**-**	**-**	**6,706**	**65,119**	**59,366**	**11,933**	**143,124**
At 1 January 2021	**-**	**-**	**6,706**	**65,119**	**59,366**	**11,933**	**143,124**
Charge for the year	-	-	1,043	39,893	10,861	3,514	55,311
At 31 December 2021	**-**	**-**	**7,749**	**105,012**	**70,227**	**15,447**	**198,435**
Carrying amount:							
At 31 December 2021	**-**	**-**	**122**	**65,804**	**4,469**	**4,534**	**74,929**
At 31 December 2020	**-**	**-**	**1,165**	**105,567**	**15,330**	**6,278**	**128,340**

Property, plant and equipment

- There is no restriction on title, and no property, plant and equipment were pledged as security for liabilities;
- The amount of expenditures recognised is the carrying amount of an item of property, plant and equipment in the course of its construction;
- No contractual commitments for the acquisition of property, plant and equipment; and
- No compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in profit or loss.
- No temporarily idle property, plant and equipment;
- No property, plant and equipment retired from active use; one was classified as held for sale in accordance with IFRS 5; and no fair value of property, plant and equipment is materially different from the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		2021	2020
		₦'000	₦'000
13	**Investment properties**		
	At 1 January	22,426,720	11,667,000
	Additions	645,153	297,026
	Disposals (Note 13.1)	(26,300)	(117,000)
	Forfeiture of property (Note 27.2.1)	(11,097,000)	-
	Transfers to inventory property (Note 14)	(473,348)	-
	Transfers from PPE (Note 12)	-	258,798
	Fair value gain	721,353	10,320,896
	At 31 December	**12,196,578**	**22,426,720**
13.1	Profit on disposal of investment properties		
	Disposal	26,300	117,000
	Proceeds on disposal	(41,200)	(369,500)
	Selling expenses	3,120	40,683
	Gain on disposal	**(11,780)**	**(211,817)**

The Company's investment properties consist of several properties across Nigeria. Management determined that the investment properties consist of three classes of assets – office, residential and bare lands; based on the nature, characteristics and risks of each property.

As at 31 December 2021, the fair values of the properties are based on valuations performed by external professional, Opurum & Partners FRC/2014/NIESV/00000009134, a firm of Chartered Estate Surveyors and an accredited independent valuer with a specialist in valuing these types of investment properties. The market data valuation approach, in accordance with what is recommended by the International Valuation Standards Committee has been applied after making the following assumptions:

a) That the information which the valuation is based on is correct;
b) That the title to the property is good and marketable;
c) That the property is not adversely affected by or subject to compulsory acquisition, road widening, new proposal or planning scheme;
d) That the property is free from all onerous charges and restrictions.

The investment properties were valued on the basis of open market; that is the price which an interest in a property or an item of plant and machinery might reasonably be expected to realise in a sale by a private treaty assuming:

a) a willing buyer;
b) a reasonable period within which to negotiate the sale taking into account the nature of the assets and the state of the market;
c) values will remain static throughout the period;
d) the assets will be freely exposed to the market;
e) no account is to be taken as an additional bid by a special purchaser;
f) no account is to be taken as expense of realisation, which may arise in the event of a disposal.

13.1 Investment properties - Continued

	2021	2020
	₦'000	₦'000
Rental income derived from investment properties	683,952	611,403
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in admin expense)	(200)	(381)
Direct operating expenses that generate rental income (included in admin expense)	(997)	(12,970)
Profit arising from investment properties carried at fair value	**682,755**	**598,052**

Types of Investment properties	Valuation technique	Non-observable inputs
Office properties	The valuation is based on physical inspection of the condition , qualities, features and characteristics of the properties. The value of the office properties was derived using a market data approach.	Estimated price per square meters adjusted for the nature, location and conditions of the investment properties. The price range used per square metre are ₦5,000 – ₦45,000
Residential properties	The depreciated replacement cost of the buildings/structure has been assessed by the contractors test method based on current building/construction cost indices taking into account the condition, age, qualities, features and characteristics of the buildings/structures. The fair value has been adjusted for all forms of obsolescence. (i.e physical deterioration and obsolescence.	Estimated price per square meters adjusted for the nature, location and conditions of the investment properties. The price range used per square metre are ₦3,000 – ₦20,000
Bare land	The value of the landed property was arrived at using market data approach after a thorough analysis of recent sales transaction of similar sites in comparable locations.	The significant observable inputs used are; - Area of square meters- Rate of development in the area - Quality of the land- The land are free from all onerous encumbrances and or charges- The lands are not subject to any compulsory acquisition or road widening scheme.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13.1 Investment properties - Continued

Capitalised borrowing costs
The Company capitalised borrowing costs for Afriland Towers. The borrowing cost directly attributable to the construction of the projects that take substantial period of time to get ready for the intended use are capitalized as part of the cost of the assets. At 31 December 2021, the amount capitalized on the project during construction - Afriland Towers is Nil (2020: Nil).

	2021	2020
	₦'000	₦'000
14 Inventory property		
At 1 January	4,228	12,683
Transfer from investment properties (Note 13)	473,348	-
Disposal	-	(8,455)
At 31 December	**477,576**	**4,228**

The Company develops properties, which it sells in the ordinary course of business. Revenue from sales of inventory property where the contracts are not in substance construction contracts and do not lead to a continuous transfer of work in progress, is recognised when both: (i) construction is complete; and (ii) either legal title to the property has been transferred or there has been an unconditional exchange of contracts. Construction and other expenditure attributable to such property are included in inventory property until disposal.

15 Right-of-use assets

Company as a lessee
The Company has lease contract for rented office building. The lease of rented office building has a lease term of 5 years. The Company has made full payment for the lease for the 5 year period and therefore have no lease liability regarding the office building.

Set out below are the carrying amount of right-of-use assets recognised and the movements during the year:

	Office Building	
	2021	**2020**
	₦'000	₦'000
At 1 January	2,475	3,375
Depreciation expense for the year	(900)	(900)
At 31 December	1,575	2,475

The following amount was recognised in profit or loss:

	2021	2020
	₦'000	**₦'000**
Depreciation expense of right-of-use assets	900	900
Total amount recognised in profit or loss	900	900

16 Intangible assets

	Goodwill	Computer software	Total
	₦'000	₦'000	₦'000
Costs			
At 1 January 2020	842,471	17,463	859,934
Additions	-	1,710	1,710
At 31 December 2020	842,471	19,173	861,644
At 1 January 2021	842,471	19,173	861,644
Additions	-	1,820	1,820
At 31 December 2021	842,471	20,993	863,464
Amortisation			
At 1 January 2020	281,289	14,758	296,047
Charge for the year	-	2,588	2,588
At 31 December 2020	281,289	17,346	298,635
At 1 January 2020	281,289	17,346	298,635
Charge for the year	-	1,709	1,709
At 31 December 2021	281,289	19,055	300,344
Carrying amount:			
At 31 December 2021	**561,182**	**1,938**	**563,120**
At 31 December 2020	**561,182**	**1,827**	**563,009**

Carrying amount of goodwill allocated to each of the CGUs

Goodwill acquired through business combinations is allocated to the following CGUs, which are operating and reportable segments, for impairment testing;

	2021	2020
	₦'000	₦'000
Facilities management	107,770	107,770
Project development	114,381	114,381
Business development	327,045	327,045
Others	11,986	11,986
	561,182	**561,182**

Transactions outside the three revenue stream, such as agency services are treated as others.

Facilities management CGU

The recoverable amount of the facilities management CGU was ₦9.143 billion as at 31 December 2021 (2020: ₦1.182 billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 18%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 15% for the years 2023 – 2026 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result, management has concluded that there was no impairment as at 31 December 2021 (2020: Impairment loss is Nil). A rise in the pre-tax discount rate to 30.0% in the Facilities Management would result in a further impairment.

