KASAPREKO PLC

ANNUAL REPORT
& FINANCIAL STATEMENTS 2025

a step beyond excellence...

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CORPORATE INFORMATION

DIRECTORS	Mr. Samuel Leslie Adetola	-	Chairman
	Mr. Richard Adjei	-	Managing Director
	Dr. Kwabena Adjei	-	Non-Executive Director
	Mr. Kwabena Akuamoah Agyekum	-	Non-Executive Director
	Mrs. Matilda Asante-Asiedu	-	Non-Executive Director
	Dr. Daniel K. Seddoh	-	Non-Executive Director
	Mr. Stephen Narh Nartey	-	Non-Executive Director
	Mr. James Baidoo Sagoe	-	Non-Executive Director (Appointed on 1 January 2025)

SECRETARY
Accra Nominees LTD
2nd Floor Cedar House
13 Samora Machel Road
Asylum Down
Accra

SOLICITOR
Alliance Law Unlimited
House 4, Dzani Kofi Street
Abeka-Lapaz
Accra

INDEPENDENT AUDITOR
PricewaterhouseCoopers
Chartered Accountants
PwC Tower
A4 Rangoon Lane
Cantonments City
PMB CT 42
Cantonments
Accra

BANKERS
Absa Bank Ghana LTD
Access Bank Ghana PLC
ADB Bank PLC
Consolidated Bank Ghana LTD
Calbank PLC
Ecobank Ghana PLC
Ecobank Nigeria Limited
Fidelity Bank Ghana LTD
First Atlantic Bank Ghana LTD
First Bank Ghana LTD
First National Bank Ghana LTD
GCB Bank PLC
Guaranty Trust Bank Ghana LTD
KBC Bank NV, Belgium
Landesbank Baden-Wuerttemberg, Germany
OmniBSIC Bank LTD
Republic Bank Ghana LTD
Societe Generale Ghana PLC
Stanbic Bank Ghana LTD
Standard Chartered Bank Ghana PLC
United Bank for Africa (Ghana) LTD
Zenith Bank Ghana LTD

CHAIRMAN'S REPORT

A Year of Strategic Resilience and Transformational Growth

The Company delivered exceptional financial performance, surpassing internal targets and setting new benchmarks. This achievement was defined by transformational growth, strategic foresight, and disciplined execution. Against a backdrop of gradual economic recalibration, the Company not only navigated prevailing headwinds but accelerated ahead, delivering record results while laying a strong and ambitious foundation for the future.

These outstanding outcomes are a testament to the resilience of our business model, the effectiveness of our long-term strategy, and, above all, the remarkable dedication of our people.

I extend my sincere appreciation to our shareholders, Board of Directors, and all stakeholders. Your unwavering confidence and continued support remain a vital catalyst for our sustained progress.

The Operating Environment: Stability and Opportunity

Ghana's economy showed tangible signs of stabilisation. Easing inflation and steadfast fiscal reforms under the IMF programme were key drivers in restoring macroeconomic balance throughout the year.

In this post-election year, we observed a renewed governmental focus on fostering private sector growth and industrialisation. Kasapreko has actively participated in this agenda, portraying our growth initiatives as consistent with national economic aspirations. Our ability to thrive in this evolving landscape underscores our operational agility and strategic planning.

Business Performance

The year 2025 was an exceptional one financially, exceeding our internal targets and setting new benchmarks for Kasapreko PLC.

Revenue soared to GH¢3.5 billion, a significant leap that reflects both strong volume growth across our portfolio and the successful consumer uptake of our premium and innovative product lines.

Profitability reached unprecedented levels, with net profit after tax climbing to GH¢354.2 million. This outstanding result demonstrates powerful operating leverage, stringent cost discipline, and the increasing efficiency of our production footprint.

The strategic deployment of the funds raised through the Ghana Fixed Income Market in 2024 has been instrumental in fueling this growth, enhancing our capacity and market reach.

Investing for the Future: The Adeiso Industrial Park

Our confidence in the future is materialising in our most significant capital project to date. In 2026, we will commence construction of a major new production complex at Adeiso. This strategic development will house three new state-of-the-art manufacturing plants: two dedicated water lines and one carbonated soft drink (CSD) line.

This expansion is designed to significantly increase our production capacity, strengthen supply chain resilience, and position us closer to key regional markets. To finance this transformative project and reinforce our balance sheet for the next phase of growth, the Board has approved a plan to access the equity market. We intend to raise approximately US$50 million by the end of May 2026. This capital raise underscores our commitment to sustainable growth and will provide the strong financial foundation required to support this ambitious expansion.

CHAIRMAN'S REPORT (continued)

Governance: Reinforcing Strategic Oversight

Our strengthened Board structure, now incorporating a majority of independent expertise, has provided exceptional guidance through this period of rapid growth and strategic decision-making. The insights of our independent Directors have been particularly valuable as we plan our equity market entry and large-scale capital projects. Our enhanced governance policies ensure these initiatives are pursued with rigorous risk assessment and unwavering accountability to shareholders.

Sustainability: Deepening Our Commitment

Our environmental stewardship intensified in step with our growth:

Renewable Energy Leadership: We expanded our solar capacity, with renewables now meeting **13%** of our site energy requirements.

Water Stewardship: Our recycling initiatives achieved a 30% reduction in net water consumption per unit produced.

Waste Circularity: Over 95% of manufacturing waste is now diverted from landfill through our advanced segregation and partner recycling networks.

Community Legacy: Our "Grow a Green Future" initiative expanded into a nationwide programme, together with our other affiliates, engaging employees and communities in planting 20,000 trees to promote biodiversity and climate resilience.

Future Outlook

As we move into 2026, our focus is clear: to expertly execute the Adeiso project and the associated equity fundraising, while maintaining commercial momentum in our existing operations. We are building not just new plants, but a new era of industrial capability for Kasapreko PLC.

Our strategy remains centred on innovation, operational excellence, and sustainable value creation. With a stronger team, a fortified balance sheet, and a clear strategic roadmap, we are poised to capture the significant opportunities ahead.

Gratitude

My profound thanks go to our exceptional management and staff, your dedication turns vision into reality. To our noteholders and shareholders, thank you for the trust that empowers our ambition. And to my fellow Board Members, I am grateful for your wisdom and steadfast governance.

