AFRILAND PROPERTIES

2020 ANNUAL REPORT & FINANCIAL STATEMENTS

www.afrilandproperties.com

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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
SECRETARY	Funmilola Suleiman	
REGISTERED OFFICE	Afriland Towers 99/105 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	
KEY SOLICITORS	M.E. Esonanjor & Co. (Barristers, Solicitors & Legal Consultants) 27, Oyewole Street Palmgrove - Ilupeju Lagos.	
	Ogbemudje, Omezi & Co. (Barristers & Solicitors) 3rd Floor, 34 Kofo Abayomi Street Victoria Island Lagos.	
REGISTRAR	Africa Prudential Plc 220B, Ikorodu Road Palmgrove Lagos.	

COMPANY OVERVIEW

OUR PURPOSE

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

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 N15billion, 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 CORE VALUES

Enterprise
- Passion
- Ingenuity
- Tenacity

Execution
- Hard work
- Results-Driven
- Accountability

Excellence
- Responsiveness
- Diligence
- Distinction

RESULTS AT A GLANCE

31 December	2020	2019
	N'000	N'000
Revenue	1,422,433	1,479,162
	=========	=========
Profit before taxation	1,009,285	1,339,237
Income tax credit/ (expense)	1,056,370	(595,187)
	--------------	---------------
Profit for the year	2,065,655	744,050
	=========	=========
Earnings per share	N1.50	N0.54
	=========	=========

31 December	2020	2019
	N'000	N'000
Total assets	27,069,330	24,859,903
	=========	=========
Total equity	9,772,467	8,047,602
	=========	=========

Emmanuel N. Nnorom
Chairman

Emmanuel N. Nnorom is the Chairman of the Board of Directors of Afriland Properties Plc. He is presently the Group CEO of Heirs Holdings. Prior to joining the Heirs Holdings Group, he served as 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 had held senior positions at Heirs Holdings and had served as an 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 included Group COO, followed by his appointment as Group CFO, 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 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 six (6) years.

Uzoamaka Oshogwe
Chief Executive Officer

Uzo Oshogwe is the Managing Director/CEO of Afriland Properties Plc. She joined the Company when it was still known as UBA Properties.

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 has over 25 years' working experience and is a Fellow of the Institute of Management Consultants and a RICS Accredited Civil & Commercial Mediator.

Prior to joining Afriland Properties Plc, she worked with UBA Plc., Ford Motors UK, J. Sainsbury's UK and Accenture UK.

She was appointed on January 29, 2013.

BOARD OF DIRECTORS PROFILE *(Continued)*

Olayinka Ogunsulire
Non-Executive Director

Olayinka Ogunsulire, is an Independent Non-Executive Director of the Board of Afriland Properties Plc. She is regarded as one of the leading property development professionals in Nigeria, 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 an 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 eight (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 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 Cranfield 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 STB-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-Executive Director

Agatha Obiekwugo is a Non-Executive Director of the Board of Afriland Properties Plc. She brings on board a proven track record with 25 years corporate experience spanning the banking, commerce, information and new technology, industries, with varied consulting expertise. She sits on the board of 3 other companies.

She is currently the Managing Director of ADASSA Energy Limited and holds a B.A in English from Edo State University, Ekpoma, Edo State and an MBA 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 two (2) years.

Mr. Ayodeji Adigun
Non-Executive Director

Mr. Ayodeji Adigun is a Non Executive Director of the Board of Afriland Properties Plc. He 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 GMD/CEO 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).

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).

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

EXECUTIVE MANAGEMENT

Henry Omoike
Head, Business Development

Henry Omoike is the Head of Business Development. He has over 20 years working experience of which 14 years is in the Banking and Financial Industry, having joined UBA Plc in 1997. Prior to joining UBA, Henry worked in the Construction and Real Estate Sector in Nigeria and is a professional member of the Nigerian Institute of Quantity Surveyors and Quantity Surveyors Registration Board of Nigeria.

He holds a HND Quantity Surveying from Auchi Polytechnic (1998); an MBA in Financial Management from Lagos State University (1998) and an MSc Economics from Ambrose Alli University, Edo State (2004).

EXECUTIVE MANAGEMENT *(Continued)*

Obiorah Ozugha
Chief Financial Officer

Obiorah Ozugha is the Chief Financial Officer of Afriland Properties Plc. He is an experienced finance professional with over 14 years' experience in Finance Management. He holds a Higher National Diploma in Accounting from the Institute of Management and Technology, Enugu.

He started his career in finance with KPMG. He also worked with Akintola Williams Deloitte where he was the team lead of the audit of some financial institutions in Nigeria.

Obiorah later moved to Transcorp Hotel Plc where he functioned as a Finance Manager before moving to Afriland Properties Plc as the Chief Financial Officer.

He is an Associate of the Institute of Chartered Accountants of Nigeria and Chartered Institute of Taxation of Nigeria.

Bassey Eka
Head, Projects Design

Bassey Eka is the Head of Projects Design. He is a trained and professional Architect having obtained both B.Sc. (Hons) and M.Sc. (Arch) from the Ahmadu Bello University, Zaria. He is also professionally licensed by the Architects Registration Council of Nigeria to practice Architecture in Nigeria and this dates back to 1993.

He has over 20 years post-qualification practical and active industry experience. He joined the erstwhile UBA Properties in 2006, and in the process, has headed branch expansions in the Northern part of Nigeria, the whole of Nigeria and also expansion and set up of UBA subsidiaries in 15 of the 20 African countries where UBA is currently operational.

Enenibiyo Halim
Head, Special Projects

Enenibiyo Halim is the Head of Special Projects and Facilities Management. She has 30 years of combined working experience in the Construction Industry as a Quantity Surveyor/ Project Manager and the Banking Sector. She holds a B.Tech. Quantity Surveying from the Rivers State University of Science & Technology, Port Harcourt, Nigeria and an MPM, Project Management from University of Lagos.

She led Costing and Tendering team at UBA Properties Plc (Now Afriland Properties Plc.). She also worked at Construction Economist Partnership Ltd (CEP), as a full Partner and the lead Quantity Surveyor for the $400million Tinapa Business Resort Project in Calabar.

She is a Fellow of Nigerian Institute of Quantity Surveyors, Member of Quantity Surveyors Registration Board of Nigeria and Project Management Institute Inc. Pennsylvania, USA.

Aminu Sarafa
Head, Project
Management Office

Aminu Sarafa (MNSE, CSSGB, CCP, PMP) is the Head of Project Management Office. He is a registered and corporate member of the Nigerian Society of Engineers, and a certified member of the Project Management Institute (PMI), International Association for the Advancement of Cost Engineering (AACE), and American Society for Quality (ASQ). He graduated from Obafemi Awolowo University in 2002 in Civil Engineering. He is a professional with diverse experience and skills in engineering, human resources, processes, and project management.

Prior to joining Afriland Properties Plc in 2013, Sarafa worked with UBA Properties Limited as Head, Project Management Office. In addition, he has worked as PM/Consultant on many projects for Total E&P Nigeria Limited, Association De Francaise Nigeria, French Consulate, and Proparco, Total Deepwater Nigeria Limited, Egina Field, CAP (Dulux) Plc. He is a professional with apt qualities, and has over 11 years' experience in Engineering, construction, and management.

Emmanuel Akpan
Head, Technical Consultancy

Emmanuel Akpan is the Head, Technical Consultancy at Afriland Properties Plc. He has over 20 years' experience in Quantity Surveying practice and Construction management, having previously worked at UBA Project Office, Ikeja Hotels Plc, Qu-ess partnership and Julius Berger Plc.

Emmanuel holds a Bachelor of Technology in Quantity Surveying from Federal University of Technology, Minna, Advanced Diploma in Safety & Environmental management, from OAU, Ife and Advanced Diploma in Project Management from the University of Lagos. Emmanuel is Member of the Nigerian Institute of Quantity Surveyors (MNIQS).

Funmilola Suleiman
Company Secretary

Funmilola Suleiman is the Company Secretary/Legal Adviser at Afriland Properties Plc. A legal practitioner with over 10 years experience in the legal industry. Funmilola is a member of Nigerian Bar Association, Section on Business Law and an Associate Member of the Chartered Institute of Arbitrators.

Prior to joining Afriland, she worked with law firms such as Tokunbo Orimobi LP, Banwo & Ighodalo and Lagos & Abuja Multi-Door Court House.

Funmilola holds a Bachelor of Law from University of Lagos, a Barrister at Law degree from the Nigerian Law School and Masters' of Law, with Specialization in Corporate and Securities Law from London School of Economics and Political Science.

EXECUTIVE MANAGEMENT *(Continued)*

Jennifer Egbukole is the Human Resource & Business Development Manager at Afriland Properties Plc. She is responsible for recruitment, talent management, HR policies and procedures development. Jennifer is also responsible for identifying new business opportunities and collaborating with management on organizational and strategic planning.

She has over 14 years' experience in Human Resource management, having previously worked at Zenith Bank and Mitsun Group, gaining exposure to best HR practices from a global institution. Thus, equipped with requisite knowledge and expertise.

Jennifer holds a Bachelor of Science in Political Science from Ahmadu Bello University and a Master's in international law & Diplomacy from the University of Lagos. Jennifer is certified by the HRCI as a Senior Professional in Human Resources (SPHRi).

Emmanuel N. Nnorom
Chairman, Board of Directors

CHAIRMAN'S STATEMENT

Distinguished Shareholders,

It is with great pleasure that I welcome you to the 8th Annual General Meeting of your Company, and present to you, the annual reports and financial statements for the year ended 31 December 2020.

On behalf of the Board of Directors, I sincerely thank you for your support to the Board and Management of your Company throughout the financial year under review.

In my address today, I will touch upon the performance of your Company during the last financial year, review the Global and Nigerian business environment during the same period, and attempt to analyse the future outlook for your Company.

The Global Economy

The global economy was intense and volatile in 2020 and successive growth recorded in previous years was interrupted by the outbreak of COVID 19 pandemic which subsequently triggered the steepest recession in generations. According to the International Monetary fund (IMF), estimated growth contracted by -4.4% below 3.5% forecasted for the year.

The resultant effect of the pandemic-induced internal and external restriction of movement are declines in global foreign direct investment by 42% from $1.5trillion in 2019 to estimated $859billion as reported by United Nations Conference on Trade and Development (UNCTAD), global trade with export volumes dropping abruptly to their lowest in nearly a decade in March and April and finally the rise in the level of unemployment across the globe.

The oil market witnessed a downturn in price of crude oil to $20 per barrel and rallied to $30 per barrel in May after the Organisation of the Petroleum Exporting Countries and Non-Oil Producing and Exporting countries reached an agreement on daily production. The impact of the sharp decline in price further exacerbated the revenue situations of nations whose economy are overly dependent on oil.

Real estate industry was affected negatively by the pandemic as public and private properties such as offices, apartments, hotels, sports, and entertainment venues were singled out as potential spreading locations for the novel coronavirus. These places were either shut down or had use restrictions imposed. According to PricewaterhouseCoopers, long-term outlook in the real estate sector centers on the world's ability to control the pandemic.

Despite these challenges, the bright side of the 4th Quarter of 2020, is the discovery of vaccines that are effective to control the virus and commencement of vaccination across the globe.

The Local Economy

The internal and external restrictions introduced by Governments across the world, Nigeria inclusive, was aimed at containing the spread of the virus. The consequence of this decision and other measures initiated to check the spread led to the near collapse of economic activities in Nigeria. Real GDP according to the National Bureau of Statistics declined by -6.1% in quarter two of 2020.

To avert imminent economic crisis primed to occur from non-productive economic activities nationwide, the fiscal and monetary authorities announced various intervention measures and stimulus packages aimed at alleviating the economic impact of the pandemic on corporate and individuals.

In the course of the year, the Central Bank of Nigeria adjusted its official exchange rate to the United States of America Dollar by 15% and thus indicated the apex bank's policy direction to the convergence of rates in its various foreign exchange windows.

Furthermore, in a bid to stimulate the economy, the Central Bank of Nigeria through its Monetary Policy Committee (MPC) reduced the monetary policy rate by 200 basis points to 11.5% and maintained the loan to deposit ratio of commercial banks at 65%.