Project development CGU
The recoverable amount of the project development CGU is ₦9.606 billion as at 31 December 2021 (2020: ₦5.576 billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 15% for the years 2023 – 2026 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result of this analysis, management has concluded that there was no impairment as at 31 December 2021 (2020: Impairment loss is Nil). A rise in the pre-tax discount rate to 25% in the Project Development would result in a further impairment.

Business development CGU
The recoverable amount of the business development CGU, ₦22.973 billion as at 31 December 2021 (2020: ₦14.629 billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 15% for the years 2023 – 2026 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result of this analysis, management has concluded that there was no impairment as at 31 December 2021 (2020: Impairment loss is Nil). A rise in the pre-tax discount rate to 22.0% in the Business Development would result in a further impairment.

Others CGU
The recoverable amount of the other CGU, ₦2.417 billion as at 31 December 2021 (2020: ₦1.007 billion). It has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase demand for services. The pre-tax discount rate applied to cash flow projections is 25%. The discount rate was estimated based on industry weighted average cost of capital which considers projected growth rate in revenue and cost as derived from Nigerian real estate guide, Afriland specific investment evaluation policy and dividend growth rate. The revenue growth rate used in the cash flow projection was 15% for the years 2023 – 2026 and is based on the trend of foreseeable growth in the business segment. It was concluded that the value in use is higher than the carrying value of the CGU. As a result of this analysis, management has concluded that there was no impairment as at 31 December 2021 (2020: Impairment loss is Nil). A rise in the pre-tax discount rate to 25% in the Other CGU would result in a further impairment.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions
The calculation of value in use for facilities management, project development, business development and other units is most sensitive to the following assumptions:
- Gross margins
- Discount rates
- Growth rates used to extrapolate cash flows beyond the forecast period

Gross margins - Gross margins are based on average values achieved in the two years preceding the beginning of the budget period. These are increased over the budget period for anticipated efficiency improvements. An increase of 25% per annum was applied for all the CGUs. Decreased demand can lead to a decline in the gross margin. A decrease in the gross margin would result in impairment in the business development, project development, other and facility management segments.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC).

The WACC takes into account equity. The cost of equity is derived from the expected return on investment by the Company's investors. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. A rise in the pre-tax discount rate would result in impairment in the business development, project development, other and facility management segments.

Growth rate estimates - Rates are based on published industry research.

Management recognises that the speed of technological change and the possibility of new entrants can have a significant impact on growth rate assumptions. The effect of new entrants is not expected to have an adverse impact on the forecasts but could yield a reasonably possible alternative to the estimated long-term growth rate of 10% for all the units. A reduction in the long-term growth rate would result in impairment in the business development, project development, other and facility management segments.

17 Equity instrument measured at fair value through other comprehensive income

This represents the Company's investment in equity shares of Transcorp Hotel Plc. The fair value of these quoted equity shares are determined by reference to published price quotations in the Nigerian Stock Exchange.

	2021	2020
	₦'000	₦'000
At 1 January	729,000	735,000
Addition	-	197,400
Fair value gain (loss) for the year	360,450	(203,400)
At 31 December	**1,089,450**	**729,000**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		2021	2020
		₦'000	₦'000
18	**Prepayments**		
	Non-current (Note 18.1)	20,344	3,063
	Current (Note 21)	27,033	35,756
	Total	47,377	38,819

		2021	2020
18.1	**Prepayments- non current**	₦'000	₦'000
	Prepaid employee's car allowance	20,344	3,063

Prepaid employees' car allowance represents employee car allowances to be amortised over the next 2 years.

	2021	2020
	₦'000	₦'000
At 1 January	38,819	34,286
Addition during the year	131,971	131,228
	170,790	165,514
Charged to profit or loss	(123,413)	(126,695)
At 31 December	47,377	38,819
Current (Note 21)	27,033	35,756
Non- current	20,344	3,063
	47,377	38,819

		2021	2020
19	**Trade and other Receivables**		
	Trade receivables *	983,052	1,677,926
	Allowance for receivables (Note 32)	(2,119)	(2,596)
	Net trade receivables	980,933	1,675,330
	Other receivables		
	Rent receivables (Note 32)	44,143	97,053
	Withholding tax receivables	321,859	222,626
	Sundry debtors **	138,655	201,461
		1,485,590	**2,196,470**

* Trade receivables are non-interest bearing and are typically due within 30 days. The impairments on the receivables as at year-end based on the estimated credit loss basis with the counter-parties is ₦2.119 million (2020: ₦2.59million).

** Sundry debtors represent amount paid in advance for the mobilisation of development of property and survey plan.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		2021	2020
20	**Other assets**	₦'000	₦'000
	Advance to contractors (Note 20.1)	25	128,784
	Loan to staff (Note 20.2)	27,556	7,548
	Staff loan impairment	(386)	(174)
		27,195	**136,158**

20.1 The advance to contractors represents payments made to contractors in respect of various ongoing projects in which the Company is an agent.

20.2 Loan to staff are non-derivative financial assets carried at amortised cost which generate a fixed interest income for the Company.

		2021	2020
		₦'000	₦'000
21	**Prepayments (current)**		
	Health insurance	6,504	6,240
	Office building insurance	4,631	2,966
	Other Prepayments (Note 21.1)	4,939	2,766
	Employee car allowance	10,959	23,784
		27,033	**35,756**

21.1 Other prepayments

This represents prepaid maintenance expenses that relates to software license fees, computer consumables, office building and fittings insurance.

22	**Cash and short-term deposit**		
	Cash at bank	258,264	521,984
	Short- term deposits	1,079,874	322,524
		1,338,138	844,508
	Impairment of short-term deposit	(698)	(397)
		1,337,440	**844,111**

Movement in impairment of short-term deposit	**2021**	**2020**
	₦'000	₦'000
At 1 January	397	1,224
Recognised in the statement of profit or loss	301	(827)
	698	397

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.
For the purpose of the statement of cash flows, cash and short-term deposit comprise cash at bank and short-term deposits as included above.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		2021	2020
		₦'000	₦'000
23	**Share Capital and share premium**		
23.1	**Share Capital**		
	Authorised share capital		
	1,373,900,000 (2020: 1,373,900,000) ordinary shares of 50k each	686,950	686,950
	Issued and fully paid		
	1,373,900,000 (2020: 1,373,900,000) ordinary shares of 50k each	686,950	686,950

The ordinary shareholders have the right to one vote and right to dividend

		2021	2020
		₦'000	₦'000
23.2	**Share premium**		
	Share premium	2,944,271	2,944,271

The share premium amount form part of the non-distributable reserves of the Company which can be used only for the purposes specified under Companies and Allied Matters Act, 2020.

		2021	2020
		₦'000	₦'000
23.3	**Dividend distribution made and proposed**		
	Cash dividends on ordinary shares declared and paid:		
	Final dividend for 2020: 5 kobo per share (2019: 10 kobo per share)	**68,695**	**137,390**
24	**Trade and other payables**		
	Trade payables	262,652	100,245
	Accruals (Note 24.1)	426,058	810,790
	Rentals received from or on-behalf of third parties	221,891	306,552
	Service charge (Note 24.2)	44,819	54,613
	Value Added Tax	54,097	92,965
	Withholding Tax	61,915	74,495
	Police Trust Fund (PTF) Levy	48	-
	Rent	-	177,139
	Other payables (Note 24.3)	43,947	54,604
	Project account (Note 24.4)	1,690,051	1,483,975
		2,805,478	**3,155,378**

		2021	2020
		₦'000	₦'000
24.1	**Accruals**		
	Audit fee	3,225	7,000
	Professional and consultancy fee	320,079	321,066
	Annual General Meeting (AGM)	65,149	63,537
	Other accruals	37,605	419,187
		426,058	**810,790**

Other accruals represent other committed costs which includes Corporate Social Responsibility and statutory deductions comprising PAYE and Pension.

24.2 Service charge

Service charge represents deposits received from customers for the purpose of facility management services provided by the company on their behalf.

24.3 Other payables

Other payables represent staff benefit, regularization of statutory building plan, withholding tax in respect of civil works and installation of marble top and IT equipments by vendors and developers.