Together, we are building a Kasapreko that is not only larger and more profitable, but also more resilient, responsible, and ready to lead for generations to come.

Mr. Samuel Leslie Adetola
Board Chairman

MANAGING DIRECTOR'S REPORT

Introduction

The year 2025 was one of disciplined execution and strategic transformation for Kasapreko PLC. Building upon the strong foundation laid by our landmark Note Programme in 2024, we focused on converting financial strength into operational excellence and market leadership. Despite a gradually stabilising, yet still complex, economic environment, we delivered record-breaking performance, demonstrating the robustness of our business model and the agility of our team.

This year was defined not only by our financial results but by the strategic decisions that will fuel our next decade of growth, most notably, the final planning and approval of our transformative Adeiso production complex. As we move forward, our resolve is to build a more efficient, innovative, and sustainable enterprise.

General Business Overview

The Ghanaian economy in 2025 presented a tale of two halves: continued challenges from the lingering effects of inflation and currency volatility, followed by a period of emerging stability as government and central bank policies gained traction. While the cedi's depreciation moderated compared to 2024, input cost pressures, particularly on imported raw materials and packaging, remained a key operational focus.

In this climate, our strategy was twofold: defend profitability through relentless operational efficiency and invest decisively in future capacity. Our ability to secure financing at competitive rates, a testament to the credibility earned from our 2024 Note Programme, was crucial. It provided the stability to navigate short-term headwinds while funding the long-term vision for Adeiso.

Category Performance

Our portfolio demonstrated balanced and resilient growth across categories. The Alcoholic Beverages segment grew by 35%, driven by the strong performance of our established spirit brands and successful targeted promotions. The Non-Alcoholic Beverages segment, including our expanding water and CSD lines, grew by 24%, capturing increased market share as consumers continued to seek quality and value.

This growth was not accidental. It was fueled by data-driven marketing, enhanced distributor partnerships, and the successful introduction of two new variant products that resonated with evolving consumer tastes. Our commercial team's focus on execution in both urban and burgeoning peri-urban markets yielded significant dividends.

Operating And Financial Review

The year 2025 was a year of exceptional financial achievement:

- **Revenue** reached an unprecedented GH¢3.5 billion, reflecting both deep brand loyalty and effective market expansion.

- **Net Profit After Tax** grew exponentially to GH¢354.2 million. This remarkable result underscores the success of our strategic cost-optimisation programme, improved product mix, and the benefits of scale.

The increase in total assets is directly tied to strategic inventory holdings and capital investments in new machinery. The increase in liabilities is aligned with the prudent financing of our growth in capital expenditure.

Strategic Capital Project: The Adeiso Expansion

A defining milestone for 2025 was the finalisation of plans for our new industrial park in Adeiso. Scheduled to break ground in early 2026, this facility will house three fully automated plants: two dedicated to water production and one for carbonated soft drinks (CSD). This expansion is critical to meet soaring demand, reduce logistical costs, and serve new markets efficiently.

MANAGING DIRECTOR'S REPORT (continued)

Strategic Capital Project: The Adeiso Expansion (continued)

To fund this transformative investment and strengthen our equity base, the Board has approved a strategic move to the public equity market. We plan to raise approximately US$50 million through an equity offering by the end of May 2026. This initiative marks a new chapter in our corporate development and reflects our commitment to growth that benefits all shareholders.

Corporate Social Responsibility: Embedded Impact

Our CSR philosophy evolved in 2025 from philanthropic initiatives to embedded social impact. We deepened our focus on creating shared value.

We deepened our commitment to healthcare by increasing the value of our quarterly donations, thereby enabling more patients, particularly children to access life-saving cardiac surgeries. Our partnership with the National Cardio-Thoracic Centre has since evolved into a multi-dimensional support initiative, extending beyond financial assistance to include the donation of critical medical equipment. These contributions complement and replace aging machinery, ensuring that patients receive care that meets the highest clinical standards.

The One4Life Campaign is a cause-driven project dedicated to improving cardiac healthcare in Ghana. It is primarily funded by allocating a portion of the proceeds from the sale of Awake Purified Drinking Water, from every bottle sold to support the National Cardiothoracic Centre at Korle-Bu Teaching Hospital. To further expand the One4Life campaign, we introduced periodic mobile pop-up clinics in underserved and remote communities, improving access to healthcare and promoting wellbeing beyond our immediate operating areas. Internally, employee wellness remained a core priority through the introduction of annual health screenings for all Kasapreko employees and their immediate families. This initiative was reinforced by a 24/7 onsite clinic for prompt medical attention, alongside access to a physiotherapist who provides ergonomic and rehabilitative support to staff experiencing work-related physical strain.

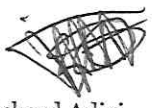
Empowering Ecosystems: The *STEM for Her* initiative was launched in August 2024, a groundbreaking programme designed to inspire and equip young women to pursue careers in Science, Technology, Engineering, and Mathematics (STEM). This initiative was expanded into a national mentorship programme, providing scholarships and internship placements for female students in STEM-related disciplines across Senior High Schools and tertiary institutions. This initiative delivers relevant, practical exposure and mentorship, helping to bridge the gap between academia and industry and better prepare young women for future careers in STEM.

Environmental Stewardship in Action: Beyond sponsorship, we launched "Project Zero Waste Factory," an internal competition across our plants to drive innovation in reducing, reusing, and recycling production waste. We also entered a strategic partnership with a local tech start-up to pilot a plastic bottle collection incentive programme using mobile money rewards.

The performance of 2025 has set a new benchmark for Kasapreko. As we look to 2026, our agenda is clear: flawless execution of the equity raise, disciplined commencement of the Adeiso project, and unwavering focus on commercial excellence in our day-to-day operations.

The journey ahead is ambitious, but our team has never been more capable or aligned. I extend my profound gratitude to the Board for their visionary guidance and unwavering support. My deepest thanks go to the entire Kasapreko team — your dedication, ingenuity, and hard work are the true engines of our success. Finally, to our customers, distributors, and shareholders: thank you for your trust. Together, we are building a legacy.

Thank you.



Richard Adjei
Managing Director

DIRECTORS' REPORT

The Directors submit their annual report together with the audited Financial Statements of Kasapreko PLC for the year ended 31 December 2025.