Also, to access the World Bank's facility of $1.5billion in December 2020, a further adjustment was made to the domestic currency to N390/$.

In the oil and gas sector, the Petroleum Products Pricing Regulatory Agency (PPPRA) introduced a price modulation plan where price of fuel pump is reflective of the cost of crude oil in the market.
This bold policy has freed up resources that will be allocated to other priority areas and encouraged investment growth in the sector.

The Nigeria land borders closed in August 2019 with the aim of curbing smuggling and boosting local production of agricultural commodities were reopened in December 2020. This was in anticipation of the take-off of the Africa Continental Free Trade agreement from 1, January 2021. The agreement is aimed at removing trade barriers and boost intra-Africa trade.

The Real Estate sector showed an underwhelming performance in the year with a real annual growth of -9.22% from -2.36% recorded in 2019. The lull in activity reflected the situation of the economy that was aggravated by restrictions imposed by government and the nationwide protest by the youths. According to the National Bureau of Statistics, the real estate sector contributed 5.66% to real GDP in 2020 which is lower than 6.21% recorded in 2019. The Gross Domestic Product for the year 2020 is -1.92% against 2.27% recorded in 2019.

Highlight of 2019 Financial Performance

The Company performance during the year was affected by the events in the larger economy. The Company recorded a revenue of N1.42billion. This represents a marginal 4% reduction from the revenue of N1.48billion achieved in 2019.

Profit Before Tax achieved in the year under review was N1billion against the N1.3billion in 2019. This shows a decline in performance of 25% over prior year.

The Company's total assets for the year ended 31 December 2020 was N27.07billion as against the 2019 position of N24. 86billion.This represents a 9% increase.

Given this performance, the Board of Directors is proposing the sum of N68,695,000 as dividend payment for the year ended 31 December 2020. This translates to 5 kobo per ordinary share. We hereby request your approval of this dividend proposal.

Activities during the year

Several projects were commenced and completed in the year under review. As of 31 December 2020, the company had over forty-one (41) projects in different locations in the country and at various stages of completion.

Outlook for 2021

The year 2021 is considered as the year of recovery and according to the Organisation for Economic Co-operation and Development (OECD), the global economy may return to pre-pandemic levels by the end of 2021 as vaccines help to propel recovery. Growth is projected to be 4.5% and will be uneven across the countries with China accounting for a third of the growth.

The International Monetary Fund (IMF) expects the Sub-Sahara Africa regional growth to rebound to 3.1% in ++. The projected growth is predicated on the implementation of the AFCTA agreement by large economies in the region such as Nigeria and South Africa and access to more concessional financing.

Real GDP growth for Nigeria is expected to be weak and gradual and the IMF estimates that growth will be 1.5% in 2021. The government is expected to conclude within the year, the reforms it commenced in the oil and gas and power sector to accelerate recovery.

Board Changes

There was no change to the Board of Directors during the year.

Conclusion

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 the management team to ensure that your Company delivers on its promises and targets.

Distinguished shareholders and partners, I particularly want to appreciate you again for your invaluable support during the year under review. I count on your support in the year ahead.

Emmanuel N. Nnorom
Chairman, Board of Directors

CEO'S REPORT

Dear Shareholders,

It is my pleasure to deliver this Annual Report at the 8th Annual General Meeting of Afriland Properties Plc.

Our 2020 Annual Report contains detailed information about the activities of the company in what was a peculiar year for businesses worldwide. I would like to thank our customers for their patronage in the year; our esteemed shareholders for their support; our commited Board of Directors for their resourcefulness; and dedicated staff.

Your Company continued its affirmed business goals and objectives in 2020 which include:

- 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 year 2020 was challenging as businesses operated and endured, in an operating environment acknowledged as the most challenging year in recent history due to the outbreak of Coronavirus.

The global economy slowed down drastically in almost two quarters of the year due to restrictions on movements and other general lock-down on commercial and social activities.

The general demand for industrial goods and services and consumptions were at their lowest because of the restrictions and consequently, the world's advanced and low-income economies slipped into recession due to a halt in all forms of business activities.

Amid low demand and supply of goods and services experienced in the year and buoyed by reopenings of the economies in the 4th quarter of 2020, the International Monetary Fund (IMF) estimated that global GDP contracted in 2020 by -4.4%, a less severe contraction than earlier feared.

In the same vein, global demand for crude oil declined sharply while prices plunged to levels never seen before.

Nigeria being an oil dependent nation became susceptible to this volatility in the oil market and therefore suffered significant drop in revenue accruing from the sale of crude oil. To cushion the effect of decline in oil revenue, the Federal Government of Nigeria in April 2020 requested for emergency financial assistance for the sum of $3.4billion under the Rapid Financing Instrument (RFI) to support the economy against COVID-19 shock.

According to the National Bureau of Statistics, the internal and external lockdown triggered by the pandemic had devastating effect on the economy as outputs reduced, unemployment rate increased in the Trade, Manufacturing, Tourism and Hospitality sectors while inflation rate rose to 15.75% from 12.57% at the beginning of 2020.

The Federal government in the year through the Nigerian National Petroleum Organisation restructured the downstream segment of the oil industry by the removal of subsidy on pump price of fuel.

Furthermore, the Petroleum Products Pricing Regulatory Agency (PPPRA), also introduced a price modulation plan where prices are reflective of the cost of crude in the market. The government is convinced that the deregulation of the downstream sector will attract the much-needed investment in the sector and subsequently make products available at competitive prices.

In the year, the Government through the Nigeria Electricity Regulatory Commission (NERC) approved the commencement of the service reflective tariff policy. The service reflective electricity tariffs will help resolve liquidity crisis in the power sector and make the sector attractive to foreign investor.

The monetary and fiscal authorities had put measures in place for quick reversion from recession to the path of growth. Some of these measures include the approval of the National Economic Sustainability Plan (NESP)framework. The National Economic Sustainability programme provides a clear road map for post coronavirus economic recovery and the growth plan from 2021 to 2023.

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

Team work

We recognize that nothing great is achieved in isolation and so we work together as a team to exceed 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

Our commitment to corporate social responsibility stems from the belief that we are a part of the communities we serve. Giving back is a fundamental aspect of our Company's identity and values.

Service Delivery

We are guided by a set of principles, policies and standards, which enables us offer consistently 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.

2020 Performance

Our 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, 2020.

In line with our foundation of sound corporate governance and our adherence to regulatory standards, IFRS has provided a uniform and consistent basis for preparing our financial information for comparison and greater transparency.

Financial Performance

Revenue and Profitability

The company generated a revenue of N1.42billion in 2020 against N1.48billion earned in 2019. This represents a 4% reduction over performance in 2019 financial year. The profit before tax declined year -on-year by 25% from N1.3billion in 2019 to N1billion in 2020. The profit before tax performance was undermined by the charge on finance cost in current year.

Financial Position

The company's total assets grew by 9% year-on-year to N27billion as at 31 December 2020 from N25billion in 2019.

Shareholders' funds also rose to N9.8billion in 2020 from N8.05billion in 2019. This represents an increase of 22.5%

The increase in total assets and shareholders' funds are attributable to fair valuation gain on our investment properties as well as the profit from operating activities.

CEO'S REPORT (Continued)

Key Business Achievements and Overview

During the year under review, we commenced and completed the construction of some business offices nationwide while significant progress was made on other non-proprietary projects.

Outlook for 2021

The International Monetary Fund (IMF) amid exceptional uncertainty projected that the World economy will grow by 5.5% in 2021. The forecast was predicated on discoveries of COVID 19 vaccines, recent approvals of the vaccines, its acceptance by stakeholders, and the expectations that the vaccine will help strengthened activities in the year. In the same light, the institution also projected that the Nigeria economy will grow by 1.5%.

The estimated growth in the Nigeria economy by 1.5% is hinged on expected recovery in the price of crude oil and stability in the international market. Prices have been hovering between $50 - $60 in the year and proceeds will improve the liquidity available to the Nigerian government.

The fiscal plan of the government in 2021 reflects the need to stimulate the economy following the devastating effect of the pandemic. To achieve this objective, the government has deliberately prioritized a policy carefully crafted to improve the rate of unemployment in the country. The Federal Government is currently implementing the Special Public Works programme aimed at providing 774,000 employment opportunities to youths across the 774 local government areas of Nigeria. The Federal Government of Nigeria also recently introduced the N25 billion Nigeria Youth Investment Fund to cater to the investment needs of persons between the ages of 18 and 35 years.

Growth in the Agricultural sector in 2020 was positive. However, this was at a slow pace due to flooding, conflicts between the herders and farmers as well as low harvest yield. In 2021. The sector will continue to be at the forefront of government diversification plan.

In view of the above, we have positioned your company to take advantage of government's policy direction and optimize future rental income from our proprietory properties and to actively pursue an aggressive development of the underlisted properties for residential and commercial purposes with a view to maximizing shareholders wealth.

- Aromire Ikeja, Lagos
- Club Road, Ikoyi, Lagos
- Abule Egba, Lagos
- Port Harcourt Road, Owerri
- Bwari, Abuja
- Phase 1, Karmo Estate, Abuja
- Trans Amadi Industrial Layout, Port Harcourt

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

Conclusion

Our sincere and profound appreciation goes to our esteemed and distinguished shareholders, the Board of Directors, the management and staff for their extraordinary commitment, loyalty and support. We continually reiterate our determination to achieve your Company's vision to be Africa's leading Real Estate Company that creates long term value for all stakeholders.

Thank you.

Uzoamaka Oshogwe
Chief Executive Officer

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, which ensures the promotion of effective governance through the strategic direction and oversight by the Board thereby enhancing shareholder value and promoting the rights' protection of shareholders and stakeholders.

During the year ended 31 December 2020, Afriland complied with the provisions of the Financial Reporting Council's National 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 2020 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 promote 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 remained operational throughout the 2020 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 catalogues 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 specifically highlight the responsibilities of the SAC to include evaluation of the adequacy of the internal control, ensure the integrity of the Company's financial statements, review of audit exceptions etc. Furthermore, the Terms of Reference include 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 Company in the running of its 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 1 631 0480-1. For entering whistle blowing complaints, a direct link is also available on the Company's website www.afrilandproperties.com.

- **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 ("NGC") 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. This nomination by the NGC 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 NGC 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 full Board, on the evaluation and recommendation of the NGC.

  The remuneration of Directors is reflected and broken down on page 92 of the annual report.

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 five (5) members made up of four (4) Non-Executive Directors, one (1) of which is an Independent Non-Executive Director and one (1) Executive Director. In accordance with 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 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 programme 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 and 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 24 of the Annual Reports.

2.7 Delegation of Authority

The Board establishes formal delegations of authority, defining the limits of Management's power and authority and delegating to Management certain powers to run the day-to-day operations of the Company. The delegation of authority conforms to statutory limitations specifying responsibilities of the Board that cannot be delegated to Management. Any responsibility not delegated remains with the Board and its committees. The Company has a formal Delegation of Authority Policy in place.