24.4 Project account

Project account relates to supply and delivery of mantrap doors, note sorting machines, generator sets, tiles, renovation and other construction projects.

		2021	2020
		₦'000	₦'000
25	**Contract liabilities**		
	Contracts obtained (Note 25.1) *	6,076	13,734
	Rents received in advance (Note 25.2)	2,787,096	2,946,764
		2,793,172	**2,960,498**
	Current	**2,787,096**	**2,946,764**
	Non-current	**6,076**	**13,734**

* Contracts obtained represents projects for 3 which customers have made deposits execution is expected to commence after one year.

		2021	2020
25.1	**Contract liabilities**		
	At 1 January	13,734	13,734
	Released to the statement of profit or loss	(7,658)	-
	At 31 December	6,076	13,734
25.2	**Contract liabilities - Rents received in advance**		
	At 1 January - Transfer from deferred income	2,946,764	3,038,168
	Deferred during the year	516,626	519,999
	Released to the statement of profit or loss	(676,294)	(611,403)
	At 31 December	**2,787,096**	**2,946,764**
26	**Taxation**		
26.1	**Current income tax payable**		
	At 1 January	162,781	198,559
	Charge for the year (Note 10)	321,846	113,032
	Payments during the year	(32,924)	(25,935)
	Withholding tax utilized	(95,776)	(122,875)
	At 31 December	**355,927**	**162,781**

		2021	2020
26.2	**Deferred tax liabilities**	₦'000	₦'000
	At 1 January	-	1,169,402
	Current year tax provision	1,326,764	(1,169,402)
	At 31 December	**1,326,764**	**-**
	Deferred tax relating to the following:		
	Accelerated depreciation for tax purpose	179,774	(1,462,332)
	Revaluation of investment properties to fair value	1,687,037	1,462,332
	Impairment of financial assets	(960)	-
	Unabsorbed capital allowance	(539,087)	-
	Deferred tax recognised in the statement of financial position	**1,326,764**	**-**

		2021	2020
27	**Interest- bearing loans and borrowings**	₦'000	₦'000
	₦7,500,000,000 bank loan at 10% interest rate and maturity - 22 Apr 2026	-	10,127,935
	₦1,500,000,000 bank loan at 11% interest rate and maturity - 22 July 2022	-	890,271
	Total interest bearing loans and borrowings	**-**	**11,018,206**
27.1	Non-current (Note 27.1.1)	-	7,911,030
	Current (Note 27.1.2)	-	3,107,176
	Total interest bearing loans and borrowings	**-**	**11,018,206**
27.1.1	**Interest- bearing loans and borrowings (Non-current)**		
	₦7,500,000,000 bank loan at 10% interest rate and maturity - 22 Apr 2026	-	7,406,456
	₦1,500,000,000 bank loan at 11% interest rate and maturity - 22 July 2022	-	504,574
	Total non-current interest bearing loans and borrowings	**-**	**7,911,030**
27.1.2	**Interest- bearing loans and borrowings (current)**		
	₦7,500,000,000 bank loan at 10% interest rate and maturity - 22 Apr 2026	-	2,721,479
	₦1,500,000,000 bank loan at 11% interest rate and maturity - 22 July 2022	-	385,697
	Total current interest bearing loans and borrowings	**-**	**3,107,176**
27.2	**Borrowing details**		
	At 1 January	11,018,206	10,260,741
	Accrued interest	78,794	1,323,919
	Loan repayment in form of collaterised investment properties (Note 27.2.1)	(11,097,000)	-
	Repayment	-	(566,454)
	At 31 December	**-**	**11,018,206**

27.2.1 The Company was able to agree terms with the bank on the outstanding loan by forfeiting its investment properties that served as collateral on the loan. The carrying value of the loan with accrued interest was ₦10.924 billion and the value of the investment properties forfieted amounted to ₦11.097 billion, resulting in a loss on forfeiture of ₦172.474 million. The forfeiture of these properties represents the full and final payment of the outstanding loan.

28 Related party transactions

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

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of Afriland Properties Plc, directly or indirectly, including any director (whether executive or non-executive). The individuals who comprised the key management personnel are the Board of Directors as well as certain key management and officers.

There was no outstanding balance in respect of transactions that have been entered into with related parties as at 31 December 2021 (2020: Nil).

	2021	2020
Emoluments of Directors	₦'000	₦'000
Directors fees & other emoluments		
Chairman	3,554	3,400
Other Directors	19,231	18,934
	22,785	22,334
Fees	4,750	4,500
Other Emoluments	18,035	17,834
	22,785	22,334
	Number	Number
The total numbers of Directors	8	5

29 Information relating to employees

i. The average number of persons employed full time by the Company during the year, excluding Directors were as follows:

	2021 Number	2020 Number
Executives	2	2
Project management	19	18
Facilities management and projects	4	4
Technical consultancy	2	2
Business development	3	4
Other business support	8	9
	38	39

	2021 ₦'000	2020 ₦'000
Salaries and wages including staff bonuses	410,044	413,520
Contributions to pension scheme	10,183	10,847
	420,227	424,367

Included in the total salaries and wages above, is the remuneration of Managers in the Company for the year of ₦153 million (2020 : ₦151 million)

ii. Employees of the Company, other than Directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following range:

₦		₦	2021 Number	2020 Number
420,001	–	900,000	-	-
900,001	–	3,000,000	3	4
3,000,001	–	4,000,000	3	5
4,000,001	–	6,000,000	9	6
6,000,001	–	8,000,000	5	13
Above 8,000,001			18	11
			38	39

30 Litigation and claims

There is no contingent liability in respect of a legal action against the Company.

31 Capital commitments

The Company had no capital commitment as at 31 December 2021 (2020: Nil).

32 Financial instrument's risk management objectives and policies

The Company is exposed to market risk (including interest rate risk, price risk and real estate risk), credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. As such, the Company's senior management is supported by the Finance Risk and General Purpose Committee (FRGPC) that advises on financial risks and the appropriate financial risk governance framework for the Company. The FRGPC provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies for risk.

The board of directors reviews and agrees policies for managing each of these risks which are summarized below.

Market Risk

Market risk is the risk that the fair values and/ or cash flows of financial instruments will fluctuate because of changes in market prices thus resulting in loss of earnings and/or capital to the Company. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, fixed deposits and equity instruments at fair value through other comprehensive income.

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 day-to-day management of interest rate risk is done by the Finance and Investment department; this is reviewed by the Board's Finance Risk and General Purpose Committee (FRGPC) on a quarterly basis. The Company is not materially exposed to interest rate risk at the end of the reporting period as the borrowings has a fixed interest rate.

Equity price risk

The Company's listed equity security is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments. The Company's Board of Directors reviews and approves all equity investment decisions. At the reporting date, the exposure to listed equity securities at fair value was ₦1.089 million (2020: ₦729 million). A decrease or increase of 5% on the Nigerian Stock Exchange market index could have an impact of approximately ₦360 million (2020: ₦205 million) on other comprehensive income.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Afriland is exposed to credit risk from its operating activities (primarily trade receivables and lease receivables) and from its financing activities, including deposits with Entity's and financial institutions, and other financial instruments.

Credit risk is monitored by the entity's Finance and Investment Department. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties.

Afriland has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement. Risk ratings are subject to regular revision.

Trading relationships

The Company's trading relationship and counterparties comprise Banks, Oil & Gas, Manufacturing and Individuals. For these relationships, the Company's Finance and Investment department analyses publicly available information such as financial information and other external data, and assigns the internal rating, as shown in the table below.