Statement of Directors' responsibilities

The Directors are responsible for the preparation of Financial Statements for each financial year that give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these Financial Statements, the Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") as adopted by the Institute of Chartered Accountants, Ghana (ICAG) and complied with the requirements of the Companies Act, 2019 (Act 992).

The Directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The Directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern.

Principal activities

The principal activity of the Company is the manufacturing and selling of alcoholic and non- alcoholic beverages.

Financial results

The financial results of the Company for the year ended 31 December 2025 are set out below:

	GH¢
Profit before tax for the year is	**452,964,777**
to which is deducted income tax expense and Growth and Sustainability Levy of	**(98,760,978)**
giving a profit after tax for the year of	**354,203,799**
to which is added balance brought forward on retained earnings of	**296,231,617**
leaving a surplus carried forward on retained earnings of	**650,435,416**

Dividend

The Directors do not recommend the payment of a dividend for the year ended 31 December 2025 (2024: Nil).

Holding Company

The Company is a wholly owned subsidiary of Pinnacle Holding LTD, a company incorporated in Ghana.

DIRECTORS' REPORT (continued)

Profile of the Board of Directors

Non-executive Directors

Name	Qualification	Other Directorship Held
Mr. Samuel Leslie Adetola (Board Chairman)	• MA, Financial Economics, University College of North Wales • Graduate Diploma in Business Studies, London School of Economics and Political Science • BSc. Finance and Administration, London School of Economics and Political Science	• The Capital Group
Dr. Kwabena Adjei	• Fellow, Chartered Institute of Administration, Ghana	• Pinnacle Holding LTD • Royal Crown Packaging LTD • Midland International Ghana LTD • Amerigan Resources Limited • David Goldman Investment Limited • Kasa Global Ventures Limited • Midland NCP Ghana Limited
Mr. Kwabena Akuamoah Agyekum	• MBA, Project Management, Ghana Institute of Management and Public Administration (GIMPA) • Graduate Diploma in Marketing, DipM, Chartered Institute of Marketing, (CIM-UK) • Professional Marketer, ProM, Chartered Institute of Marketing, Ghana (CIMG) • Chartered Marketer, (CIMG, CIM-UK) • Fellow, (CIMG, CIM-UK)	• Lapaz Community Hospital LTD • Berock Group of Companies • CSIR Plus Limited
Dr. Daniel K. Seddoh	• Doctor of Business Administration, University of Bradford, UK • Master of Business Administration, Manchester Business School, UK • Fellow, Institute of Chartered Accountants, Ghana (ICAG) • Member, Chartered Institute of Taxation, Ghana (CITG) • Member, Chartered Insurance Institute of Ghana (CIIG)	• Riscovery Limited • Databank MFund PLC • Venture Capital Trust Fund

DIRECTORS' REPORT (continued)

Profile of the Board of Directors (continued)

Non-executive Directors (continued)

Name	Qualification	Other Directorship Held
Mrs. Matilda Asante-Asiedu	• MBA in Marketing, Ghana Institute of Management and Public Administration (GIMPA) Business School • MA in Journalism Studies, Cardiff University, UK • Diploma in Communications, Ghana Institute of Journalism •	• B.E.M.O Company Limited • Contec Engineering Works Limited • Sisante & Associates Africa • Bank of Ghana
Mr. Stephen Narh Nartey	• MBA – Banking Management; University of Exeter, UK • Fellow, Institute of Chartered Accountants, Ghana (ICAG) • B. Com Degree, University of Cape Coast • Diploma in Education (Dip. Ed), University of Cape Coast	• Chrisline Financial Services LTD • Pinnacle Holding LTD • Royal Crown Packaging LTD • Omni Group
Mr. James Baidoo Sagoe	• Fellow, Institute of Chartered Accountants, Ghana • Executive MBA (Finance), University of Ghana Business School	• Midway Hospital LTD • Adubea & Associates • Enterprise Computing LTD • Greenline Logistics LTD

Executive Director

Name	Qualification	Other Directorship Held
Mr. Richard Adjei	• MBA, Finance and Global Business, Bentley University, Waltham, USA • BSc. Management (Entrepreneurial and Liberal Services (Global perspectives), Bentley University, Waltham, USA	• Pinnacle Holding LTD • Capemay Properties Limited • Royal Crown Packaging LTD • Midland International Ghana LTD

Biographical information of Directors

Age category	Number of Directors
Up to – 40 years	1
41 – 60 years	2
Above 60 years	5

DIRECTORS' REPORT (continued)

Particulars of entries in the Interests Register during the financial year

No Director had any interest in contracts and proposed contracts with the Company during the year under review, hence there were no entries recorded in the Interests Register as required by sections 194(6), 195(1)(a) and 196 of the Companies Act, 2019 (Act 992).

Directors' capacity building

When Directors are appointed to the Board, they are provided with a full, formal and customised programme of induction to familiarise them with the Company's business, the risks and strategic challenges the Company faces, and the economic, competitive, legal and regulatory environment in which the Company operates. The Directors have a depth of knowledge and experience in the industry in which the Company operates and are well equipped to exercise their duties as Directors.

Finance and Audit Committee

The Board Finance and Audit Committee comprises five Directors and is headed by an independent, Non-Executive Director. In selecting the members of the Committee, the Board pays particular attention to their financial and accounting qualifications and experience. The principal responsibilities of the Committee include reviewing financial reports, internal audit reports, management letters and other information it requests to be presented. The Committee held six formal meetings during the year, which were also attended by the Managing Director and external auditors where required. The Committee at its request may meet with the Managing Director, perform inspections and interview managers of the Company at any time it deems appropriate. The members are: Dr. Daniel K. Seddoh – Chairman, Matilda Asante Asiedu - Member, Kwabena Akuamoah Agyekum – Member, Stephen Narh Nartey – Member, and James Baidoo Sagoe – Member.

Human Resource Committee

The Human Resource Committee comprises Directors appointed by the Board, chaired by a Non-Executive Director. Responsibilities include overseeing HR strategy, recruitment, performance management, training, employee welfare, and compliance with labour laws. During the year, the Committee reviewed HR policies, monitored performance systems, oversaw recruitment, and evaluated staff development initiatives. The Committee held five meetings during the year 2025 with management participation and remains committed to strengthening human capital and supporting organisational growth. The members are Matilda Asante-Asiedu, Chairperson, Dr. Daniel Seddoh, Richard Adjei.