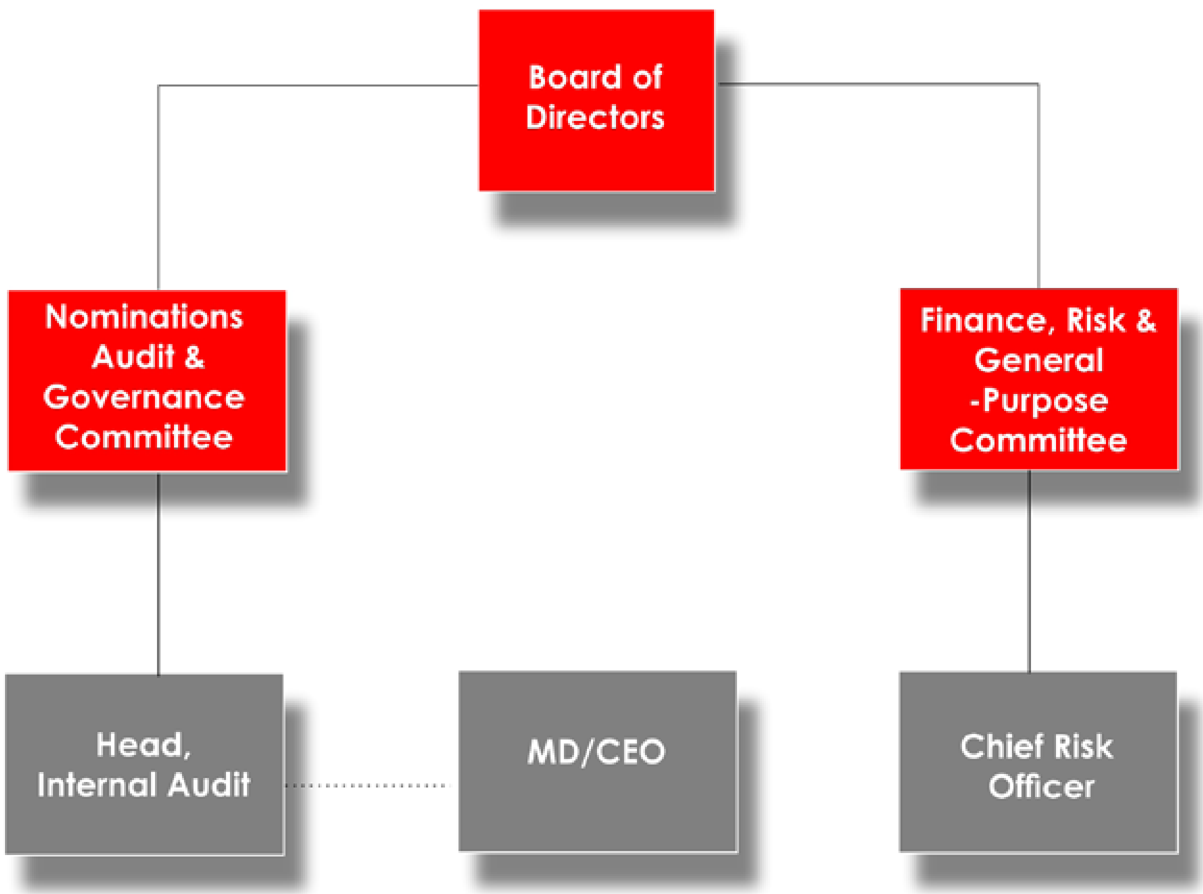
2.8 Risk Management and Internal Control

The Board is responsible for and ensures proper financial reporting as well as 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 Board's audit committee which is the Nominations, Audit & Governance Committee meetings and Statutory Audit Committee

Furthermore, the Board continually places emphases on 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 and adopting an approach of risk governance that balances the demands of entrepreneurship, control and transparency while also driving the achievement of the Company's objectives with an effective decision-making process.

In ensuring compliance, the Board oversees the implementation and monitoring of the extant policies, approves and periodically reviews risk strategies and policies, and monitors the Company's risk profile against its risk appetite. This is achieved through regular review of reports, updates by both internal and external personnel at the Finance, Risk & General-Purpose Committee and conduct of the 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 who presents his reports on a quarterly basis to the Nominations, Audit & Governance Committee. The Company adopts the Risk Based internal audit methodology in carrying out audit functions involving 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 auditors are Ernst & Young who review the financial statements to ensure that same do not contain any material misstatements,

The auditors have worked with the Company for a cumulative period of eight (8) years.

2.10 Changes on the Board

During the period ended 31 December 2020, no change 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 2020:

S/N	Director	Position	Date appointed to the Board	Cumulative term on the Board
1	Mr. Emmanuel N. Nnorom	Chairman/ Non-Executive Director	30-Oct-14	6 years
2	Mrs Uzo Oshogwe	MD/CEO	29-Jan-13	8 years
3	Mr. Samuel Nwanze	Non-Executive Director	14-Jan-13	8 years
4	Ms. Yinka Ogunsulire	Independent Non-Executive Director	14-Jan-13	8 years
5	Mrs Agatha Obiekwugo	Non-Executive Director	23-Oct-18	2 years

2.11 Retirement from the Board

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, Mr. Emmanuel N. Nnorom and Ms Yinka Ogunsulire will retire at the 8th Annual General Meeting, and both being eligible offer themselves for re-election.

In addition, Mr. Samuel Nwanze will retire from the Board at the 8th Annual General meeting but will not be offering himself for re-election.

Profile of Directors Being Re-elected

Profile of Mr. Emmanuel N. Nnorom

Emmanuel N. Nnorom is the Chairman of the Board of Afriland Properties Plc. He is presently the Group CEO of Heirs Holdings. Prior to joining the Heirs Holdings Group, he served as President/CEO of Transnational Corporation of Nigeria Plc, overseeing the Transcorp businesses, including Transcorp Power, Transcorp Hotels Plc, Transcorp Hotels Limited Calabar and Transcorp Energy. Prior to Transcorp, Emmanuel had held senior positions at Heirs Holdings and had served as an 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 included Group COO, followed by his appointment as Group CFO, 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 Chairman, Transcorp Power Limited and Transcorp Hotels Plc.

He joined the Board of Afriland Properties Plc on October 30, 2014 and has so served for a cumulative period of six (6) years. He is the Chairman of the Board of Directors and has satisfied the requirement for attendance of Board meetings as required by the Code of Corporate Governance during the period under review.

A record of his attendance at Board meetings is available on page 24 of this Report.

Mr. Nnorom is resident in Nigeria.

Profile of Ms Yinka Ogunsulire

Olayinka Ogunsulire is an Independent Non-Executive Director of the Board of Afriland Properties Plc, who is regarded as one of the leading property development professionals in Nigeria, 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 an 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 joined the Board of Afriland Properties Plc on January 14, 2013 and has served for a cumulative period of eight (8) years. She is the Chairman of the Nominations, Audit & Governance Committee, a member of the Finance, Risk & General-Purpose Committee, and the Statutory Audit Committee. She satisfied the requirement for attendance of 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 24- 28 of this Report.

Ms. Ogunsulire is resident in Nigeria.

2.12 Appointment of Directors

The Nominations, Audit & Governance Committee having assessed the qualifications of Mr. Ayodeji Adigun based on the established criteria in the Company's Charter and in order to fill the casual vacancy that will arise from the retirement of Mr. Samuel Nwanze, recommended to the Board for approval the appointment of Mr. Ayodeji Adigun.

Having considered the nomination, the Board approved the appointment of Mr. Ayodeji Adigun on February 15, 2021. This appointment is subject to the approval of the shareholders at the 8th AGM.

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 GMD/CEO 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).

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).

He currently serves as a Non-Executive Director on the Board of NASD Plc. He is resident in Lagos.

2.13 Board Evaluation and Corporate Governance Assessment

On an annual basis and during the period under review, the Company engaged the services of an independent consultant, Angela Aneke & Company Limited to carry out an extensive Board and Directors' appraisal exercise and evaluation of compliance by the Company with the 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 National Code of Corporate Governance and Securities and Exchange Commission Corporate Governance Guidelines, 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 Financial Reporting Council National Code of Corporate Governance introduced an annual assessment of the corporate governance practices adopted by the Company and having conducted the assessment, the report forms part of this Annual Report.

Angela Aneke & Company Limited has worked with the Company and conducted board evaluation of the Board for a cumulative period of three (3) 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/Chief Executive Officer
Ms. Olayinka Ogunsulire - Independent Non-Executive Director
Mr. Samuel Nwanze - Non-Executive Director
Mrs Agatha Obiekwugo - Non-Executive Director

2.15 Board Meetings Attendance

The Board held five (5) meetings during the year ended 31 December 2020 and the table below shows the meetings of the Board in 2020 and frequency of members' attendance:

Directors	Date of Meetings Held	No of meetings attended	Date of meetings not attended
Mr. Emmanuel Nnorom	18th February 2020	5	N/A
	29th April 2020		
	28th July 2020		
	27th October 2020		
	15th December 2020		
Mrs. Uzoamaka Oshogwe	18th February 2020	5	N/A
	29th April 2020		
	28th July 2020		
	27th October 2020		
	15th December 2020		
Mr. Samuel Nwanze	18th February 2020	5	N/A
	29th April 2020		
	28th July 2020		
	27th October 2020		

	15th December 2020		
Ms. Olayinka Ogunsulire	18th February 2020	5	N/A
	29th April 2020		
	28th July 2020		
	27th October 2020		
	15th December 2020		
Mrs Agatha Obiekwugo	18th February 2020	5	N/A
	29th April 2020		
	28th July 2020		
	27th October 2020		
	15th December 2020		

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 (NGC) 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 regard 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.
- 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 of 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/Non-Executive Director
Mrs Agatha Obiekwugo	- Member/Non-Executive Director

The table below shows the frequency of meetings of the NGC in 2020 and members' attendance:

Directors	Date of Meetings Held	Number of meetings attended	Date of meetings not attended
Ms. Olayinka Ogunsulire	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Mr. Samuel Nwanze	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Mrs Agatha Obiekwugo	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		

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 approval of 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 on a continual basis.
- Monitor and assess the integrity of the overall risk management framework of the Company.
- Discharge the Board's responsibilities with regard to 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 year under review, membership of the Committee comprised three (3) non-executive directors and one (1) executive director as follows:

Mr. Samuel Nwanze - Chairman/Non-Executive Director
Ms. Olayinka Ogunsulire - 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 2020 and members' attendance:

Directors	Date of Meetings Held	Number of meetings attended	Date of meetings not attended
Mr. Samuel Nwanze	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Mrs Uzoamaka Oshogwe	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Ms. Olayinka Ogunsulire	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Mrs Agatha Obiekwugo	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		

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 a mixture of Non-Executive Directors and ordinary shareholders elected at the seventh Annual General Meeting of the Company held by proxy on 28th April 2020. 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.

Membership of the Committee in 2020 comprised the following:

Mr. Joshua Okorie - Chairman
Alhaji Wahab A. Ajani - Member
Miss Moyosore Ayanwamide - Member
Mr. Samuel Nwanze - Member/Non-Executive Director
Ms. Olayinka Ogunsulire - Member/Independent Non-Executive Director
Mrs Agatha Obiekwugo - Member/Non-Executive Director

The table below shows the frequency of meetings of the SAC in 2020 and members' attendance:

Directors	Date of Meetings Held	Number of meetings attended	Date of meetings not attended
Mr. Joshua Okorie	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		

	16th October 2020		
Alhaji Wahab A. Ajani	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Miss Moyosore Ayanwamide	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Mr. Samuel Nwanze	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		
Ms. Olayinka Ogunsulire	12th February 2020	3	16th October 2020
	20th April 2020		
	21st July 2020		
	16th October 2020		
Mrs Agatha Obiekwugo	12th February 2020	4	N/A
	20th April 2020		
	21st July 2020		
	16th October 2020		

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:

- Articulating the strategy of the Company and recommending same to the Board.
- Discussing strategic matters and their impact on the Company's property and investment portfolio.
- Outlining the manner and techniques in which the Company's objectives shall be accomplished.
- Executing the Company's strategy.
- Identifying, analyzing and making recommendations on risks arising from the day-to-day operations of the Company and its investments.
- Preparing annual financial plans to be approved by the Board and ensuring 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 General Meetings provide shareholders with the platform to contribute to the activities of the Company. The Annual General Meetings (AGMs) 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 participate at 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.

Owing to the COVID-19 pandemic which resulted in the government ordered restrictions on movement in some states including Lagos State, the Company in 2020 obtained approval of the Corporate Affairs Commission and complied with the CAC's Guidelines on holding of Annual General Meetings of Public Companies using Proxies which enhanced participation of shareholders.

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 candidates 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 Ownership Scheme

The Company does not adopt an employee share ownership scheme.

Internal Management Structure

Afriland's organizational structure requires unit heads to be accountable to the Managing Director/ Chief Executive Officer who is responsible for the day-to-day operations of the Company. Staff members 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 defined through key performance indices and creates adequate levels of checks and balances.

The directors have pleasure in presenting, to the members of the Afriland Properties Plc ("the Company") their report together with the audited financial statements for the year ended 31 December 2020.