Trade receivables

Customer credit risk is managed by the Finance and Investment department subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The loss rates are based on days past due for the Companies of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Nigeria Mapping Table

Global-scale long term local currency rating	National scale long term rating	National scale short term rating	Agusto rating	Implied S&P rating class (without modifiers)	Implied S&P rating categories (with modifiers)
BB+ and above	ngAAA	ngA-1	AAA	B	B+
BB	ngAA+	ngA-1	AA	B	B
BB-	ngAA, ngAA-	ngA-1	AA	B	B
B+	ngA+, ngA, ngA-	ngA-1, ngA-2	A	B	B
B	ngBBB+, ngBBB,ngBBB-	ngA-2, ngA-3	BBB	B	B-
B-	ngBB+, ngBB	ngB	BB	B	B-
CCC+	ngBB-, ngB+	ngB	B	CCC	CCC+
CCC	ngB, ngB-, ngCCC+	ngC	B	CCC	CCC
CCC-	ngCCC, ngCCC-	ngC	CCC	CCC	CCC-
CC	ngCC	ngC	CC	CC	CC
C	ngC	ngC	C	C	C
R	R	R	D	D	D
SD	SD	SD	D	D	D
D	D	D	D	D	D

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

AFRILAND	Current	1-30 days	31–60 days	61–90 days	91–120 days	121-150 days	151-365 days	>365 days	Total
31-Dec-21	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	0.09%	0.09%	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%	
Estimated total gross carrying amount at default	910,438	70,146	1,202	1,266	-	-	-	-	983,052
Expected credit loss	852	66	21	1,180	-	-	-	-	2,119
31-Dec-20									
Expected credit loss rate	0.08%	5.89%	0.67%	1.46%	0.05%	10.82%	2.11%	100%	
Estimated total gross carrying amount at default	1,048,091	34,400	33,653	31,046	402,576	5,526	122,634	-	1,677,926
Expected credit loss	789	2,026	224	454	214	598	2,590	-	2,596

Set out below is the movement in the allowance for expected credit losses of trade receivables:

In thousands of Naira	2021	2020
	₦'000	₦'000
At 1 January	2,596	6,974
Write back of expected credit loss	(477)	(4,378)
At 31 December	2,119	2,596

Credit risk - Continued

Set out below is the information about the credit risk exposure on the Company's rent receivables using a provision matrix:

AFRILAND	Current	1-30 days	31–60 days	61–90 days	91–120 days	121-150 days	151-365 days	>365 days	Total
31-Dec-21	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Expected credit loss rate	0.06%	0.06%	0.06%	0.07%	0.06%	0.06%	0.06%	100%	
Estimated total gross carrying amount at default	3,527	3,527	3,527	2,789	3,500	3,500	23,796	-	44,169
Expected credit loss	2	2	2	2	2	2	14	-	26
31-Dec-20									
Expected credit loss rate	0.51%	0.50%	0.50%	0.50%	0.50%	0.60%	0.52%	100%	
Estimated total gross carrying amount at default	4,095	4,766	3,012	3,012	3,012	3,012	76,648	-	97,557
Expected credit loss	21	24	15	15	15	18	396	-	504

	2021	2020
	₦'000	₦'000
Rent receivables	44,169	97,557
Impairment allowance	(26)	(504)
At 31 December	44,143	97,053

Set out below is the movement in the allowance for expected credit losses of rent receivables:

In thousands of Naira	2021	2020
	₦'000	₦'000
At 1 January	504	7,035
Write back of expected credit loss	(478)	(6,531)
At 31 December	26	504

Expected credit loss measurement - other receivables

The Company applied the general approach in computing expected credit losses (ECL) for other receivables (that is, non-trade receivables). The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The ECL is determined by projecting the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, 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. The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

The Company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 3.16 Summary of significant accounting policies and in Note 2.6 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within the Finance department verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Company’s base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 December 2021 and 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

Key drivers	ECL						
31 December 2021	Scenario	2021	2022	2023	2024	2025	Subsequent years
GDP growth							
	Upturn	0.32	0.35	0.38	0.36	0.35	0.41
	Base	0.15	0.16	0.14	0.16	0.15	0.15
	Downturn	0.08	0.05	0.02	0.04	0.05	(0.01)
Oil Price %							
	Upturn	59.00	62.00	65.00	68.00	56.00	71.00
	Base	57.00	62.00	54.00	56.00	61.00	57.00
	Downturn	41.00	38.00	35.00	32.00	34.00	29.00
Exchange rate $/N							
	Upturn	175.00	170.00	165.00	160.00	167.00	155.00
	Base	209.48	219.95	230.95	242.49	245.49	254.62
	Downturn	214.99	225.74	237.02	248.87	229.87	261.32
Inflation rate %							
	Upturn	24.00	22.00	20.00	18.00	21.00	16.00
	Base	32.00	33.00	34.00	35.00	36.00	36.00
	Downturn	36.00	38.00	40.00	42.00	44.00	44.00
31 December 2020							
	ECL						
	Scenario	2021	2022	2023	2024	2025	Subsequent years
GDP growth							
	Upturn	0.32	0.35	0.38	0.36	0.35	0.41
	Base	0.15	0.16	0.14	0.16	0.15	0.15
	Downturn	0.08	0.05	0.02	0.04	0.05	(0.01)
Oil Price %							
	Upturn	59.00	62.00	65.00	68.00	56.00	71.00
	Base	57.00	62.00	54.00	56.00	61.00	57.00
	Downturn	41.00	38.00	35.00	32.00	34.00	29.00
Exchange rate $/N							
	Upturn	175.00	170.00	165.00	160.00	167.00	155.00
	Base	209.48	219.95	230.95	242.49	245.49	254.62
	Downturn	214.99	225.74	237.02	248.87	229.87	261.32
Inflation rate %							
	Upturn	24.00	22.00	20.00	18.00	21.00	16.00
	Base	32.00	33.00	34.00	35.00	36.00	36.00
	Downturn	36.00	38.00	40.00	42.00	44.00	44.00

31 December 2021		**Cash and bank balances**
		N'000
	Upturn (8%)	56
	Base (82%)	572
	Downturn (10%)	70
	Total	698

31 December 2020		**Cash and bank balances**
		N'000
	Upturn (8%)	32
	Base (82%)	326
	Downturn (10%)	40
	Total	397

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Impairment allowance for financial assets under general approach
The table below shows the credit quality and the maximum exposure to credit risk based on the Company's external credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances as set out in below:

	2021	2020
External grading system	**Stage 1**	**Stage 1**
	₦'000	**₦'000**
Standard grade	27,556	7,548

Short term deposits	2021	2020
External grading system	Stage 1	Total
	₦'000	₦'000
Standard grade	322,524	322,524

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Company overdrafts and Company loans. The Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. Approximately 66% of the Company's debt will mature in less than one year at 31 December 2021 (2020:28%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

This table shows the gross carrying amount of the ECL charges /(write back) on the staff loan

	Staff loan
Expected credit loss	**₦'000**
1 January 2020	306
Expected credit write back	(132)
31 December 2020	174
Expected credit loss	212
31 December 2021	386

Excessive risk concentration
Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

The table below shows the ECL charges / (write back) on financial instruments for the year:

2021	Stage 1 Collective ₦'000	Simplified model Collective ₦'000	Total ₦'000
Debt instruments measured at amortised cost -Staff loans (Note 20)	212	-	212
Debt instruments measured at amortised cost - Short term deposits (Note 22)	301	-	301
Debt instruments measured - Trade receivables (Note 32)	-	(477)	(477)
Rent receivables (Note 32)	-	(478)	(478)
	513	(955)	(442)

2020	Stage 1 Collective ₦'000	Simplified model Collective ₦'000	Total ₦'000
Debt instruments measured at amortised cost -Staff loans (Note 20)	(132)	-	(132)
Debt instruments measured at amortised cost - Short term deposits (Note 22)	(827)	-	(827)
Debt instruments measured - Trade receivables (Note 32)	-	(4,378)	(4,378)
Rent receivables (Note 32)	-	(6,531)	(6,531)
	(959)	(10,909)	(11,868)

Liquidity Risk

Liquidity Risk is the risk that the Company will be unable to efficiently meet both expected and unexpected current and future cash flow as they fall due. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and possibly loans in the future.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Financial liabilities		Contractual cash flows			
At 31 December 2021	**Carrying amount**	**Total**	**On demand**	**Between 2 months and 1 year**	**Between 1 and 5 years**
Trade payables	262,652	262,652	262,652	-	-
Rentals received for third parties	221,891	221,891	221,891	-	-
Service charge payable	44,819	44,819	44,819	-	-
Accruals and other payables	2,160,056	2,160,056	1,897,404	262,652	-
Interest-bearing loans and borrowings	-	-	-	-	-

Financial liabilities		Contractual cash flows			
At 31 December 2020	**Carrying amount**	**Total**	**On demand**	**Between 2 months and 1 year**	**Between 1 and 5 years**
Trade payables	100,245	100,245	100,245	-	-
Rentals received for third parties	306,552	306,552	306,552	-	-
Service charge payable	54,613	54,613	54,613	-	-
Accruals and other payables	2,526,508	2,526,508	2,426,263	100,245	-
Interest-bearing loans and borrowings	11,018,206	12,657,618	1,829,845	2,165,555	8,662,218

33 Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried at fair value in the financial statements.