Remuneration Committee

The Remuneration Committee is an adhoc committee that comprises Non-Executive Directors, chaired by an Independent Director. This Committee oversees executive and senior management compensation frameworks, ensuring that remuneration structures are fair, competitive, performance-linked, and aligned with long-term shareholder and stakeholder interests and ensure accountability. The Committee held two meetings in 2025. The members are Matilda Asante Asiedu, Chairperson, Dr. Daniel Seddoh, James Sagoe, Steve Nartey and Kwabena Agyekum.

Commercial Committee

The Commercial Committee provides strategic oversight of Kasapreko's commercial activities, market expansion, distribution strategy, brand development, and revenue growth initiatives. This Committee brings focused governance attention to the commercial decisions that drive competitive positioning and sustainable revenue performance. The Commercial Committee held four formal meetings in 2025. The members are Kwabena Akuamoah Agyekum, Chairman, Dr. Daniel Seddoh, Matilda Asante-Asiedu, James Sagoe and Steve Nartey.

DIRECTORS' REPORT (continued)

Professional development and training

On appointment to the Board, Directors are provided with full, formal and tailored programmes of induction, to enable them to gain in-depth knowledge about the Company's business, the risks and challenges faced, and the economic, legal and regulatory environment in which the Company operates.

Programmes of strategic and other reviews, together with the other training programmes provided during the year, ensure that Directors continually update their skills, knowledge and familiarity with the Company's businesses. This further provides insights into the industry and other developments to enable them to effectively fulfil their role on the Board and Committees of the Board.

Corporate social responsibility (CSR)

Kasapreko PLC continued its commitment to community development throughout 2025, placing strong emphasis on healthcare support, community donations, environmental sustainability, women's empowerment, and collaborative social initiatives.

During the year, the Company supported the Bonuama community through a major contribution to the Bonuama Development Association to advance local development efforts. Kasapreko also partnered with Zoomlion to undertake a large-scale cleanup exercise aimed at improving sanitation and promoting environmental hygiene. In addition, the Company supported International Women's Day in collaboration with Coca-Cola, reinforcing its dedication to initiatives that empower women and promote gender equality. Kasapreko PLC further strengthened its long-standing commitment to national healthcare by making quarterly donations to the National Cardiothoracic Centre (Cardio Centre).

The "STEM for Her" initiative which was launched last year expanded into a national mentorship programme, providing scholarships and internships for female students in STEM-related disciplines across senior high schools and tertiary institutions. Additionally, the Company launched "Project Zero Waste Factory," an internal competition across the Company's plants to drive innovation in reducing, reusing, and recycling production waste.

The amount spent on corporate social responsibility for the year was GH¢1.1 million.

Other developments

The Company will commence funding a sinking fund account from August 2026 as part of its repayment strategy for Series 1 (Tranche 01 and 02) of its Bond Programme listed on the Ghana Fixed Income Market (GFIM) of the Ghana Stock Exchange. The sinking fund will support the timely settlement of the principal obligations due at maturity on 29th January 2027.

In addition, the Board of Directors has approved plans for the Company to undertake an Initial Public Offering (IPO) to raise equity to finance the construction of a new production plant at Adeiso-Eastern Region. This strategic investment is expected to significantly expand the Company's production capacity, particularly for water and carbonated soft drinks (CSD), positioning the business to meet growing market demand and support long-term growth.

DIRECTORS' REPORT (continued)

Internal control systems

The Directors have overall responsibility for the Company's internal control systems and annually review their effectiveness, including a review of financial, operational, compliance, and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive Directors and other senior Management. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable but not absolute, assurance against material misstatement or loss. The Directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by the Company at the reporting date and the review did not identify any significant failings or weaknesses.

Audit fees

The audit fees for the year ended 31 December 2025 excluding of taxes and levies was GH¢575,000.

Auditor

The Company's auditor, PricewaterhouseCoopers, has expressed willingness to continue in office in accordance with Section 139(5) of the Companies Act, 2019 (Act 992).

Approval of the Directors' Report

The Directors' Report was approved by the Board of Directors on 27 MARCH 2026 and signed on their behalf by:

.....
RICHARD ADJEI
MANAGING DIRECTOR

.....
STEPHEN NARH NARTEY
DIRECTOR

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF KASAPREKO PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Kasapreko PLC (the "Company") as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") as adopted by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992).

What we have audited

We have audited the financial statements of Kasapreko PLC for the year ended 31 December 2025.

The financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising a summary of material accounting policy information and other explanatory information.

Basis for opinion

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

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key audit matters

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

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment of trade receivables – GH¢43.8 million Gross trade receivables as at 31 December 2025 amounted to GH¢255.6 million for which an impairment loss allowance of GH¢43.8 million has been recognised. Allowance for impairment on trade receivables is a key area of focus due to the judgement Management exercises in determining the appropriate amount of allowance for impairment. Management applied a simplified approach to measure allowance for impairment on trade receivables using lifetime expected credit loss (ECL). Management exercised the following judgements in determining the allowance for impairment: • grouping trade receivables on the basis of similar risk profile and the days past due; • determining historical loss rates based on the payment profile of customer sales; and • adjusting historical loss rates to reflect current and forward looking information incorporating economic variables likely to impact customers' ability to honour their debt obligations. The determination of the expected credit loss is therefore considered as a key audit matter for the Company based on the significant Management judgement involved. Notes 2.8, 2.10(v) and 3.1 set out the accounting policies and the judgement Management exercised in the determination of allowance for impairment respectively, while note 28.1 sets out an analysis of credit quality of trade receivables at the reporting date. The gross trade receivables and related impairment provisions are disclosed in notes 7 and 28.1 to these financial statements.	We evaluated the design and tested the operating effectiveness of Management's controls over the trade receivables process including recording of sales and approval of credit limits. We examined the ageing analysis of trade receivables to assess the appropriateness of classification of trade receivable balances in different aged brackets with similar risk characteristics. We assessed the appropriateness of assumptions used and judgements made by Management around the definition of default, the nature of forward-looking information, the weights assumed in adjusting loss ratio with forward-looking information and the period used in assessing the historical loss rate. The forward-looking information used in the ECL calculation was agreed to external macroeconomic data. We recomputed the impairment loss allowance based on the verified inputs and assumptions used by Management and assessed the adequacy of the amount recognised as allowance for impairment. We tested the subsequent receipts from selected debtors to assess the recoverability of receivables at the end of the year. We checked the appropriateness of disclosures made in the financial statements for impairment loss allowances.