LEGAL FORM
Afriland Properties Plc was incorporated as a private limited liability Company on 14 March 2007 and is headquartered in Lagos, Nigeria with other office locations in Abuja, Port-Harcourt and Benin. The company began operations on 1 February 2011.

PRINCIPAL ACTIVITY
The principal activity of the Company is real estate investment and development as well as offering of a broad range of real estate products/services 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

	2020	2019
	N'000	N'000
Revenue	1,422,433	1,479,162
	=========	=========
Profit before taxation	1,009,285	1,339,237
Taxation	1,056,370	(595,187)
	---------------	--------------
Profit for the year	2,065,655	744,050
	=========	========

DIVIDEND
The directors have recommended payment of a dividend of 5k per share of the outstanding ordinary shares of 1,373,900,000 in respect of the year ended 31 December 2020 (2019: payment of dividend of 10k 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 (2019: Nil).

DIRECTORS
The names of the Directors who held office during the year are as follows:

Emmanuel Nnorom	Chairman
Uzo Oshogwe	Managing Director/Chief Executive Officer
Olayinka Ogunsulire	Independent Non-Executive Director
Samuel Nwanze	Non-Executive Director
Agatha Obiekwugo	Non-Executive Director

DIRECTORS' INTERESTS 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, 2020 are as follows;

		31 December 2020
	Direct Holding	Indirect Holding
Emmanuel Nnorom	317,647	66,158
Uzoamaka Oshogwe	836,128	-
Olayinka Ogunsulire	248	-
Samuel Nwanze	19,202	-
Agatha Obiekwugo	1,367	-
	1,174,592	**66,158**

		31 December 2019
	Direct Holding	Indirect Holding
Emmanuel Nnorom	317,647	66,158
Uzoamaka Oshogwe	836,128	-
Olayinka Ogunsulire	248	-
Samuel Nwanze	19,202	-
Agatha Obiekwugo	1,367	-
	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 31 December 2020 (2019: 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 at 31 December 2020 (2019: Nil).

Shareholding range analysis

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

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	361,332,053	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 31-12-2019

Range			No. of Holders	Holders %	Holders Cum.	Units	Units %	Units Cum.
1	-	10,000	276,343	98.43%	276,343	140,902,527	10.26%	140,902,527
10,001	-	50,000	3,507	1.25%	279,850	73,044,248	5.32%	213,946,775
50,001	-	100,000	448	0.16%	280,298	31,460,774	2.29%	245,407,549
100,001	-	500,000	331	0.12%	280,629	64,341,536	4.68%	309,749,085
500,001	-	5,000,000	78	0.03%	280,707	98,880,125	7.20%	408,629,210
5,000,001	-	50,000,000	26	0.01%	280,733	363,500,385	26.45%	772,129,595
50,000,001	-	2,000,000,000	10	0.00%	280,743	601,770,405	43.80%	1,373,900,000
Grand Total			280,743	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 2020. 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 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 assurance 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.

REPORT OF THE DIRECTORS (Continued)

for the year ended 31 December 2020

CHARITABLE CONTRIBUTIONS AND DONATIONS

The Company made payment of N25,000,000.00 towards the COVID-19 pandemic as part of its Corporate Social Responsibility during the year ended 31 December, 2020. (2019: N26, 785,000).

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 Companies and Allied Matters Act, 2020. The directors consider that the format adopted is most suitable for the Company.

AUDITOR

Ernst & Young have expressed their willingness to continue in office as the Company's auditor 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

FUNMILOLA SULEIMAN
COMPANY SECRETARY
FRC/2019/NBA/00000019130
Lagos, Nigeria

15 February, 2021

Afriland Properties Plc understands the importance of integrating environmental, social standards with its business strategies and operations and therefore adopts sustainability policies to ensure the growth of the Company for the ultimate benefit of all stakeholders.

To build a company of successful businesses underpinned by excellence, execution and entrepreneurship and create sustainable value for its stakeholders in its chosen markets, the Company recognizes the need for an 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, in our day-to-day activities, we are committed to carry out stakeholders' engagement; to ensure the health, safety and welfare of our employees and continuous learning and improvement; adherence to all national laws and regulations in the industry and locations where we operate in respect to corporate governance and environmental protection.

Community Investment and Corporate Social Responsibility (CSR)
Just as Afriland recognises legitimate land tenure and the rights of local communities and individuals, we commit to encourage and respect the rights of indigenous folks, vulnerable groups and local communities while ensuring that their concerns are properly addressed where we operate.

COVID-19 SUPPORT
In the spate of the novel coronavirus (COVID 19) pandemic across the globe and in Nigeria, Afriland partnered with different institutions to curtail the spread and alleviate its impact on the society within which we operate.

Consequently, Afriland provided financial support to the Congress of Nigeria Youth for the distribution of palliatives (food and medical supplies) to widows and less privileged in Lagos and Ogun states during the government-ordered movement restriction.

In addition, the Company partnered with some medical institution to provide Personal Protective Equipment (PPE) to front line health workers to enable them effectively attend to patients in the fight against the COVID-19 pandemic.

PRESERVING THE ENVIRONMENT
The Company adopts policies that seek to protect and enhance the environment by minimizing wastage, being energy efficient and avoid 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 inclusion of amenities 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 WHISTLE BLOWING
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 complaints can be made through our 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 pertaining to recruitment and selection, career advancement, compensation, benefits, and training is 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 on the basis of gender, nationality or religion by another employee, if proven, will be regarded as a sanctionable offence.

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

During the year, despite the pandemic, staff members attended varying virtual trainings ranging from trainings targeted to help deal with the changing work conditions arising from the pandemic, mental health, managing stress to different technical trainings beneficial to enhance their productivity.

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.

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 into its offices. However, owing to the COVID-19 pandemic, visitors were prohibited from the office premises to safeguard staff members.

The Company undertakes annual wellness checks for its employees to ensure they are in perfect health as human capital is vital for our sustainability.

The Company also undertakes fire drills for all staff to ensure that they are kept abreast of steps to take in the event of an actual fire outbreak.

Employment and Labor Relations
We maintain a robust orientation programme for new employees. The orientation programme 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 recognise high performers.

We also have a good mix of male and female representation in the workforce. The Company offers equal remuneration for men and women who are at the same level and for work of equal value as all staff in the organization receive the same remuneration across the same level irrespective of gender. Recruitment is carried out without prejudice and with respect for the human rights of all parties involved.

Employees have equal access to training and career advancement without any form of discrimination.

AA&Co

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February 19th, 2021

Statement by the External Consultants on the Board Evaluation of Afriland Properties Plc for the year ended December 31, 2020

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, 2020 in line with the requirements of Principle 14 of the FRC 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, 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 & Board Committee Governance Charter. The mandates and terms of reference of the Board committees are clearly defined in the Board Governance & Board Committee 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 2020.

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The Board and its Committees have an appropriate 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 executed its functions of Strategic Direction, Policy Formulation, Decision Making and Oversight within the year objectively and effectively.

On the basis of our work, we conclude that the Board of Afriland Properties Plc operates effectively and demonstrates a commitment to maintaining strong corporate governance in line with global best practice, it has a formalised corporate governance framework in place and the Company has satisfactorily applied the 28 principles of FRC Code which took effect in 2020.

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

AngelaAneke

Angela Aneke
Managing Director

AA&Co

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February 19th, 2021

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

Angela Aneke
Managing Director

STATUTORY AUDIT COMMITTEE REPORT

TO MEMBERS OF AFRILAND PROPERTIES

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 2020;

- 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.

CHAIRMAN, STATUTORY AUDIT COMMITTEE
FRC/2020/003/00000020811
15 February 2021

Members of the Statutory Audit Committee

1. Mr. Joshua Okorie	-	Chairman
2. Alhaji Wahab A. Ajani	-	Member
3. Miss Moyosore Ayanwamide	-	Member
4. Mr. Samuel Nwanze	-	Member/Non-Executive Director
5. Ms. Olayinka Ogunsulire	-	Member/ Independent Non-Executive Director
6. Mrs Agatha Obiekwugo	-	Member/Non-Executive Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

for the year ended 31 December 2020

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 profit for the year ended 31 December 2020. 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

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INDEPENDENT AUDITORS' 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 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the 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 2020, and its financial performance and cash flows for the year then ended in accordance with the 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 the International Standards on Auditing (ISA). 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 judgment, 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.

Key Audit Matters	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 ₦561.18 million is allocated to cash generating units ('CGUs') for the purpose of impairment testing. The goodwill impairment assessment involves judgment and estimate forecast future cash flows associated with utilization of the goodwill, the discount rates, the growth rate of revenue and costs to be applied in determining the value-in-use and future business performance.	Our audit procedures include, amongst other, the following: >We tested the goodwill for impairment by comparing the carrying amount of the cash generating unit in addition to the allocated goodwill with the recoverable amount of the cash generating unit. >We tested 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

Independent Auditor's Report (Continued)

To the Shareholders of Afriland Properties Plc

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No impairment was recorded against goodwill in the current financial year (2019: Nil). The disclosure of the impairment of goodwill is set out in Note 16.	confirming the mathematical accuracy of the underlying calculations. >We also considered the accuracy of previous Management forecasts. >We obtained corroborating 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 ascertain 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 property The gain on valuation of investment property amounts to ₦10.32 billion (2019: ₦556.15 million). The value of the properties was assessed by the professional valuer using the market data approach based on recent sales transaction of similar sites in comparable location. As regards the buildings/structures, the depreciated replacement cost was also assessed based on current building/construction costs indices and considering 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 agreed balances to the respective general ledger accounts. > For significant properties acquired during the year, we confirmed that the allocation of purchase price was in accordance with the entity's accounting policies and applicable financial reporting framework and that the total purchase price was in accordance with the relevant supporting documentations showing the cost. > For significant properties disposed 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 obtained the calculation of the gain on disposal of investment properties 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. > We assessed the validity of the valuation report by carrying out research on the market data used in the assessment and the reasonableness of the prevailing conditions in the real estate market. >We performed an assessment to determine the competence and capabilities of the professional valuer in terms of the experience and qualifications.

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Other Information

The Directors are responsible for the other information. The other information includes the Report of the Directors, Statement of Directors' Responsibilities, Corporate Governance Report, Report of the Audit Committee and other National Disclosures. 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. 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.
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 the 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 controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, 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 misstatements, 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 ISA 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 ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Independent Auditor's Report (Continued)

To the Shareholders of Afriland Properties Plc

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Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Company in so far as appears from our examination of those books;
- 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

25 february 2021

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
36/ICAN
0485994

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2020

	Notes	2020 N'000	2019 N'000
Revenue from contract with customers			
Fees and commission	4	662,348	725,560
Project development income	5	134,147	114,896
		796,495	**840,456**
Other revenue			
Rental income	6	611,403	611,166
Sales of inventory property (Build to sell)		14,535	27,540
Total revenue		**1,422,433**	**1,479,162**
Cost of sales of inventory property		(8,455)	(16,911)
		1,413,978	**1,462,251**
Other income			
Other operating income	7	178,804	14,453
Gain on disposal of investment properties	13.1	211,817	20,998
Valuation gains from investment properties	13	10,320,896	556,153
		10,711,517	**591,604**
Administrative expenses	8	(10,952,698)	(778,554)
Finance income	9	47,648	114,501
Finance cost	9.1	(211,160)	(50,565)
Net finance (cost)/income		(163,512)	63,936
Profit before taxation		**1,009,285**	**1,339,237**
Income tax credit/(expense)	10	1,056,370	(595,187)
Profit for the year		**2,065,655**	**744,050**
Other comprehensive income			
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:			
Fair value loss on equity instrument measured at fair value through Other comprehensive income	17	(203,400)	(180,000)
"Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods"		(203,400)	(180,000)
Total comprehensive income for the year		**1,862,255**	**564,050**
Earnings per share:			
Basic/ diluted earnings per share (Naira)	11	1.50	0.54