At 31 December 2021

	Carrying amount	Fair value
Financial assets	**₦'000**	**₦'000**
Equity instrument measured at fair value through OCI	1,089,450	1,089,450
Financial liabilities		
Interest-bearing loans and borrowings	-	-

At 31 December 2020

	Carrying amount	Fair value
Financial assets	**₦'000**	**₦'000**
Equity instrument measured at fair value through OCI	729,000	729,000
Financial liabilities		
Interest-bearing loans and borrowings	11,018,206	11,018,206

The management assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Company's interest-bearing borrowings and loans are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Fair value hierarchy

Fair value measurement hierarchy for assets and liabilities as at 31 December 2021:

As at 31 December 2021	Total	Quoted price in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
	₦'000	**₦'000**	**₦'000**	**₦'000**
Assets measured at fair value				
Investment properties	12,196,578	-	-	12,196,578
Equity instrument measured at fair value through OCI	1,089,450	1,089,450	-	-
Interest-bearing loans and borrowings	-	-	-	-

As at 31 December 2020	Total	Quoted price in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
	₦'000	**₦'000**	**₦'000**	**₦'000**
Assets measured at fair value				
Investment properties	22,426,720	-	-	22,426,720
Equity instrument measured at fair value through OCI	729,000	729,000	-	-
Interest-bearing loans and borrowings	11,018,206	-	11,018,206	-

There have been no transfers between the levels during the year ended 31 December 2021 (2020: Nil). The fair values of the equity instrument through other comprehensive income are derived from quoted market prices in active markets.
The valuation techniques used and key inputs to valuation of investment properties have been disclosed on Note 13. The valuation techniques used and key inputs used to calculate the fair value on interest-bearing loans and borrowings have been disclosed on Note 27.

33 Fair values - continued

Significant increases (decreases) in estimated rental value (ERV) and rent growth per annum in isolation would results in a significantly higher (lower) fair value of the property.

Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value. Generally, a change in the assumption made for the ERV is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.

		Effect on fair value	
	Sensitivity used	Completed investment property	Investment property under development
2021		N'000	N'000
Increase in ERV	14%	95,753	-
Rental growth per annum	5%	34,198	-
Increase in long term vacancy rate	3%	(405)	-
Increase in discount rate/yield	0.25bps	(21,060)	(900)
Increase in construction cost	N100 per sqm	-	(98)
Increase in construction period	1 month	-	(10)
Market required development profit	10%	-	(2,000)

		Effect on fair value	
	Sensitivity used	Completed investment property	Investment property under development
2020		N'000	N'000
Increase in ERV	13%	94,795	-
Rental growth per annum	5%	33,856	-
Increase in long term vacancy rate	3%	(401)	-
Increase in discount rate/yield	0.25bps	(20,639)	(891)
Increase in construction cost	N100 per sqm	-	(96)
Increase in construction period	1 month	-	(10)
Market required development profit	10%	-	(1,500)

34 Capital management

There is a risk that the Company may not have adequate capital in relation to its risk profile and/or to absorb losses when they arise. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

As at the year ended 31 December 2021, the Company had no financial covenants attached to interest bearing loans and borrowings as full repayment was made on all outstanding loans. The policies for managing capital are to increase shareholders' value by maximizing profits and cash. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 20% and 80%. The Company's net debt is determined by adding interest bearing loans and borrowings (if applicable), trade and other payables, less cash and short-term deposits.

	2021	2020
	₦'000	₦'000
Interest-bearing loans and borrowings (Note 27)	-	11,018,206
Trade and other payables (Note 24)	2,805,478	3,155,378
Less: cash and short-term deposits (Note 22)	(1,337,440)	(844,111)
Net debt	1,468,038	13,329,473
Total equity	10,019,489	9,772,467
Capital and net debt	11,487,527	23,101,940
Net Debt to equity (%)	12.78%	57.70%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2021 and 2020.

35 Segment information

The Chief Operating Decision-Maker (CODM) has been identified as the Board of Directors of Afriland Properties Plc. The Board reviews the Company's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segments based on these reports. The Board considers the business from an industry perspective and has identified four (4) operating segments.

i. Business development

The business development segment focuses on the management of the Company's existing and new property portfolio with the aim of generating regular rental income and optimizing the values of these properties in order to maximize their rental potentials. The segment is equally involved in the acquisition and sales of high quality commercial and residential properties.

ii. Project development

The project development segment performs design and development management services for the Company's clients. These services includes: development of project briefs, preparation of outline business case (OBC), management of procurement process, appointment of consultants and construction firms, contract negotiation and administration, project monitoring and project delivery.

iii. Facility management

Facility management is involved in planned preventive maintenance and property life cycle maintenance. This involves general building maintenance, utilities management, building upgrades and renovations, space planning and furniture fit out.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

iv. Other

Other operating segment consists of revenue from

- Advisory services on property portfolio management
- Agency services
- Sales of tiles and other materials The board monitors the performance based on operating profits for each operating segment. All the information provided to the Board, for each operating segment, is measured in a manner that is consistent with that of the financial statements. Other administrative cost is allocated across the operating segments on the basis of the revenue generated by each segment.

	Facilities management		Project development		Business Development		Others		Total	
Income:	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Revenue	47,800	48,263	93,852	134,147	342,117	48,430	459,157	565,655	942,926	796,495
Rental income	27,358	24,699	341,976	308,742	280,420	253,168	34,198	30,874	683,952	617,483
Other operating income	12,018	7,152	150,223	89,402	123,182	73,310	15,022	8940.2	300,445	178,804
Profit on disposal of investment properties	471	8,473	5,890	105,909	4,830	86,845	589	10,591	11,780	211,817
Valuation gains from investment properties	28,854	412,836	360,677	5,160,448	295,755	4,231,567	36,068	516,045	721,353	10,320,896
Finance Income	2,361	1,906	29,508	23,824	24,196	19,536	2,951	2,382	59,015	47,648
Total income	**118,862**	**503,329**	**982,125**	**5,822,471**	**1,070,500**	**4,712,856**	**547,984**	**1,134,487**	**2,719,471**	**12,173,143**
Expenses:										
Administrative expenses	(40,165)	(438,108)	(502,066)	(5,476,349)	(411,694)	(4,490,606)	(50,207)	(547,635)	(1,004,132)	(10,952,698)
Finance cost	(4,458)	(8,446)	(55,731)	(105,580)	(45,699)	(86,576)	(5,573)	(10,558)	(111,462)	(211,160)
Total expenses	**(44,624)**	**(446,554)**	**(557,797)**	**(5,581,929)**	**(457,394)**	**(4,577,182)**	**(55,780)**	**(558,193)**	**(1,115,594)**	**(11,163,858)**
Profit before taxation	64,155	40,371	801,939	504,643	657,590	413,807	80,194	50,464	1,603,877	1,009,285
Income tax expenses	(65,944)	42,255	(824,305)	528,185	(675,930)	433,112	(82,431)	52,819	(1,648,610)	1,056,370
Loss/Profit after Tax	(1,789)	82,626	(22,368)	1,032,828	(18,340)	846,919	(22,367)	103,283	(44,733)	2,065,655