Other information

The Directors are responsible for the other information. The other information comprises Corporate Information, Chairman's Report, Managing Director's Report, Directors' Report, Shareholder's Information and Five Year Financial Summary but 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 any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information, 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 of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") as adopted by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

iii) the Company's statement of financial position and the Company's statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Richard Ansong (ICAG/P/1539).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2026/028)
Chartered Accountants
Accra, Ghana
27 March 2026

pwc

STATEMENT OF FINANCIAL POSITION
(All amounts are in Ghana Cedis)

	Note	At 31 December 2025	2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	**795,400,994**	697,953,319
Right-of-use assets	5	**40,466,728**	42,502,143
		835,867,722	740,455,462
Current assets			
Inventories	6	**663,962,288**	569,122,744
Trade and other receivables	7	**276,501,822**	164,954,091
Current tax assets	9	-	3,203,761
Cash and bank balances	10	**242,998,584**	162,943,707
		1,183,462,694	900,224,303
Total assets		**2,019,330,416**	1,640,679,765
EQUITY AND LIABILITIES			
EQUITY			
Stated capital	11	**50,000,000**	50,000,000
Retained earnings	12	**650,435,416**	296,231,617
Total equity		**700,435,416**	346,231,617
LIABILITIES			
Non-current liabilities			
Borrowings	13	**456,320,666**	523,828,139
Deferred tax liabilities	15	**29,843,933**	23,923,845
		486,164,599	547,751,984
Current liabilities			
Trade and other payables	16	**627,390,315**	481,434,883
Current tax liabilities	9	**22,235,500**	-
Borrowings	13	**149,874,219**	224,565,007
Loans due to related parties	14	**33,230,367**	40,696,274
		832,730,401	746,696,164
Total liabilities		**1,318,895,000**	1,294,448,148
Total equity and liabilities		**2,019,330,416**	1,640,679,765

The notes on pages 20 to 59 are an integral part of these Financial Statements.

The Financial Statements on pages 16 to 59 were approved by the Board of Directors on 27 MARCH 2026 **and were signed on their behalf by:**

Signature:

Name of Director: RICHARD ADJEI

Signature:

Name of Director: STEPHEN NARH NARTEY

STATEMENT OF COMPREHENSIVE INCOME
(All amounts are in Ghana Cedis)

		Year ended 31 December	
	Note	**2025**	2024
Revenue	17	**3,500,889,869**	2,721,156,870
Cost of sales	18	**(2,381,655,898)**	(1,983,745,682)
Gross profit		**1,119,233,971**	737,411,188
General, selling and administrative expenses	19	**(511,283,461)**	(381,341,997)
Net impairment losses on financial assets	7	**(15,234,764)**	(13,633,711)
Other operating (expense)/income	20	**(6,757,727)**	49,668,973
Operating profit		**585,958,019**	392,104,453
Finance income	21	**1,590,515**	1,186,404
Finance costs	22	**(134,583,757)**	(220,690,398)
Profit before income tax		**452,964,777**	172,600,459
Income tax expense	23	**(98,760,978)**	(34,896,693)
Profit for the year		**354,203,799**	137,703,766
Other comprehensive income		**-**	-
Total comprehensive income for the year		**354,203,799**	137,703,766
Basic and diluted earnings per share	30	**0.0998**	0.0388

The notes on pages 20 to 59 are an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY
(All amounts are in Ghana Cedis)

	Stated capital	Retained earnings	Total equity
Year ended 31 December 2025			
Balance at 1 January 2025	50,000,000	296,231,617	**346,231,617**
Profit for the year	-	354,203,799	**354,203,799**
Other comprehensive income	-	-	-
Total comprehensive income	-	**354,203,799**	**354,203,799**
Balance at 31 December 2025	**50,000,000**	**650,435,416**	**700,435,416**
Year ended 31 December 2024			
Balance at 1 January 2024	50,000,000	158,527,851	208,527,851
Profit for the year	-	137,703,766	137,703,766
Other comprehensive income	-	-	-
Total comprehensive income	-	137,703,766	137,703,766
Balance at 31 December 2024	50,000,000	296,231,617	346,231,617

The notes on pages 20 to 59 are an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS
(All amounts are in Ghana Cedis)

	Note	Year ended 31 December **2025**	2024
Cash flows from operating activities			
Cash generated from operations	25	**645,686,078**	449,499,298
Interest paid	13	**(154,492,966)**	(203,138,154)
Corporate income tax and Growth and Sustainability Levy paid	9	**(67,401,629)**	(22,127,585)
Net cash generated from operating activities		**423,791,483**	224,233,559
Cash flows from investing activities			
Purchases of property, plant and equipment	4	**(212,900,420)**	(85,157,553)
Net cash used in investing activities		**(212,900,420)**	(85,157,553)
Cash flows from financing activities			
Principal lease payment	5	**-**	(71,250)
Disbursement of loans to related company	8	**-**	(11,246,743)
Repayment of loans by related company	8	**-**	18,469,065
Proceeds from borrowings by the Company	13	**115,980,000**	736,705,289
Repayment of loans contracted by the Company	13	**(229,614,386)**	(769,019,179)
Proceeds from loans from related parties	14	**5,034,278**	3,652,674
Repayment of loans contracted from related parties	14	**(12,500,185)**	(24,100,656)
Net cash flow used in financing activities		**(121,100,293)**	(45,610,800)
Net increase in cash and cash equivalents		**89,790,770**	93,465,206
Cash and cash equivalents at the start of the year		**84,022,057**	(5,832,212)
Effects of exchange rate changes on cash and cash equivalents		**(1,081,227)**	(3,610,937)
Cash and cash equivalents at the end of the year	10	**172,731,600**	84,022,057

The notes on pages 20 to 59 are an integral part of these Financial Statements.