See notes to the audited financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 N'000	2019 N'000
Assets			
Non-current assets			
Property, plant and equipment	12	128,340	430,713
Investment properties	13	22,426,720	11,667,000
Right-of-use assets	15	2,475	3,375
Intangible assets	16	563,009	563,887
Equity instrument at fair value through OCI	17	729,000	735,000
Prepayments	18.1	3,063	11,585
		23,852,607	13,411,560
Current Assets			
Inventory property	14	4,228	12,683
Trade and other receivables	19	2,196,470	1,548,741
Other assets	20	136,158	9,057,307
Prepayments	21	35,756	22,701
Cash and short-term deposits	22	844,111	806,911
		3,216,723	11,448,343
Total assets		**27,069,330**	**24,859,903**
Equity and Liabilities			
Equity			
Issued 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		(215,400)	(12,000)
Retained earnings		6,356,646	4,428,381
Total equity		**9,772,467**	**8,047,602**
Non Current Liabilities			
Contract liabilities	25	13,734	13,734
Deferred tax liabilities	26.2	-	1,169,402
Interest-bearing loans and borrowings	27.1.1	7,911,030	8,453,304
		7,924,764	9,636,440
Current Liabilities			
Trade and other payables	24	3,155,378	2,145,431
Interest-bearing loans and borrowings	27.1.2	3,107,176	1,807,437
Contract liabilities	25	2,946,764	3,024,434
Income tax payable	26.1	162,781	198,559
		9,372,099	7,175,861
Total liabilities		17,296,863	16,812,301
Total equity and Liabilities		**27,069,330**	**24,859,903**

The audited financial statement was approved by the Board of Directors on 15th February 2021 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

See notes to the audited financial statements.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2020

	Notes	Issued share capital	Share premium	Retained earnings	Fair value reserve of financial assets through OCI	Total equity
		N'000	**N'000**	**N'000**	**N'000**	**N'000**
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**
At 1 January 2019		686,950	2,944,271	3,753,251	168,000	7,552,472
Profit for the year		-	-	744,050	-	744,050
Effect of adoption of IFRS 16		-	-	(225)	-	(225)
Other comprehensive income for the year, net of tax		-	-	-	(180,000)	(180,000)
Cash dividend	23.3	-	-	(68,695)	-	(68,695)
At 31 December 2019		**686,950**	**2,944,271**	**4,428,381**	**(12,000)**	**8,047,602**

See notes to the audited financial statements.

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

	Notes	2020 N'000	2019 N'000
Profit before taxation		1,009,285	1,339,237
Adjustments to reconcile profit before tax to net cash flows:			
Expected credit (write back)/losses	7/8.1	(11,869)	5,938
Amortisation of intangible assets	16	2,588	3,541
Depreciation of property, plant and equipment	12	49,054	42,107
Depreciation of right-of-use asset	15	900	900
Gain on disposal of investment properties	13.1	(211,817)	(20,998)
Gain on disposal of property, plant and equipment		-	(249)
Finance income	9	(47,648)	(114,501)
Bad debt written off	8	10,141,084	-
Finance cost	9.1	211,160	50,565
Fair value gain on investment properties	13	(10,320,896)	(556,153)
Working capital adjustments:			
Decrease in inventory properties		8,455	16,912
(Increase)/Decrease in trade and other receivables		(635,860)	289,182
(Increase)/Decrease in prepayments		(4,533)	898
(Increase)/Decrease in other assets		(87,278)	12,551
Increase/(Decrease) in trade and other payables		886,245	14,712
Decrease in contract liabilities and deferred income		(77,670)	(374,295)
		911,200	710,347
Income tax paid	26.1	(25,935)	(9,472)
Net cash generated from operating activities		**885,265**	**700,875**
Investing activities			
Proceeds from sale of property, plant and equipment		-	1,021
Purchase of equity instruments	17	(197,400)	-
Purchase of property, plant and equipment	12	(5,479)	(18,433)
Purchase of intangible assets	16	(1,710)	(1,040)
Purchase of investment properties	13	(297,026)	(692,384)
Proceeds from disposal of investment properties (net)		328,817	59,500
Interest received	9	47,648	114,501
Net cash used in investing activities		**(125,150)**	**(536,835)**
Financing activities			
Dividend paid	23.3	(137,390)	(68,695)
Addition to loans and borrowings	27.2	-	503,082
Repayments of loans and borrowings	27.2	(566,454)	(2,653,757)
Finance cost	9.1	(19,898)	(50,565)
Net cash used in financing activities		**(723,742)**	**(2,269,935)**
Net increase/(decrease) in cash and cash equivalents		36,373	(2,105,895)
Cash and cash equivalents at 1 January		808,135	2,914,030
Cash and cash equivalents at 31 December	22	**844,508**	**808,135**

NOTES
TO THE
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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 Afriland Towers, 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 (N), which is the Company's functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousands (N'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 the 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.

2.6 Significant accounting judgments, estimates and assumptions - Continued

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 service 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

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 at least every five years. 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 - 3years

3.7 Cash and cash equivalents

Cash and short term deposit 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.

Cash and short- term deposits are carried at amortised cost in the statement of financial position.

3.8 Inventory properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as 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 the income statement 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 balance sheet liability 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 cummulative gains and losses upon the recognition (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

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 2020, 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 Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

ii Amendments to IFRS 9 and IAS 39 Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

iii Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

iv Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the International Accounting Standards Board (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 applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Company.

		2020	2019
		N'000	N'000
4	**Fees and commission**		
	Facility management	48,263	44,755
	Agency	133,136	65,849
	Project management	432,519	356,189
	Project directorate	48,430	258,767
		662,348	**725,560**
	Timing of revenue recognition		
	Goods and services transferred at a point in time	565,655	422,038
	Goods and services transferred over time	96,693	303,522
		662,348	**725,560**

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 2020

Segments	**Fees and Commission**	**Project Development**	**Total**
	N'000	**N'000**	**N'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	**181,399**	**480,949**	**662,348**
	=======	=======	=======

At 31 December 2019

Segments	**Fees and Commission**	**Project Development**	**Total**
	N'000	**N'000**	**N'000**
Major goods/service lines			
Facilities Management services	44,755	-	44,755
Agency service	65,849	-	65,849
Project supervision	-	356,189	356,189
Project directorate	-	258,767	258,767
	-----------	-----------	-----------
Total	**110,604**	**614,956**	**725,560**
	=======	=======	=======

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 from customers and deferred revenue, mainly from rental income.
Movements in contract liabilities for the year ended 31 December 2020 are as follows:

Contract liabilities	Rents received in advance N'000	Total N'000
1-Jan-20	3,038,168	3,038,168
Deferred during the year	533,733	533,733
Released to statement of profit or loss (Note 25.2)	(611,403)	(611,403)
Reclassified to non-current contract labilities (Note 25.1)	(13,734)	(13,734)
31-Dec-20	**2,946,764**	**2,946,764**

		2020 N'000	2019 N'000
5	**Project management**	**134,147**	**114,896**

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

		2020 N'000	2019 '000
6	**Rental income**	**611,403**	**611,166**

There is no contingent rental income during the year ended 31 December 2020 (2019: Nil).

6.1 Operating leases - Company as lessor

The company has entered into leases on its property portfolio. The commercial property leases typically have lease terms between 1 and 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;

	2020 N'000	2019 N'000
Within 1 year	617,871	552,291
After 1 year, but not more than 5 years	2,471,484	2,209,163
	3,089,355	**2,761,454**

7	**Other Operating Income**		
	Profit from asset disposal	-	249
	Write back of expected credit loss (Note 32)	11,869	-
	Sales of tiles and others	166,935	14,204
		178,804	**14,453**

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

		2020	2019
8	**Administrative expenses**	**N'000**	**N'000**
	Staff costs	424,367	424,740
	Depreciation of property, plant and equipment (Note 12)	49,054	42,107
	Depreciation of Right-of-Use assets (Note 15)	900	900
	Amortization of intangibles (Note 16)	2,588	3,541
	Bad debt written off (Note 20.3)	10,141,084	-
	Other administrative expenses (Note 8.1)	334,705	307,266
		10,952,698	**778,554**

		2020	2019
		N'000	**N'000**
8.1	**Other administrative expenses**		
	Advertising and publicity	43,157	42,521
	Annual General Meeting (AGM)	58,208	53,139
	Audit fees	7,000	7,000
	Expected credit losses	-	5,939
	Bank charges	1,080	477
	Consultancy and professional fees	41,011	26,712
	Directors emoluments	22,334	18,966
	Corporate Social Responsibility	25,000	26,785
	Entertainment	33,544	20,560
	Information system	45,343	22,372
	Insurance	8,467	703
	ITF levy	4,112	4,109
	Land use charge	3,456	8,696
	Newspapers and periodicals	6	21
	NSITF and NHF levy	5,062	3,267
	Printing and stationeries	2,111	2,173
	Rent and rates	42	275
	Repairs and maintenance	7,992	28,186
	Security	15,121	12,810
	Statutory filling	-	257
	Subscriptions	699	1,046
	Telephone and communication	3,566	2,438
	Travel and transport	5,080	8,175
	Training and development	2,314	10,639
		334,705	**307,266**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31 December 2020

		2020	2019
9	**Finance Income**		
	Interest income on bank placement	47,434	113,671
	Interest income on staff loan	214	830
		47,648	**114,501**

The finance income is recognised using the effective interest rate.

		2020 N'000	2019 N'000
9.1	**Finance Cost**		
	Interest expense	191,262	-
	Loan re-structuring fee	19,898	50,565
		211,160	**50,565**

		2020 N'000	2019 N'000
10	**Income tax (credit)/expense**		
	Current income tax		
	Company income tax expense	92,908	127,346
	Education tax	11,342	23,855
	Capital gains tax	8,782	2,154
	Current year income tax	113,032	153,355
	Deferred tax (credit)/expense (Note 26.2)	(1,169,402)	441,832
	Total income tax (credit)/expense reported in profit or loss	**(1,056,370)**	**595,187**
10.1	**Reconciliation of tax**		
	Profit before taxation	1,009,285	1,339,237
	Tax at Nigeria statutory income tax of 30%	302,786	401,771
	Impact of disallowed expenses for tax purpose	1,780,783	334,252
	Impact of non-taxable income	(3,160,062)	(166,845)
	Impact of education tax	11,342	23,855
	Impact of capital gains tax	8,782	2,154
		(1,056,370)	**595,187**
	Effective tax rate	(105)%	44%

11 **Basic/diluted earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the 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 EPS computations.

	2020	2019
	N'000	**N'000**
Profit for the year attributable to ordinary equity holders	2,065,655	744,050
	Number	**Number**
	N'000	**N'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	1.50	0.54
Diluted EPS - Naira	1.50	0.54

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:	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2019	174,139	92,190	7,871	165,685	75,341	15,474	530,700
Additions	-	1,650	-	4,835	8,555	3,393	18,433
Disposal	-	-	- -	-	-	(531)	(531)
At 31 December 2019	**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**
Accumulated depreciation:							
At 1 January 2019	**-**	**7,254**	**4,620**	**15,203**	**37,439**	**11,441**	**75,957**
Charge for the year	-	1,581	1,043	21,610	15,356	2,517	42,107
Disposal	-	-	-	-	-	(175)	(175)
At 31 December 2019	-	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**
Net book value:							
At 31 December 2020	**-**	**-**	**1,165**	**105,567**	**15,330**	**6,278**	**128,340**
At 31 December 2019	**174,139**	**85,005**	**2,208**	**133,707**	**31,101**	**4,553**	**430,713**

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 equip ment 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 and not 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. Freehold land and building were transferred to investment property.

		2020	2019
		N'000	N'000
13	**Investment properties**		
	At 1 January	11,667,000	10,451,015
	Additions (subsequent expenditure)	297,026	692,384
	Disposals (Note 13.1)	(117,000)	(32,552)
	Transfers from PPE (Note 12)	258,798	-
	Fair value gain	10,320,896	556,153
	At 31 December	**22,426,720**	**11,667,000**
13.1	**Gain on disposal of investment properties**		
	Disposal	117,000	32,552
	Proceeds on disposal	(369,500)	(59,500)
	Cost on disposal	40,683	5,950
	Gain on disposal	**(211,817)**	**(20,998)**

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 2020, 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 that 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 of an additional bid by a special purchaser;
f) no account is to be taken of expense of realisation, which may arise in the event of a disposal.