	Facilities management		Project development		Business Development		Others		Total	
Income:	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Assets and liabilities:										
Total tangible assets	669,508	1,060,253	8,368,855	13,253,161	6,862,461	10,867,592	836,886	1,325,316	16,737,710	26,506,321
Intangible assets	22,525	22,520	281,560	281,505	230,879	230,834	28,156	28,150	563,120	563,009
Total assets	**692,033**	**1,082,773**	**8,650,415**	**13,534,665**	**7,093,340**	**11,098,425**	**865,042**	**1,353,467**	**17,300,830**	**27,069,330**
Total liabilities	325,454	691,875	4,068,173	8,648,432	3,335,901	7,091,714	406,817	864,843	**8,136,345**	**17,296,863**
Net assets	**366,579**	**390,899**	**4,582,243**	**4,886,234**	**3,757,439**	**4,006,711**	**458,224**	**488,623**	**9,164,485**	**9,772,467**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2021 ₦'000	₦'000
Profit or loss		
Profit before taxation for reportable segments	1,603,877	1,009,285
Elimination of inter-segment profit or loss	-	-
Total Company profit or loss	1,603,877	1,009,285
Assets		
Total assets of reportable segment	17,300,830	27,069,330
Elimination of inter-segment assets	-	-
Total Company assets	17,300,830	27,069,330
Liabilities		
Total liabilities of reportable segment	7,281,341	17,296,863
Elimination of inter-segment liabilities	-	-
Total Company liabilities	7,281,341	17,296,863

The Afriland's business activities are concentrated in one geographic region. The primary format for segment reporting is based on operating segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Revenue from external customers in Nigeria

	2021 ₦'000	2020 ₦'000
Revenue	1,626,878	796,495

The Company does not have any major customer that amount to 10% or more of the revenue.

Non-current operating assets in Nigeria	13,945,996	23,852,607

Non-current assets for this purpose consist of property, plant and equipment, investment properties, intangible assets, equity instrument at fair value through other comprehensive income and prepayments.

36. Events after the reporting date

There are no significant events after the reporting date which could have a material effect on the state of affairs of the Company as at 31 December 2021 that have not been adequately provided for or disclosed in the financial statements.

37. Management Strategy on COVID-19

The management is responding to the evolving events from the impact of Covid-19 and is planning to deal with related uncertainties through the following means:

- Liquidity management – Application of available funds to any project will be on projects whose payback period is within six months.
- Cost management – Cost to be incurred on operations related expenses as all other cost are eliminated completely.
- Innovation – Using cutting edge technology for our projects whilst not compromising on the quality of projects.
- Funding – Significant percentage of the projects funding will be financed by off-takers.

VALUE ADDED STATEMENT
Year ended 31 December 2021

	2021		2020	
	₦'000	%	₦'000	%
Revenue	1,626,878		1,422,433	
Bought in goods and services - local	(637,447)		(10,695,404)	
	989,431		(9,272,971)	
Other Operating Income	300,445		178,804	
Finance Income	59,015		47,648	
Profit on disposal of investment properties	11,780		211,817	
Valuation gains from investment properties	721,353		10,320,896	
Value Added	2,082,024		1,486,194	
APPLIED AS FOLLOWS:				
Employee:				
As salaries and labour related expenses	420,227	20%	424,367	29%
Government:				
As Company taxes	321,846	15%	113,032	8%
Retained for Growth & Expansion:				
For assets replacement (Depreciation, amortization and Right-of-Use Asset)	57,920	3%	52,542	4%
Deferred taxation	1,326,764	64%	(1,169,402)	-79%
For expansion (retained profit)	(44,733)	-2%	2,065,655	139%
Value Added	2,082,024	100%	1,486,194	100%

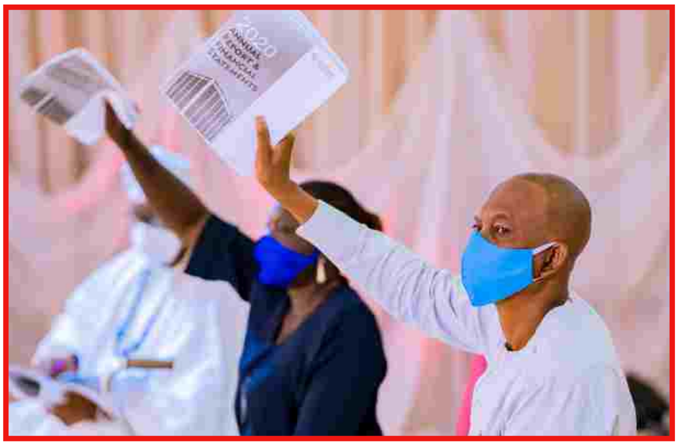
The value added represents the wealth created through the use of the Company's assets by its own and its employees' efforts. This statement shows the allocation of wealth amongst employees, government and that retained for future creation of wealth.

AFRILANDPROPERTIES

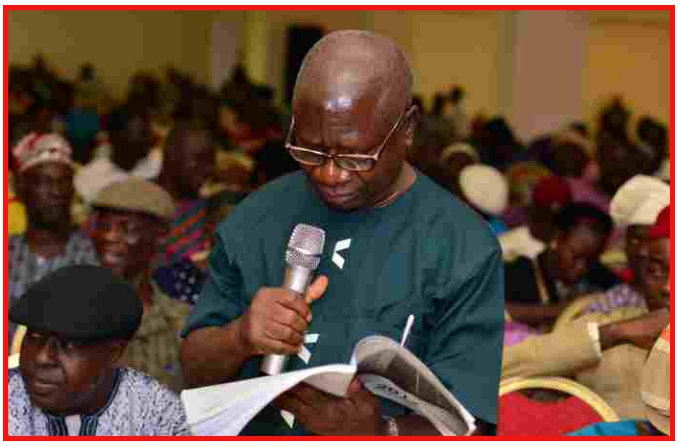
FIVE YEAR FINANCIAL SUMMARY

	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Statement of Financial Position					
Assets and liabilities					
Property, plant and equipment	74,929	128,340	430,713	454,743	321,110
Investment properties	12,196,578	22,426,720	11,667,000	10,451,015	8,846,418
Right-of-use asset	1,575	2,475	3,375	-	-
Goodwill and other intangible assets	563,120	563,009	563,887	566,388	564,046
Equity instrument at fair value through OCI	1,089,450	729,000	735,000	915,000	1,081,500
Prepayment (non-current)	20,344	3,063	11,585	20,808	3,408
Net current (liabilities)/assets	(2,593,667)	(6,155,376)	4,272,482	5,057,001	(1,653)
Deferred income (non-current)	-	-	-	-	(30,000)
Contract liabilities	(6,076)	(13,734)	(13,734)	-	-
Deferred tax liabilities	(1,326,764)	-	(1,169,402)	(727,570)	(553,637)
Interest-bearing loans and borrowings (non-current)	-	(7,911,030)	(8,453,304)	(9,184,913)	(3,042,796)
	10,019,489	**9,772,467**	**8,047,602**	**7,552,472**	**7,188,396**
Shareholders' fund					
Issued Share capital	686,950	686,950	686,950	686,950	686,950
Share premium	2,944,271	2,944,271	2,944,271	2,944,271	2,944,271
Fair value reserve of financial assets through OCI	145,050	(215,400)	(12,000)	168,000	334,500
Retained earnings	6,243,218	6,356,646	4,428,381	3,753,251	3,222,675
	10,019,489	**9,772,467**	**8,047,602**	**7,552,472**	**7,188,396**
Statement of Profit or Loss:					
Revenue	1,626,878	1,413,978	1,479,162	1,475,069	1,475,069
Profit before taxation	1,603,877	1,009,285	1,339,237	915,462	1,056,423
Income tax (expense)/ credit	(1,648,610)	1,056,370	(595,187)	(233,014)	(35,563)
Profit after taxation	**(44,733)**	**2,065,655**	**744,050**	**682,448**	**1,020,860**
Basic loss/earnings per share (₦)	(0.03)	1.50	0.54	0.50	0.74
Diluted loss/earnings per share (₦)	(0.03)	1.50	0.54	0.50	0.74

Reliving Memories: Previous AGMs of Afriland Properties Plc.