NOTES

1. Corporate information

Kasapreko PLC, ("the Company") formerly Kasapreko Company Limited is a limited liability Company incorporated in Ghana. The address of its registered office is DTD # 64, Off Spintex Road, Baatsonaa. The Company's principal activity includes the manufacturing and selling of a wide range of alcoholic and non-alcoholic beverages within and outside Ghana.

The Company is listed on the Ghana Fixed Income Market on the Ghana Stock Exchange.

2. Summary of material accounting policies

A summary of the material accounting policies adopted by the Company in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") as adopted by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992).

(ii) Historical cost convention

The Financial Statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

(iii) New and amended standards adopted by the Company

The Company applied the following standards for the first time for the reporting period commencing on 1 January 2025.

- Lack of Exchangeability – Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates

The adoption of the amendments above did not have any impact on the amounts recognised in prior and current periods and are not expected to significantly affect the future periods.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

(iv) New standards and interpretations not yet adopted by the Company

Certain new accounting standards and interpretations have been published by the International Accounting Standards Board (IASB) that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Company. Those that are likely to have an impact on the Company's Financial Statements when the standards become effective are set out below:

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures', to respond to recent questions arising in practice. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Company does not expect these amendments to have a material impact on its operations or Financial Statements.

The amendment is effective for annual periods beginning on or after 1 January 2026.

Annual Improvements to IFRS Accounting Standards – Volume 11

The IASB has made the following improvements in September 2024:

- IFRS 1, 'First-time Adoption of International Financial Reporting' – to improve consistency between IFRS 1 and IFRS 9, 'Financial Instruments', in relation to the requirements for hedge accounting, and to improve the understandability of IFRS 1;

- IFRS 7, 'Financial Instruments: Disclosures' – to improve consistency in the language used in IFRS 7 with the language used in IFRS 13, 'Fair Value Measurement';

- IFRS 9 – to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished, and to address an inconsistency between IFRS 9 and IFRS 15, 'Revenue from Contracts with Customers', in relation to the term 'transaction price';

- IFRS 10, 'Consolidated Financial Statements' – to clarify the requirements in relation to determining de facto agents of an entity; and

- IAS 7, 'Statement of Cash Flows' – to replace the term 'cost method' with 'at cost', since the term is no longer defined in IFRS Accounting Standards.

The Company does not expect these amendments to have a material impact on its operations or Financial Statements.

The amendment is effective for annual periods beginning on or after 1 January 2026.

NOTES (continued)

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(iv) New standards and interpretations not yet adopted by the Company (continued)

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued targeted amendments to IFRS 7 and IFRS 9 to allow entities to better reflect nature-dependent electricity contracts in the Financial Statements. The amendments:

- clarify the application of the 'own-use' criteria to nature-dependent electricity contracts;
- permit hedge accounting if these contracts are used as hedging instruments; and
- add new disclosure requirements to enable users of Financial Statements to better understand the effect of these contracts on an entity's financial performance and cash flows.

The amendment is effective for annual periods beginning on or after 1 January 2026.

IFRS 19 Subsidiaries without Public Accountability - Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards.

To be eligible, at the end of the reporting period an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated Financial Statements, available for public use, which comply with IFRS Accounting Standards.

The amendment is effective for annual periods beginning on or after 1 January 2027.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 in response to investors' concerns about comparability and transparency of entities' performance reporting. The new presentation requirements introduced in IFRS 18 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosure requirements for 'management-defined performance measures' will enhance transparency.

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

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss
- required disclosures in a single note within the Financial Statements for certain profit or loss performance measures that are reported outside an entity's Financial Statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary Financial Statements and notes in general

IFRS 18 is effective from 1 January 2027 and has not yet been adopted by the Company.

There are no other IFRSs or IFRIC interpretations that are not effective that would be expected to have a material impact on the Company in the current or future operating periods and on foreseeable future transactions.

NOTES (continued)

2. Summary of significant accounting policies (continued)

2.2 Foreign currency translation

(i) Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which it operates ("functional currency"). The Financial Statements are presented in Ghana Cedis, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange gains and losses on borrowings are presented in profit or loss within 'finance costs'. All other foreign exchange gains and losses are presented in profit or loss, within 'other operating income or expenses'.

2.3 Revenue recognition

Revenue from the sales of the Company's products is recognised when control of the products has transferred, being when the products are delivered to the customer, the Company has full discretion over the channel and price to use or sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Delivery occurs when the products have been dispatched from the Company's premises, the risks of obsolescence and loss have been transferred to the customers, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Financing components

The Company does not expect to have any contracts where the period between the transfer of the products to the customer and payment by the customer exceeds one year. Sales are made with a credit term of less than 3 months. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

2.4 Finance costs

Finance costs comprise interest expense on borrowings. Borrowings costs on non capital items are recognised in profit or loss in the period in which they are incurred using the effective interest method. Foreign exchange gains and losses on borrowings are presented in profit or loss, within 'finance costs'.

2.5 Property, plant and equipment

The Company's property, plant and equipment are stated at historical cost less accumulated depreciation and impairments losses. Historical cost includes the expenditure that is directly attributable to the acquisition of these 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 of the item can be measured reliably.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.5 Property, plant and equipment (continued)

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets in the course of construction are carried at cost less any recognised impairment loss. Cost includes professional fees and other costs directly attributable to the completion of the assets. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Leasehold land	-	Over the lease period
Buildings	-	5%
Plant and machinery	-	10%
Motor vehicles	-	25%
Furniture and office equipment	-	15%
Laboratory equipment	-	15%
Computers	-	15%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. 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. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating income/expenses in profit or loss.

Costs associated with day-to-day servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is capitalised if it is probable that future economic benefits associated with the item will flow to the Company.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

2.6 Leases

The Company's leases relate to leasehold land. Rental contracts are typically made for fixed periods varying between 5 to 10 years but may have extension options.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.6 Leases (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

2.7 Impairment of non-financial assets

At the end of each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than the carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

2.8 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are classified as current assets in the statement of financial position, if collection is expected within one year or less.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less impairment.