	2020	2019
	N'000	N'000
Rental income derived from investment properties	611,403	611,166
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in admin expense)	(381)	(321)
Direct operating expenses that generate rental income (included in admin expense)	(12,970)	(2,975)
Profit arising from investment properties carried at fair value	**598,052**	**607,870**

Types of Investment properties	Valuation technique		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 N5,000 – N45,000
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.		Estimated price per square meters adjusted for the nature, location and conditions of the investment properties. The price range used per square metre are N3,000 – N20,000

Bared lands	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.

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 2020, the amount capitalized on the project - Afriland Towers is Nil (2019: N416 million). The rate used to determine the amount of borrowing costs eligible for capitalisation was at 18% which is the EIR of the specific borrowing.

		2020 N'000	2019 N'000
14	**Inventory property**		
	At 1 January	12,683	29,594
	Disposal	(8,455)	(16,911)
	At 31 December	**4,228**	**12,683**

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.

During the year, the company sold its' landed properties from inventory property at fair value.

15 Right-of-use assets

Company as a lessee

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 not exercise its option to extend at the end of the non-cancellable lease term in the contract.

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

	Office Building	
	2020	**2019**
	N'000	**N'000**
At 1 January	3,375	4,275
Depreciation expense for the year	(900)	(900)
	---------	----------
At 31 December	2,475	3,375
	======	======

The following amount was recognised in profit or loss:

	2020	2019
	N'000	N'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
	N'000	N'000	N'000
Costs			
At 1 January 2019	842,471	16,423	858,894
Additions	-	1,040	1,040
At 31 December 2019	842,471	17,463	859,934
Additions	-	1,710	1,710
At 31 December 2020	842,471	19,173	861,644
Amortisation			
At 1 January 2019	281,289	11,217	292,506
Charge for the year	-	3,541	3,541
At 31 December 2019	281,289	14,758	296,047
Charge for the year	-	2,588	2,588
At 31 December 2020	281,289	17,346	298,635
Net book value:			
At 31 December 2020	561,182	1,827	563,009
At 31 December 2019	561,182	2,705	563,887

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;

	2020 N'000	2019 N'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 N1.182 billion as at 31 December 2020 (2019: N0.571 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 25% for the years 2020 – 2024 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 2020 (2019: 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 management CGU is N 5.576 billion as at 31 December 2020 (2019: N2.524 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 10% for the years 2020 – 2023 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 2020 (2019: 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, N14.629 billion as at 31 December 2020 (2019: N6.825 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 10% for the years 2020 – 2023 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 2020 (2019: 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, N1.007 billion as at 31 December 2020 (2019: N0.382 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 10% for the years 2020 – 2023 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 2020 (2019: 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 the all 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 an active market.

	2020	2019
	N'000	N'000
At 1 January	735,000	915,000
Addition	197,400	-
Fair value loss for the year	(203,400)	(180,000)
At 31 December	**729,000**	**735,000**

Equity instrument measured at fair value through other comprehensive income:

At cost 150 million units x N10.00 (2019: N10.00)	1,500,000	1,500,000
At cost 52.5 million units x N3.76	197,400	-
Accumulated fair value loss	(968,400)	(765,000)
At Market value 202.5 million units x N3.6 (2019:150 million units N4.90)	**729,000**	**735,000**

Movement in fair value loss:

At 1 January	(765,000)	(585,000)
Fair value loss for the year	(203,400)	(180,000)
At 31 December	**(968,400)**	**(765,000)**

		2020	2019
		N'000	N'000
18	**Prepayments**		
	Non-current (Note 18.1)	3,063	11,585
	Current (Note 21)	35,756	22,701
	Total	**38,819**	**34,286**
18.1	**Prepayments- non current**		
	Prepaid employee's car allowance	3,063	11,585

The prepaid employees' car allowance represents the unamortised portion of car allowance granted to the employees. The balance is expected to be amortised over 2 years.

	N'000	N'000
At 1 January	34,286	35,184
Addition during the year	131,228	78,760
	165,514	113,944
Charged to profit or loss	(126,695)	(79,658)
At 31 December	38,819	34,286
Current (Note 21)	35,756	22,701
Non- current	3,063	11,585
	38,819	34,286

		2020	2019
19	**Trade and other Receivables**	**N'000**	**N'000**
	Trade receivables*	1,677,926	953,115
	Provision for receivables (Note 32)	(2,596)	(6,974)
	Net trade receivables	1,675,330	946,141
	Rent receivables	97,053	192,013
	Withholding tax receivables	222,626	326,730
	Sundry debtors**	201,461	83,857
		2,196,470	**1,548,741**

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 N2.59million (2019: N6.97million).

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

As at 31 December, the analysis of trade receivables that were past due but not impaired is set out below:

	Total	Current	Past due but not impaired < 30 days	31 - 90 days	91 - 180 days	> 180 days
	N'000	N'000	N'000	N'000	N'000	N'000
2020	1,677,926	1,048,091	34,400	64,699	408,102	122,634
2019	953,115	114,555	253,229	125,256	140,357	319,718

		2020	2019
		N'000	**N'000**
20	**Other assets**		
	Advance to contractors (Note 20.1)	128,784	30,593
	Loan to staff (Note 20.2)	7,548	18,767
	Staff loan impairment	(174)	(306)
	Loan to staff (Net)	7,374	18,461
	Other receivables- (Note 20.3)	-	9,008,253
		136,158	**9,057,307**

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.

20.3 Other receivables - This represents costs incurred on the construction project written off as bad debt. It include borrowing cost capitalised in the development of the project. The interest on the borrowed fund capitalised as at 31 December 2020 amounted to N1.02 billion (2019: N1.36billion).

The total sum was N10.1 billion (2019: N9.0 billion) which accumulated on the project. It represented advance payment to contractors for the construction Project and accumulated interest on the loan taken to finance the project receivables.

The Company was granted a concession to develop, build, operate and maintain the Project on a Build, Operate and Transfer (BOT) basis. In August 2015, the concession was revoked and in resolving the issues surrounding the project, the case was referred to a Mediator. The company claimed a refund of the sum of N11,441,920,965 as at the reporting date. The claim is based on actual cost incurred on the project of (N3,978,940,818), interest on loan (N1,214,596,764) at the claim date of March 2016 and compensation for loss of income of N6,248,383,383.

The Board of Directors approved the write off of the project cost and the accumulated interest on the loan.

		2020 N'000	2019 N'000
21	**Prepayments (current)**		
	Health insurance	6,240	1,373
	Office building insurance	2,966	2,628
	Other Prepayments (Note 21.1)	2,766	1,066
	Employee car allowance	23,784	17,634
		35,756	**22,701**

21.1 Other Prepayments
This respresents prepaid maintenance expenses that relates to software license fees, computer consumable, office building and asset insurance.

22	**Cash and short-term deposit**		
	Cash at bank	521,984	143,057
	Short- term deposits	322,524	665,078
		844,508	808,135
	Impairment of short-term deposit	(397)	(1,224)
		844,111	**806,911**

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 cash equivalents comprise cash at bank and short-term deposits as included above.

		2020 N'000	2019 N'000
23	**Share Capital and share premium**		
23.1	**Share Capital**		
	Authorised share capital 1,373,900,000 (2019: 1,373,900,000) ordinary shares of 50k each	686,950	686,950
	Issued and fully paid 1,373,900,000 (2019: 1,373,900,000) ordinary shares of 50k each	686,950	686,950
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.

		2020	2019
		N'000	N'000
23.3	**Dividend distribution made and proposed**		
	Cash dividends on ordinary shares declared and paid:		
	Final dividend for 2020: 10kobo per share (2019: 5 kobo per share)	137,390	68,695
24	**Trade and other payables**		
	Trade payables	100,245	88,599
	Accruals (Note 24.1)	810,790	438,686
	Rentals received from or on-behalf of third parties	306,552	220,002
	Service charge	54,613	54,627
	Value Added Tax	92,965	37,302
	Withholding Tax	74,495	71,465
	Rent	177,139	177,330
	Other payables (Note 24.2)	54,604	22,418
	Project account (Note 24.3)	1,483,975	1,035,002
		3,155,378	**2,145,431**

		2020	2019
		N'000	N'000
24.1	**Accruals**		
	Audit fee	7,000	7,000
	Professional and consultancy fee	321,066	321,427
	Annual General Meeting (AGM)	63,537	60,816
	Other accruals	419,187	49,443
		810,790	**438,686**

Other accruals represent other corporate and business expenses consumed but not paid for at year end.

24.2 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.

24.3 Project account

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

		2020	2019
		N'000	N'000
25	**Contract liabilities**		
	Contracts obtained (Note 25.1)	13,734	13,734
	Rents received in advance (Note 25.2)	2,946,764	3,024,434
		2,960,498	**3,038,168**
25.1	**Contract liabilities**		
	At 1 January	13,734	13,734
	Released to the statement of profit or loss	-	-
	At 31 December	**13,734**	**13,734**
25.2	**Contract liabilities - Rents received in advance**		
	At 1 January - Transfer from deferred income	3,038,168	3,412,463
	Deferred during the year	533,733	236,871
	Released to the statement of profit or loss	(611,403)	(611,166)
	At 31 December	**2,960,498**	**3,038,168**
	Current	2,946,764	3,024,434
	Non-current	13,734	13,734
26	**Taxation**		
26.1	**Current income tax payable**		
	At 1 January	198,559	94,897
	Charge for the year (Note 10)	113,032	153,355
	Payments during the year	(25,935)	(9,472)
	Withholding tax utilized	(122,874)	(40,221)
	At 31 December	**162,781**	**198,559**

		2020	2019
26.2	**Deferred tax**	**N'000**	**N'000**
	At 1 January	1,169,402	727,570
	Current year tax provision	(1,169,402)	441,832
	At 31 December	**-**	**1,169,402**

During the reporting period, the temporary differences resulted into deferred tax assets of N1.721b. The company however decided to recognise the deferred tax assets to the extent of the previously recognised deferred tax liability (N1.169b) hence, resulting into unrecognised deferred tax assets of N552m.

		2020	2019
	Deferred tax relating to the following:	**N'000**	**N'000**
	Accelerated depreciation for tax purpose	(1,462,332)	168,328
	Revaluation of investment properties to fair value	1,462,332	1,045,530
	Impairment of other receivables	-	(44,456)
	Deferred tax recognised in the statement of financial position	**-**	**1,169,402**

		2020	2019
27	**Interest- bearing loans and borrowings**	**N'000**	**N'000**
	N7,500,000,000 bank loan at 10% interest rate and maturity - 22 April 2026	10,127,935	9,201,468
	N1,500,000,000 bank loan at 11% interest rate and maturity - 22 July 2022	890,271	1,059,273
	Total interest bearing loans and borrowings	**11,018,206**	**10,260,741**
27.1	Non-current (Note 27.1.1)	7,911,030	8,453,304
	Current (Note 27.1.2)	3,107,176	1,807,437
	Total interest bearing loans and borrowings	**11,018,206**	**10,260,741**
27.1.1	Interest- bearing loans and borrowings (Non-current)		
	N7,500,000,000 bank loan at 10% interest rate and maturity - 22 April 2026	7,406,456	7,453,304
	N1,500,000,000 bank loan at 11% interest rate and maturity - 22 July 2022	504,574	1,000,000
	Total non-current interest bearing loans and borrowings	**7,911,030**	**8,453,304**
27.1.2	**Interest- bearing loans and borrowings (current)**		
	N7,500,000,000 bank loan at 10% interest rate and maturity - 22 April 2026	2,721,479	1,748,164
	N1,500,000,000 bank loan at 11% interest rate and maturity - 22 July 2022	385,697	59,273
	Total current interest bearing loans and borrowings	**3,107,176**	**1,807,437**
27.2	**Borrowing details**		
	At 1 January	10,260,741	11,013,856
	Addition during the year	-	503,082
	Accrued interest	1,323,919	1,397,560
	Repayment	(566,454)	(2,653,757)
	At 31 December	**11,018,206**	**10,260,741**

The term-loans were obtained from a commercial bank. The term loan is for 120 months with 42 months moratorium on the principal and interest for the two loans. The fixed interest rates applicable to the loans are secured with;

a). Assignment/Charges over project documents and receivables (insurance policies, performance bond/guarantees, project revenues and project accounts).

b). Third party legal mortgage on the following properties;
- i) Plot 1–6 Oniru Chieftaincy Family, Lekki, Lagos
- ii) 16/17 Beach Road, Jos
- iii) 31 Bishop Oluwole Street,Victoria Island, Lagos.