Reliving Memories: Previous AGMs of Afriland Properties Plc.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 9th Annual General Meeting ("AGM") of Afriland Properties Plc (the "Company") will hold on Thursday, 22nd September 2022, at Afriland Towers, 97/105 Broad Street, Lagos, Nigeria at 10:00 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To lay before the members, the Audited Financial Statements of the Company for the year ended 31st December 2021, together with the Reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a dividend.
3. To approve the appointment of Mr. Obong Idiong as a Director.
4. To approve the appointment of Mr. Olubunmi Akinremi as a Director.
5. To re-elect the following Directors retiring by rotation:
   - 5.1. Mrs. Agatha Obiekwugo
   - 5.2. Mr. Ayodeji Adigun
6. To authorize the Directors to fix the remuneration of the Auditors for the 2022 financial year.
7. To disclose the remuneration of Managers of the Company.
8. To elect members of the Statutory Audit Committee.

SPECIAL BUSINESS:

9. To fix the remuneration of Directors for the year 2022.

Dated this 30th day of August 2022.

BY ORDER OF THE BOARD

OMOMENE OBANOR
Company Secretary
FRC/2022/PRO/NBA/002/057966

NOTES

1. COMPLIANCE WITH COVID-19 RELATED DIRECTIVES AND GUIDELINES

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

2. PROXY

Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. For the appointment of the proxy to be valid, a proxy form must be completed and deposited either at the office of the Company's Registrar, Africa Prudential Plc, 220B Ikorodu Road, Palmgrove, Lagos or via email at cxc@africaprudential.com not later than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report and may also be downloaded from the Company's website at www.afrilandproperties.com.

3. ATTENDANCE BY PROXY

In line with CAC guidelines, attendance of the AGM shall be by proxy. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

1. Mr. Emmanuel N. Nnorom
2. Mrs. Uzoamaka Oshogwe
3. Mrs. Omomene Obanor
4. Mr. Joshua Okorie
5. Alhaji Wahab Ajani
6. Ms. Moyosore Ayanwamide

4. STAMPING OF PROXY

The Company has made arrangements at its cost for the stamping of the duly completed and signed proxy forms submitted to the Company's Registrar within the stipulated time.

5. LIVE STREAMING OF AGM

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

6. DIVIDEND

If the dividend recommended by the Directors is approved by the shareholders at the AGM, dividend will be paid on Friday, 23rd September 2022, to the shareholders whose names appear in the Company's Register of Members at the close of business on Monday, 5th September 2022.

7. CLOSURE OF REGISTER

The Register of Members of the Company will be closed from Tuesday, 6th September 2022 to Tuesday, 13th September 2022 (both dates inclusive) for the purpose of dividend payment and updating the register.

8. NOMINATION TO THE STATUTORY AUDIT COMMITTEE

In accordance with Section 404(6) of the Companies and Allied Matters Act 2020, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the AGM. Such notice of nominations should be sent via email to info@afrilandproperties.com for the attention of the Company Secretary. Section 404 (5) CAMA 2020 has mandated that all members must be literate and at least one member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. We therefore request that nominations be accompanied by a copy of the nominee's curriculum vitae.

9. E-DIVIDEND REGISTRATION

Notice is hereby given to all shareholders to open bank accounts, stockbroking accounts, and CSCS accounts for the purpose of receiving dividend payments electronically. A detachable application form for e-dividend is attached to the Annual Report to enable all shareholders to furnish particulars of their accounts to the Registrar as soon as possible.

10. UNCLAIMED DIVIDEND WARRANTS AND SHARE CERTIFICATES

Shareholders are hereby informed that a number of share certificates and dividend warrants which were returned to the Registrar as unclaimed are still in the custody of the Registrar. Any shareholder affected by this notice is advised to contact the Company's Registrar, Africa Prudential Plc, 220B Ikorodu Road, Palmgrove, Lagos, or via email at cxc@africaprudential.com to lay claim. For a list of unclaimed dividends, please see our website at www.afrilandproperties.com/investor-relations/resources.

11. PROFILE OF DIRECTORS FOR RE-ELECTION

The profiles of Mrs. Agatha Obiekwugo and Mr. Ayodeji Adigun who will be retiring by rotation and will be presented for re-election are amongst the profiles of Directors that are provided in the 2021 Annual Report and on the Company's website at www.afrilandproperties.com.

12. E- ANNUAL REPORT PUBLISHED ON THE WEBSITE

In order to improve the delivery of our Annual Report, we have inserted a detachable form in the 2021 Annual Report and hereby request shareholders to complete the form by providing their contact and any other requested details and thereafter return same to the Registrar for further processing. Additionally, an electronic version of the 2021 Annual Report is available on the Company's website at www.afrilandproperties.com.

13. RIGHTS OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such written questions must be submitted to the Company via email to info@afrilandproperties.com on or before Tuesday, 20th September 2022.

PROXY FORM

NINTH ANNUAL GENERAL MEETING OF AFRILAND PROPERTIES PLC, TO BE HELD ON THURSDAY, 22ND SEPTEMBER 2022, AT THE AFRILAND TOWERS, 97/105 BROAD STREET, LAGOS AT 10.00 AM.

I/We ____

being a member/members of AFRILAND PROPERTIES PLC, hereby appoint:

____or

failing him/her, the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Ninth Annual General Meeting of the Company to be held on Thursday, 22nd September 2022, at Afriland Towers, 97/105 Broad Street, Lagos, at 10.00 a.m. and at any adjournment thereof.

A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. This proxy form has been prepared to enable you to exercise your right to vote, in case you cannot personally attend the meeting.

Please sign this proxy form and forward it to reach the registered office of the Registrar, Africa Prudential Plc, 220B Ikorodu Road, Palmgrove, Lagos, or via email at cxc@africaprudential.com not later than 48 hours before the time fixed for the meeting. If executed by a Corporation, the Proxy Form must be under its common seal or under the hand of a duly authorized officer or attorney.

It is a requirement of the law under the Stamp Duties Act, Cap S8, Laws of the Federation of Nigeria, 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must be stamped by the Commissioner for Stamp Duties. However, in compliance with the CAC Guidelines for conduct of AGM by Proxy, the Company has made arrangements at its cost, for the stamping of the duly completed and signed proxy forms submitted to the Company's Registrars.

The Proxy must produce the Admission Card below to gain entrance into the Meeting.

RESOLUTIONS	FOR	AGAINST	ABSTAIN
1. To receive and consider the Audited Financial Statements of the Company for the year ended December 31, 2021, together with the Reports of the Directors, Auditors and Audit Committee thereon laid before the members.			
2. To declare a dividend of 10kobo per share.			
3. To approve the appointment of Mr. Obong Idiong as a Non-Executive Director of the Company.			
4. To approve the appointment of Mr. Olubunmi Akinremi as an Independent Non-Executive Director of the Company.			
4.1 To re-elect Mrs. Agatha Obiekwugo a Director retiring by rotation.			
4.2 To re-elect Mr. Ayodeji Adigun, a Director retiring by rotation.			
5. To authorize the Directors to fix the remuneration of the Auditors for the 2022 financial year.			
6. To disclose the remuneration of managers of the company.			
7. To elect members of the Statutory Audit Committee.			
8. To fix the remuneration of Directors for Financial Year 2022.			

Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

AFRILAND PROPERTIES PLC
Ninth Annual General Meeting

ADMISSION CARD

Please admit the Shareholder named on this Card or his duly appointed proxy to the Annual General Meeting of the Company to be held on Thursday, 22nd September 2022, at **Afriland Towers, 97/105 Broad Street**, Lagos at 10.00 a.m.