Prepayments are advance payments for services to be provided over a contractual period. Prepayments are amortised on a straight line over the contractual service period.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.9 Inventories

Inventories comprise raw materials, work-in-progress, finished goods and spares. Raw materials, work-in-progress, finished goods and spares are stated at the lower of cost and net realisable value. Cost of finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overheads expenditure, the latter being allocated on the basis of normal operating capacity.

Borrowing costs are excluded from the cost of inventories. Costs are assigned to individual items of inventory on the basis of the weighted average cost. Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

2.10 Financial instruments

(i) Classification

The Company classifies financial assets and financial liabilities into the following categories:

- Financial assets at amortised cost
- Financial liabilities measured at amortised cost

The Company does not maintain financial instruments at fair value through other comprehensive income (FVTOCI) and through profit or loss.

The Company's financial assets are classified in the measurement category of financial assets at amortised cost. These include trade and other receivables (excluding prepayments) and bank and cash balances. The Company classifies its financial assets at amortised cost only if both of the following criteria are met;

- the asset is held within a business model whose objective is to collect contractual cashflows; and
- the contractual terms give rise to cash flows that are solely payments of principal (for non-interest bearing financial assets) or solely of principal and interest (for interest bearing financial assets).

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

If the business model/SPPI test are not met, the financial asset would be classified as fair value through profit or loss.

The Company's financial liabilities represents mainly trade and other payables, borrowings and provisions. These financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expired.

(ii) Initial recognition and measurement

The Company initially recognises financial assets and liabilities on the date the Company becomes a party to the contractual provisions of the instruments. This is on the date that these financial instruments are originated.

Financial instruments are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition, except if fair value through profit and loss.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.10 Financial instruments (continued)

(ii) Initial recognition and measurement (continued)

The Company generally does not reclassify financial instruments between different categories subsequent to initial recognition. Financial assets are reclassified only if the Company changes its business model for managing financial assets. In accordance with IFRS 9:

- Financial liabilities can never be reclassified; and
- Financial assets can only be reclassified if there is a change in business model.

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability such as fees and commissions.

Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the differences are deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

(iii) Subsequent measurement

Amortised cost

Financial assets which are classified as measured at amortised cost, are measured using the effective interest method, less any expected credit losses which are recognised in profit or loss. Amortised cost is calculated by taking into account any transaction costs on acquisition as well as fees and costs that are an integral part of the effective interest rate.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired assets, a credit-adjusted effective interest rate is calculated using estimated cash flows including expected credit losses. The calculation of effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial assets or financial liability.

Expected credit losses are calculated through the use of an appropriate impairment methodology.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.10 Financial instruments (continued)

(iv) Derecognition

Financial assets are derecognised when the Company realises the rights to the benefits specified in the contract, the rights expire, the asset is substantially modified or the Company surrenders or otherwise loses control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of the financial asset and proceeds receivable (including any new asset obtained) are included in statement of changes in equity.

Financial liabilities (or a portion thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expires. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and the amount paid for it are included in statement of changes in equity.

(v) Impairment

The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

2.11 Offsetting financial instruments

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

2.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.13 Stated capital

Ordinary shares are issued at no par value and are classified as “stated capital” in equity.

2.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current in the statement of financial position unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any differences between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.15 Borrowings (continued)

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.17 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment benefit obligation

The Company contributes to Tier 1 and Tier 2 pensions schemes for its employees.

Defined contribution scheme

A defined contribution scheme 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.

The Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary 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.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.17 Employee benefits (continued)

(iii) Bonus

The Company recognises a liability and an expense for bonuses taking into consideration the profit attributable to the Company's shareholder. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(i) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

2.18 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director. Segment results that are reported to the Managing Director, include items directly attributed to a segment as well as those that can be allocated on a reasonable basis. The Managing Director, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Operating Decision Maker (CODM).

2.19 Earnings per share

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

2.20 Income tax

The income tax expense for the period comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authority on taxable profit or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The tax rate and tax laws used to compute the amount are those enacted or substantively enacted by the reporting date.

(ii) Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

NOTES (continued)

2. Summary of material accounting policies (continued)

2.20 Income tax (continued)

(ii) Deferred tax (continued)

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

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

NOTES (continued)

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The preparation of the Company's Financial Statements requires Directors to make judgements, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

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 disclosed below.

Useful lives of property, plant and equipment

The Company determines the estimated useful lives and related depreciation for its property, plant and equipment. This estimate is based on historical assessments of the useful life obtained from similar assets. It could change significantly as a result of technological innovations and competitor action in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated, or it will write-off or write-down assets where the useful life of the asset is considered to have expired.

Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of trade receivables

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

To measure expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on payment profile of customers and the corresponding historical credit losses experienced within the period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic indicators affecting the ability of customers to settle outstanding receivables.

Critical judgements are made by Management in determining the recoverable amount of impaired receivables as set out in note 28.1.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

4. Property, plant and equipment

Year ended 31 December 2025	**Buildings**	**Plant and machinery**	**Motor vehicles**	**Furniture and office equipment**	**Laboratory equipment**	**Computers**	**Capital work-in-progress (CWIP)**	**Total**
Cost								
At 1 January 2025	161,795,227	754,562,627	97,880,700	26,049,754	1,430,927	3,211,201	18,812,392	**1,063,742,828**
Additions	10,042,012	78,151,519	47,884,652	2,882,663	878,386	3,624,779	69,436,409	**212,900,420**
Transfers from CWIP to property, plant and equipment asset classes	4,528,092	1,611,857	-	1,539,703	-	-	(7,679,652)	**-**
At 31 December 2025	**176,365,331**	**834,326,003**	**145,765,352**	**30,472,120**	**2,309,313**	**6,835,980**	**80,569,149**	**1,276,643,248**
Accumulated depreciation								
At 1 January 2025	32,315,767	252,626,438	67,762,801	11,400,006	754,392	930,105	-	**365,789,509**
Charge for the year	8,780,230	72,702,491	28,798,247	3,911,128	287,533	973,116	-	**115,452,745**
At 31 December 2025	**41,095,997**	**325,328,929**	**96,561,048**	**15,311,134**	**1,041,925**	**1,903,221**	**-**	**481,242,254**
Net book amount								
At 31 December 2025	**135,269,334**	**508,997,074**	**49,204,304**	**15,160,986**	**1,267,388**	**4,932,759**	**80,569,149**	**795,400,994**