The total estimated value of the properties is in excess of N9 billion

c) APG from contractors paid in advance
d) 5% performance bond by each of the major contractors

N7.5 billion bank loan
N7.5 billion bank loan represents a term loan from commercial bank. Payment of principal and interest commenced after moratorium on a quarterly repayment from May 2019 based on initial prime lending rate of 10%. The loan matures July 2028. The commencement date of the loan was March 2016. However, it was restructured in December 2019.

N1.5 billion bank loan
N1.5 billion bank loan represents a term loan from commercial bank. The loan has a moratorium of four (4) years for the principal after which the entity commenced repayment of principal on a quarterly basis based on initial prime lending rate of 11%. The loan matures in July 2022. The commencement date of the loan was August 2016.

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 2020 (2019: Nil).

	2020	2019
Compensation of the key management personnel	**N'000**	**N'000**
Executive Director's salary	61,318	53,818
Fees paid for meetings attended	8,500	4,456
Other emoluments	12,100	11,977
Total compensation paid to key management personnel	81,918	70,251
Highest paid Director	61,318	53,818

	2020	2020
Non executive Directors Fee/emolument	**N’000**	**N’000**
Director fee	13,834	10,616
Other emolument	8,500	8,350
	22,334	18,966
Chairman fee	4,900	4,532

The number of Directors including the Chairman whose emoluments fell within the following ranges:

	2020	2019
	Number	**Number**
Up to N2,200,000	-	-
Up to N2,200,001 - N10,200,000	4	4
N10,200,001 and above	1	1
	5	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:

	2020	2019
	Number	**Number**
Executives	2	2
Project management	3	3
Facilities management and projects	21	21
Technical consultancy	2	4
Business development	5	4
Other business support	6	6
	39	40

29 Information relating to employees

	2020	2019
	N'000	**N'000**
Salaries and wages including staff bonuses	413,520	414,095
Contributions to pension scheme	10,847	10,645
	424,367	**424,740**

Included in the total salaries and wages above, is the remuneration of Managers in the Company for the year of N151 million (2019-N146 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 ranges:

			2020	2019
N		**N**	**Number**	**Number**
420,001	–	900,000	-	-
900,001	–	2,000,000	4	4
2,000,001	–	4,000,000	5	5
4,000,001	–	6,000,000	6	6
6,000,001	–	8,000,000	13	14
Above 8,000,001			11	11
			39	**40**

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 2020 (2019: 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 securities are 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 N737 million (2019: N735 million). A decrease or increase of 5% on the Nigerian Stock Exchange market index could have an impact of approximately N205 million (2019: N75 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 provision 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.

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

Financial instrument's risk management objectives and policies - Continued

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-20	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
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	798	2,026	224	454	214	598	2,590	-	2,596
31-Dec-19									
Expected credit loss rate	0.70%	0.80%	0.45%	0.60%	0.44%	0.65%	0.83%	100%	
Estimated total gross carrying amount at default	114,555	253,229	49,631	75,625	48,574	91,783	319,718	-	953,115
Expected credit loss	798	2,026	224	454	214	598	2,660	-	6,974

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

In thousands of Naira	**2020**	**2019**
	N'000	**N'000**
At 1 January	6,974	5,057
(Write back)/provision of expected credit loss	(4,378)	1,917
At 31 December	2,596	6,974

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-20	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
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
31-Dec-19									
Expected credit loss rate	2.68%	3.54%	3.55%	3%	3.57%	3.36%	3.54%	100%	
Estimated total gross carrying amount at default	822	12,781	1,660	26	560	238	182,961	-	199,048
Expected credit loss	22	452	59	1	20	8	6,473	-	7,035

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

In thousands of Naira	2020	2019
	N'000	N'000
At 1 January	7,035	3,724
(Write back)/ provision of expected credit loss	(6,531)	3,311
At 31 December	504	7,035

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 its 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 2019 and 31 December 2020.

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 2020	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 2019							
	ECL						
	Scenario	2020	2021	2022	2023	2024	Subsequent years
GDP growth							
	Upturn	0.29	0.32	0.35	0.38	0.36	0.41
	Base	19.00	0.15	0.16	0.14	0.16	0.15
	Downturn	0.11	0.08	0.05	0.02	0.04	(0.01)
Oil Price %							
	Upturn	59.00	62.00	65.00	68.00	63.50	71.00
	Base	57.00	62.00	54.00	56.00	57.25	57.00
	Downturn	41.00	38.00	35.00	32.00	36.50	29.00
Exchange rate $/N							
	Upturn	175.00	170.00	165.00	160.00	167.50	155.00
	Base	209.48	219.95	230.95	242.49	225.72	254.62
	Downturn	214.99	225.74	237.02	248.87	231.66	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	33.50	36.00
	Downturn	36.00	38.00	40.00	42.00	39.00	44.00

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

31 December 2019		**Cash and bank balances**
		N'000
	Upturn (8%)	98
	Base (82%)	1,004
	Downturn (10%)	122
	Total	1,224

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:

Impairment allowance for staff loan	**2020**	**2019**
External grading system	**Stage 1**	**Stage 1**
	N'000	**N'000**
Standard grade	7,548	18,767

Short term deposits	2020	2019
External grading system	**Stage 1**	**Total**
	N'000	**N'000**
Standard grade	**322,524**	**665,078**

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 28% of the Company's debt will mature in less than one year at 31 December 2020 (2019:18%) 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	**N'000**
1 January 2019	169
Expected credit loss	137
31 December 2019	306
Expected credit write back	(132)
31 December 2020	174

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.
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:

2020	**Stage 1**	**Simplified model**	
	Collective	**Collective**	**Total**
	N'000	**N'000**	**N'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 19)	-	(4,379)	(4,379)
Rent receivables (Note 32)	-	(6,531)	(6,531)
	(959)	(10,910)	(11,869)

32 Financial instrument's risk management objectives and policies - Continued

Credit risk - Continued

2019	Stage 1 Collective N'000	Simplified model Collective N'000	Total N'000
Debt instruments measured at amortised cost -Staff loans (Note 20)	137	-	137
Debt instruments measured at amortised cost - Short term deposits (Note 22)	574	-	574
Debt instruments measured - Trade receivables (Note 19)	-	1,917	1,917
Rent receivables (Note 32)	-	3,311	3,311
	711	**5,228**	**5,939**

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.

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

Financial liabilities		**Contractual cash flows**			
At 31 December 2019	**Carrying amount**	**Total**	**On demand**	**Between 2 months and 1 year**	**Between 1 and 5 years**
Trade payables	88,599	88,599	88,599	-	-
Rentals received for third parties	220,002	220,002	220,002	-	-
Service charge payable	54,627	54,627	54,627	-	-
Accruals and other payables	1,673,436	1,673,436	1,584,837	88,599	-
Interest-bearing loans and borrowings	10,260,741	11,727,291	1,996,656	1,946,127	7,784,508

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 2020

	Carrying amount	Fair value
	N'000	N'000
Financial assets		
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

At 31 December 2019

	Carrying amount	Fair value
	N'000	N'000
Financial assets		
Equity instrument measured at fair value through OCI	735,000	735,000
Financial liabilities		
Interest-bearing loans and borrowings	10,260,741	10,260,741

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 2020:

As at 31 December 2020	Total	Quoted price in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
	N'000	N'000	N'000	N'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	-	-
Liabilities for which fair value is disclosed	-	-	-	-
Interest-bearing loans and borrowings	11,018,206	-	11,018,206	-

As at 31 December 2019	Total	Quoted price in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
	N'000	N'000	N'000	N'000
Assets measured at fair value				
Investment properties	11,667,000	-	-	11,667,000
Equity instrument measured at fair value through OCI	735,000	735,000	-	-
Liabilities for which fair value is disclosed	-	-	-	-
Interest-bearing loans and borrowings	10,260,741	-	10,260,741	-

There have been no transfers between the Levels during the year ended 31 December 2020 (2019: 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 33.

34 Capital management

There is a risk that the Company may not have adequate capital in relation 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 and the requirements of the financial covenants. 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 includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

	2020	2019
	N'000	N'000
Interest-bearing loans and borrowings (Note 27)	11,018,206	10,260,741
Trade and other payables (Note 24)	3,155,378	2,145,431
Less: cash and short-term deposits (Note 22)	(844,111)	(806,911)
Net debt	13,329,473	11,599,261
Total equity	9,772,467	8,047,602
Capital and net debt	23,101,940	19,646,863
Net Debt to equity (%)	57.70%	59.04%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 2019.

35 Segment information

The chief operating decision-maker 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 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

for the year ended 31 December 2020

	Facilities management		Project development		Business Development		Others		Total	
Income:	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue	48,263	44,755	134,147	114,896	48,430	880,562	565,655	422,038	796,495	840,456
Rental income	24,699	24,447	308,742	305,583	253,168	250,578	30,874	30,558	617,483	621,795
Other operating income	7,152	578	89,402	7,227	73,310	5,926	8,940	722.65	178,804	14,453
Profit on disposal of investment properties	8,473	840	105,909	10,499	86,845	8,609	10,591	1,050	211,817	20,998
Valuation gains from investment properties	412,836	22,246	5,160,448	278,077	4,231,567	228,023	516,045	27,808	10,320,896	556,153
Finance Income	1,906	4,580	23,824	57,251	19,536	46,945	2,382	5,725	47,648	114,501
Total income	**503,329**	**97,446**	**5,822,471**	**773,532**	**4,712,856**	**1,420,643**	**1,134,487**	**487,902**	**12,173,143**	**2,168,356**
Expenses:										
Administrative expenses	(438,108)	(31,142)	(5,476,349)	(389,277)	(4,490,606)	(319,207)	(547,635)	(38,928)	(10,952,698)	(778,554)
Finance cost	(8,446)	(2,023)	(105,580)	(25,283)	(86,576)	(20,732)	(10,558)	(2,528)	(211,160)	(50,565)
Total expenses	**(446,554)**	**(40,365)**	**(5,581,929)**	**(504,560)**	**(4,577,182)**	**(413,739)**	**(558,193)**	**(50,456)**	**(11,163,858)**	**(829,119)**
Profit before taxation	40,371	70,816	504,643	885,202	413,807	725,865	50,464	88,520	1,009,285	1,339,237
Income tax expenses	42,255	(23,807)	528,185	(297,594)	433,112	(244,027)	52,819	(29,759)	1,056,370	(595,187)
Profit after taxation	82,626	47,009	1,032,828	587,608	846,919	481,839	103,283	58,761	2,065,655	744,050
Assets and liabilities:										
Total tangible assets	1,060,253	971,841	13,253,161	12,148,008	10,867,592	9,961,367	1,325,316	1,214,801	26,506,321	24,296,016
Intangible assets	22,520	22,514	281,505	281,424	230,834	230,767	28,150	28,142	563,009	563,887
Total assets	**1,082,773**	**994,355**	**13,534,665**	**12,429,432**	**11,098,425**	**10,192,134**	**1,353,467**	**1,242,943**	**27,069,330**	**24,859,903**
Total liabilities	691,875	672,492	8,648,432	8,406,151	7,091,714	6,893,043	864,843	840,615	17,296,863	16,812,301
Net assets	**390,899**	**321,862**	**4,886,234**	**4,023,281**	**4,006,711**	**3,299,090**	**488,623**	**402,328**	**9,772,467**	**8,047,602**

35 Segment information - Continued

	2020 N'000	2019 N'000
Profit or loss		
Profit before taxation for reportable segments	1,009,285	1,339,237
Elimination of inter-segment profit or loss	-	-
Total Company profit or loss	**1,009,285**	**1,339,237**
Assets		
Total assets of reportable segment	27,069,330	24,859,903
Elimination of inter-segment assets	-	-
Total Company assets	27,069,330	24,859,903
Liabilities		
Total liabilities of reportable segment	17,296,863	16,812,301
Elimination of inter-segment liabilities	-	-
Total Company liabilities	17,296,863	16,812,301

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

	2020 N'000	2019 N'000
Revenue	796,495	1,462,251

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

Non-current operating assets in Nigeria	23,852,607	13,411,560

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 2020 that have not been adequately provided for or disclosed in the financial statements. However, the Coronavirus (Covid-19) outbreak caused significant disruption to the society and is still impacting the Company, its employees and customers. As the Covid-19 pandemic evolves, governments are implementing additional measures to address the resulting public health issues and the economic impact. The company has performed a detailed line by line analysis of its balances in the financial statements and conclude that there is no material impact of COVID-19 on its performance and the Company's assets are not impaired or depreciated in value due to the outbreak of COVID-19.