This admission card must be produced by the Shareholder in order to gain entrance into the Annual General Meeting.

____
Name of Shareholder

____
Address of Shareholder

____
Number of Shares Held

____
Signature

AFRILAND PROPERTIES

Africa Prudential
RC 649007

Affix Recent Passport Photograph

USE GUM ONLY
NO STAPLE PINS

(to be stamped by your banker)
ONLY CLEARING BANKS ARE ACCEPTABLE

E-DIVIDEND MANDATE ACTIVATION FORM

INSTRUCTION
Please complete all section of this form to make it eligible for processing and return to the address below.

The Registrar
Africa Prudential Plc
220B, Ikorodu Road, Palmgrove, Lagos.

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me\us from my/our holdings in all the companies ticked at the right hand column be credited directly to my /our bank detailed below:

Bank Verification Number (BVN):

Bank Name:

Bank Account Number:

Account Opening Date: DD MM YYYY

SHAREHOLDER ACCOUNT INFORMATION

Gender: Male ☐ Female ☐ Date Of Birth D D M M Y Y Y Y

Surname/Company's Name First Name Other Name

Address

City State Country

Clearing House Number (CHN) (if any) C

Name of Stockbroking Firm

Mobile Telephone 1

Mobile Telephone 2

E-mail Address

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

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

Signature:

Signature:

Joint/Company's Signatories

Company Seal *(if applicable)*

Note: This service costs **N150.00** per form exclusive of VAT.

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

CLIENTELE

1. ABBEY MORTGAGE BANK PLC ☐
2. ADAMAWA STATE GOVERNMENT BOND ☐
3. AFRILAND PROPERTIES PLC ☐
4. AFRICA PRUDENTIAL PLC ☐
5. A & G INSURANCE PLC ☐
6. ALUMACO PLC ☐
7. A.R.M LIFE PLC ☐
8. BECO PETROLEUM PRODUCTS PLC ☐
9. BUA GROUP ☐
10. BENUE STATE GOVERNMENT BOND ☐
11. CAP PLC ☐
12. CAPPA AND D'ALBERTO PLC ☐
13. CEMENT COY. OF NORTHERN NIG. PLC ☐
14. CSCS PLC ☐
15. CHAMPION BREWERIES PLC ☐
16. CWG PLC ☐
17. CORDROS MONEY MARKET FUND ☐
18. EBONYI STATE GOVERNMENT BOND ☐
19. GOLDEN CAPITAL PLC ☐
20. INFINITY TRUST MORTGAGE BANK PLC ☐
21. INVESTMENT & ALLIED ASSURANCE PLC ☐
22. JAIZ BANK PLC ☐
23. KADUNA STATE GOVERNMENT BOND ☐
24. LAGOS BUILDING INVESTMENT CO. PLC ☐
25. GLOBAL SPECTRUM ENERGY SERVICES PLC ☐
26. MED-VIEW AIRLINE PLC ☐
27. MIXTA REAL ESTATE PLC *(formerly ARM Properties Plc)* ☐
28. NEXANS KABLEMETAL NIG. PLC ☐
29. LIVINGTRUST MORTGAGE BANK PLC ☐
30. PERSONAL TRUST & SAVINGS LTD ☐
31. P.S MANDRIDES PLC ☐
32. PORTLAND PAINTS & PRODUCTS NIG. PLC ☐
33. PREMIER BREWERIES PLC ☐
34. RESORT SAVINGS & LOANS PLC ☐
35. ROADS NIGERIA PLC ☐
36. SCOA NIGERIA PLC ☐
37. TRANSCORP HOTELS PLC ☐
38. TRANSCORP PLC ☐
39. TOWER BOND ☐
40. THE LA CASERA CORPORATE BOND ☐
41. UACN PLC ☐
42. UNITED BANK FOR AFRICA PLC ☐
43. UNITED CAPITAL PLC ☐
44. UNITED CAPITAL BALANCED FUND ☐
45. UNITED CAPITAL BOND FUND ☐
46. UNITED CAPITAL EQUITY FUND ☐
47. UNITED CAPITAL MONEY MARKET FUND ☐
48. UNITED CAPITAL NIGERIAN EUROBOND FUND ☐
49. UNITED CAPITAL WEALTH FOR WOMEN FUND ☐
50. UNIC DIVERSIFIED HOLDINGS PLC ☐
51. UNIC INSURANCE PLC ☐
52. UAC PROPERTY DEVELOPMENT COMPANY PLC ☐
53. UTC NIGERIA PLC ☐
54. VFD GROUP PLC ☐
55. WEST AFRICAN GLASS IND PLC ☐

OTHERS:

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

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To Download Shareholders' Forms

Africa Prudential

FULL DEMATERIALIZATION FORM FOR MIGRATION

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

Affix recent passport photograph

USE GUM ONLY
NO STAPLE PINS

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

SECTION A:

SHAREHOLDER'S FULL NAMES: ______
Surname *First Name* *Middle Name*

ADDRESS: ______

GSM NUMBER: ______ E-MAIL: ______

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

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

BANK DETAILS FOR DIRECT SETTLEMENT

ACCOUNT NAME: ______ BANK: ______

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

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

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

Shareholder's Signature & Date

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

Thumb Print

CERTIFICATE DETAILS

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

Company Seal

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

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

CERTIFICATE DETAILS

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

Dated this ____ day of ____, 20__

Name: ______

Signature: ______

Joint (2) (if applicable): ______

Joint (3) (if applicable): ______

Company Seal

In the Presence of:

Name: ______ GSM NO: ______

Address: ______ Signature: ______

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

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

Authorised Signatory (1): ______ Authorised Signatory (2): ______

Company Seal

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

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Africa Prudential
RC 649007

SHARE PORTAL APPLICATION FORM

Dear Registrar,

Please take this as authority to activate my account(s) on your SharePortal where I will be able to view and manage my investment portfolio online with ease.

*** = Compulsory fields**

1. *SURNAME/COMPANY NAME:

2. *FIRST NAME:

3. OTHER NAME:

4. *E-MAIL:

5. ALTERNATE E-MAIL:

6. *MOBILE NO.: **1.** **2.**

7. SEX: MALE ☐ FEMALE ☐

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

9. *POSTAL ADDRESS:

10. CSCS CLEARING HOUSE NO.: C

11. NAME OF STOCKBROKER:

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

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

Signature:

Signature:

Joint/Company's Signatories

Company Seal *(if applicable)*

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

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9. BUA GROUP ☐
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Africa Prudential

RC 649007

E-SERVICE/DATA UPDATE FORM

KINDLY FILL AND RETURN FORM TO ANY OF OUR OFFICE ADDRESSES STATED BELOW | * = COMPULSORY FIELDS

1. *SURNAME/COMPANY NAME
2. *FIRST NAME
3. OTHER NAME
4. *GENDER M F
5. E-MAIL
6. ALTERNATE E-MAIL
7. *DATE OF BIRTH D D M M Y Y Y Y
8. *MOBILE (1) (2)
9. *ADDRESS
10. OLD ADDRESS *(if any)*
11. *NATIONALITY
12. *OCCUPATION
13. *NEXT OF KIN NAME MOBILE
14. *MOTHER'S MAIDEN NAME
15. BANK NAME
16. A/C NO.
17. A/C NAME
18. A/C OPENING DATE D D M M Y Y Y Y
19. BANK VERIFICATION NO. (BVN)
20. NAME OF STOCKBROKING FIRM
21. CSCS CLEARING HOUSE NO. (CHN) C

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

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

Signature:

Signature:

Joint/Company's Signatories

Company Seal *(if applicable)*

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

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4. AFRICA PRUDENTIAL PLC
5. A & G INSURANCE PLC
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7. A.R.M LIFE PLC
8. BECO PETROLEUM PRODUCTS PLC
9. BUA GROUP
10. BENUE STATE GOVERNMENT BOND
11. CAP PLC
12. CAPPA AND D'ALBERTO PLC
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16. CWG PLC
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