VALUE ADDED STATEMENT

for the year ended 31 December 2020

	2020		2019	
	N'000	%	N'000	%
Revenue	1,422,433		1,479,162	
Bought in goods and services - local	(10,695,404)		(374,742)	
	(9,272,971)		1,104,420	
Other Operating Income	178,804		14,453	
Finance Income	47,648		114,501	
Profit on disposal of investment properties	211,817		20,998	
Valuation gains from investment properties	10,320,896		556,153	
Value Added	**1,486,194**		**1,810,525**	
APPLIED AS FOLLOWS:				
Employee:				
As salaries and labour related expenses	424,367	29%	424,740	23%
Government:				
As Company taxes	113,032	8%	153,355	8%
Retained for Growth & Expansion:				
For assets replacement (Depreciation, amortization and Right-of-Use Asset)	52,542	4%	46,548	3%
Deferred taxation	(1,169,402)	-79%	441,832	24%
For expansion (retained profit)	2,065,655	139%	744,050	41%
Value Added	**1,486,194**	**100%**	**1,810,525**	**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.

	2020	2019	2018	2017	2016
			IFRS		
	N'000	N'000	N'000	N'000	N'000
Statement of Financial Position					
Assets and liabilities					
Property, plant and equipment	128,340	430,713	454,743	321,110	270,022
Investment properties	22,426,720	11,667,000	10,451,015	8,846,418	7,875,219
Right-of-use asset	2,475	3,375	-	-	-
Goodwill and other intangible assets	563,009	563,887	566,388	564,046	562,669
Equity instrument at fair value through OCI	729,000	735,000	915,000	1,081,500	747,000
Prepayment (non-current)	3,063	11,585	20,808	3,408	4,650
Net current (liabilities)/assets	(6,155,376)	4,272,482	5,057,001	(1,653)	(86,774)
Deferred income (non-current)	-	-	-	(30,000)	-
Contract liabilities	(13,734)	(13,734)	-	-	-
Deferred tax liabilities	-	(1,169,402)	(727,570)	(553,637)	(628,297)
Interest-bearing loans and borrowings (non-current)	(7,911,030)	(8,453,304)	(9,184,913)	(3,042,796)	(2,878,556)
	9,772,467	**8,047,602**	**7,552,472**	**7,188,396**	**5,865,933**
Shareholders' fund					
Issued Share capital	686,950	686,950	686,950	686,950	624,500
Share premium	2,944,271	2,944,271	2,944,271	2,944,271	3,039,618
Fair value reserve of financial assets through OCI	(215,400)	(12,000)	168,000	334,500	-
Retained earnings	6,356,646	4,428,381	3,753,251	3,222,675	2,201,815
	9,772,467	**8,047,602**	**7,552,472**	**7,188,396**	**5,865,933**
Statement of Profit or Loss:					
Revenue	1,422,433	1,479,162	1,475,069	1,475,069	1,147,326
Profit before taxation	1,009,285	1,339,237	915,462	1,056,423	540,359
Income tax credit/(expense)	1,056,370	(595,187)	(233,014)	(35,563)	(233,397)
Profit after taxation	2,065,655	744,050	682,448	1,020,860	306,962
Basic earnings per share (N)	1.50	0.54	0.50	0.74	0.25
Diluted earnings per share (N)	1.50	0.54	0.50	0.74	0.25

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 8th Annual General Meeting ("AGM") of Afriland Properties Plc (the "Company") will hold on Monday, March 22, 2021, at The Lagoon Restaurant, 1c Ozumba Mbadiwe Road, Victoria Island, Lagos, 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 December 31, 2020, together with the Reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a dividend.
3. To approve the appointment of Mr. Ayodeji Adigun as a Director.
4. To re-elect the following directors retiring by rotation:

4.1 Mr. Emmanuel N. Nnorom

4.2 Ms. Yinka Ogunsulire

5. To authorise the Directors to fix the remuneration of the Auditors for the 2021 financial year.
6. To disclose the remuneration of managers of the company.
7. To elect members of the Statutory Audit Committee.

SPECIAL BUSINESS:

8. To fix the remuneration of Directors for the year 2021.

Dated this 26th day of February 2021.

BY ORDER OF THE BOARD

FUNMILOLA SULEIMAN
Company Secretary
FRC/2019/NBA/00000019130

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. Particularly, the Federal Government prohibited the gathering of more than 50 people while the Corporate Affairs Commission (CAC) 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 only. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

1. Mr. Emmanuel N. Nnorom
2. Mrs. Uzo Oshogwe
3. Miss Funmilola Suleiman
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 Registrars 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 by Wednesday, March 24, 2021 to the shareholders whose names appear in the Company's Register of Members at the close of business on Friday, March 5, 2021.

7. CLOSURE OF REGISTER

The Register of Members of the Company will be closed from Monday, March 8, 2021 to Friday, March 12, 2021 (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. The Financial Reporting Council's Nigeria Code of Corporate Governance provides that members of the Audit Committee should have basic financial literacy and should be able to read financial statements.

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 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 Registrars as unclaimed are still in the custody of the Registrars. Any shareholder affected by this notice is advised to contact the Company's Registrars, 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 Company website at www.afrilandproperties.com/unclaimed-dividend.xlsx

11. PROFILE OF DIRECTORS FOR RE-ELECTION

The profiles of Mr. Emmanuel Nnorom and Ms. Yinka Ogunsulire who will be retiring by rotation and will be presented for re-election are amongst the profiles of Directors that are provided in the 2020 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 2020 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 Registrars for further processing. Additionally, an electronic version of the 2020 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 on or before via email to info@afrilandproperties.com on or before Friday, March 19, 2021.

PROXY FORM

EIGHTH ANNUAL GENERAL MEETING OF AFRILAND PROPERTIES PLC

TO BE HELD ON MONDAY, MARCH 22, 2021, AT LAGOON RESTAURANT, 1C OZUMBA MBADIWE ROAD, VICTORIA ISLAND, LAGOS AT 10.00 A.M

I/We ____________________________________

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

____

____ or failing him, the Chairman of the meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Eighth Annual General Meeting of the Company to be held on Monday, March 22, 2021, at Lagoon Restaurant, 1C Ozumba Mbadiwe Road, Victoria Island, 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, 2020, together with the Reports of the Directors, Auditors and Audit Committee thereon laid before the members.			
2. To declare a dividend of 5 kobo per share.			
3. To approve the appointment of Mr. Ayodeji Adigun as a Non-Executive Director of the Company.			
4.1 To re-elect Mr. Emmanuel Nnorom, a Director retiring by rotation.			
4.2 To re-elect Ms. Yinka Ogunsulire, a Director retiring by rotation.			
5. To authorize the Directors to fix the remuneration of the Auditors for the 2021 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 2021.			

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
Eighth 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 Monday, March 22, 2021, at Lagoon Restaurant, 1c Ozumba Mbadiwe Road, Victoria Island, Lagos, at 10.00 a.m.

Name and address of Shareholder.____

____

Account Number:____________________No of shares held:______________Shareholder's Signature:____________________

please tick appropriate box before admission to the meeiting

☐ Proxy
☐ Shareholder

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

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

SCAN
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
1.		
2.		
3.		

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

S/N	CERTIFICATE NO. (IF ANY)	UNITS
4.		
5.		
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

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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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.

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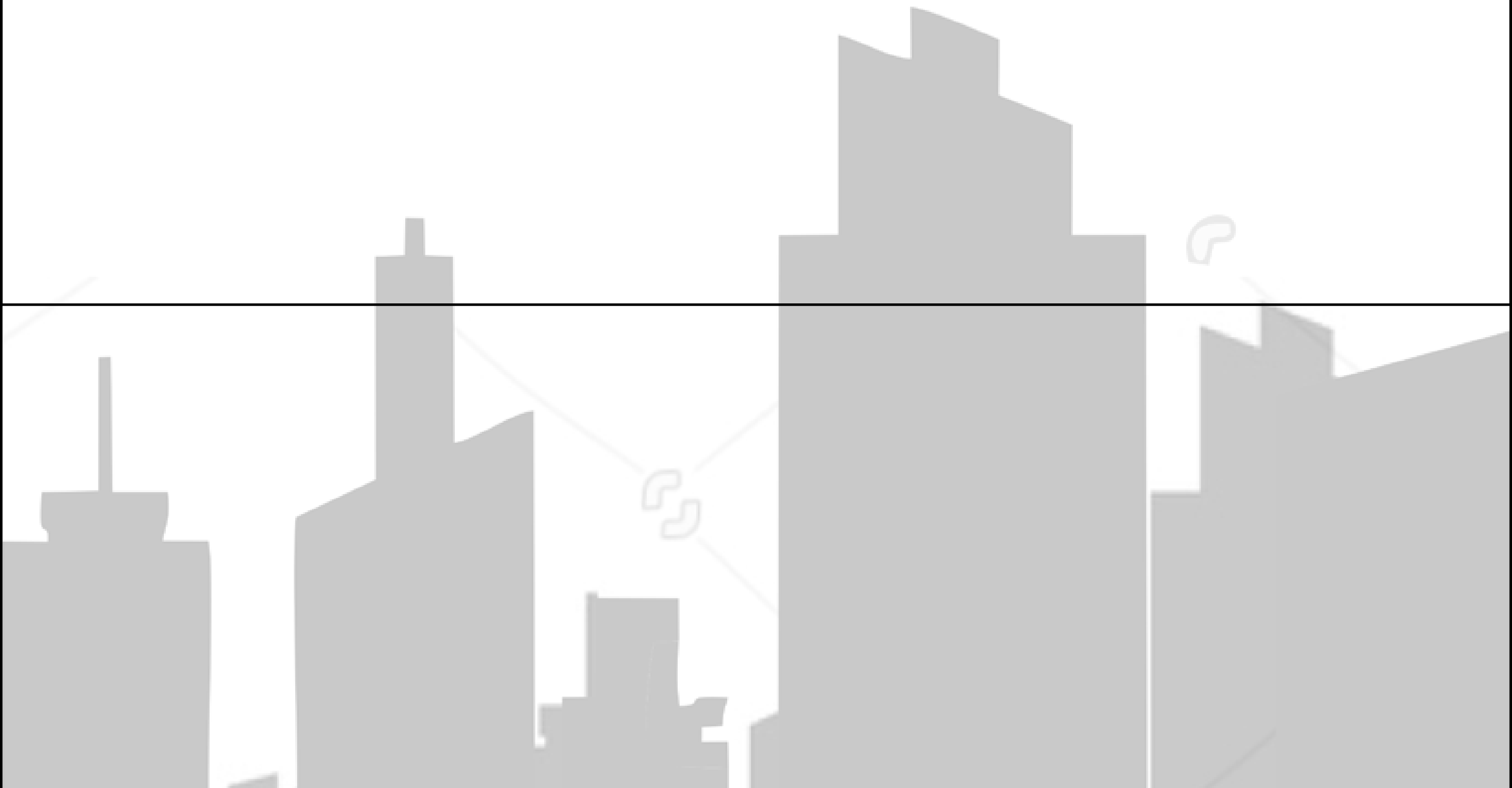

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