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

4. Property, plant and equipment (continued)

	Buildings	Plant and machinery	Motor vehicles	Furniture and office equipment	Laboratory equipment	Computers	Capital work-in-progress	Total
Year ended 31 December 2024								
Cost								
At 1 January 2024	89,595,952	449,016,905	87,746,419	14,382,685	1,376,977	771,903	350,044,095	992,934,936
Additions	23,669,487	47,146,306	1,848,643	1,822,730	-	1,482,775	9,187,612	85,157,553
Transfers from CWIP to other property, plant and equipment asset classes	48,529,788	258,399,416	8,285,638	9,844,339	53,950	956,523	(326,069,654)	-
Transfer from CWIP to Right-of-Use assets	-	-	-	-	-	-	(23,974,441)	(23,974,441)
Interest expense capitalised on qualifying assets (Note 13)	-	-	-	-	-	-	9,624,780	9,624,780
At 31 December 2024	161,795,227	754,562,627	97,880,700	26,049,754	1,430,927	3,211,201	18,812,392	1,063,742,828
Accumulated depreciation								
At 1 January 2024	24,257,599	187,363,860	48,913,267	8,022,647	598,200	500,745	-	269,656,318
Charge for the year	8,058,168	65,262,578	18,849,534	3,377,359	156,192	429,360	-	96,133,191
At 31 December 2024	32,315,767	252,626,438	67,762,801	11,400,006	754,392	930,105	-	365,789,509
Net book amount At 31 December 2024	129,479,460	501,936,189	30,117,899	14,649,748	676,535	2,281,096	18,812,392	697,953,319

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

4. Property, plant and equipment (continued)

Depreciation on property, plant and equipment has been charged to profit or loss as follows:

	2025	2024
Cost of sales	**75,683,929**	67,712,508
Selling, general and administrative expenses	**39,768,816**	28,420,683
	115,452,745	96,133,191

Refer to note 13 for information on property, plant and equipment pledged as security against borrowings by the Company.

5. Leases

a. Right-of-use assets

	2025	2024
Cost		
At 1 January	**49,652,143**	25,606,452
Additions	**-**	71,250
Transfer from capital work-in-progress (Note 4)	**-**	23,974,441
At 31 December	**49,652,143**	49,652,143
Accumulated depreciation		
At 1 January	**7,150,000**	5,114,585
Charge for the year	**2,035,415**	2,035,415
At 31 December	**9,185,415**	7,150,000
Net book amount at 31 December	**40,466,728**	42,502,143

Right-of-use assets represent the Company's use of leasehold land. There are no liabilities associated with this asset because full consideration has been paid for the tenor of the lease.

b. Lease liabilities

Current and non-current	-	-

The movement in lease liabilities are as follows:

At 1 January	-	-
Additions	-	71,250
Principal lease payments	-	(71,250)
At 31 December	-	-

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

6. Inventories

	2025	2024
Raw materials	**486,701,207**	426,804,817
Work-in-progress	**6,490,120**	7,225,121
Finished goods	**27,706,945**	48,996,862
Spare parts and consumables	**143,064,016**	86,095,944
	663,962,288	569,122,744

The cost of inventories recognised as cost of sales in profit or loss amounted to GH¢1.86 billion (2024: GH¢1.57 billion).

7. Trade and other receivables

	2025	2024
Trade receivables – Third party customers	**240,837,453**	178,699,211
Trade receivables – Amounts due from related parties (Note 26)	**16,399,179**	10,084,999
Allowance for expected credit losses	**(29,058,126)**	(28,561,740)
Trade receivables - net	**228,178,506**	160,222,470
Amounts due from related parties (Note 26)	**894,693**	-
Staff receivables	**484,586**	228,497
Prepayments	**5,516,283**	3,830,654
Advances to suppliers	**41,418,523**	-
Statutory receivables	**9,231**	672,470
	276,501,822	164,954,091

The fair values of trade and other receivables (excluding non-financial assets) approximate their carrying values.

The movement in allowance for impairment on trade receivables is as follows:

	2025	2024
At 1 January	**28,561,740**	14,928,029
Trade receivables written off during the year as uncollectible	**(14,738,378)**	-
Increase in loss allowance charge to profit or loss	**15,234,764**	13,633,711
At 31 December	**29,058,126**	28,561,740

Trade receivables are written off where there is no reasonable expectation of recovery.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

8. Loan due from related companies

Loans due from related companies is set out below:

	Caltech Limited	Capemay Properties Limited	Total
Year ended 31 December 2024			
At 1 January	10,921,696	33,338,087	44,259,783
Drawdowns	278,996	10,967,747	11,246,743
Exchange gains	-	5,351,948	5,351,948
Principal repayments	-	(18,469,065)	(18,469,065)
Related parties balance settlement	(11,200,692)	(31,188,717)	(42,389,409)
At 31 December	-	-	-

The loans due from Caltech Limited and Capemay Properties Limited were payable on demand.

9. Current tax liabilities/(assets)

Movement in current tax assets is set out below:

	At 1 January	**Charge for the year**	**Payments during the year**	**At 31 December**
Year ended 31 December 2025				
(a) Corporate income tax				
Year of assessment:				
Up to 2024	(5,473,949)	-	-	**(5,473,949)**
2025	-	81,535,245	(58,596,759)	**22,938,486**
	(5,473,949)	**81,535,245**	**(58,596,759)**	**17,464,537**
(b) Growth and Sustainability Levy				
2025	2,270,188	11,305,645	(8,804,870)	**4,770,963**
Total tax liabilities/(assets)	**(3,203,761)**	**92,840,890**	**(67,401,629)**	**22,235,500**

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

9. Current tax liabilities/(assets) (continued)

Year ended 31 December 2024	At 1 January	Charge for the year	Payments during the year	At 31 December
(a) Corporate income tax				
Year of assessment:				
Up to 2023	(7,396,343)	-	-	(7,396,343)
2024	-	21,866,998	(19,944,604)	1,922,394
	(7,396,343)	21,866,998	(19,944,604)	(5,473,949)
(b) Growth and Sustainability Levy				
2024	96,972	4,356,197	(2,182,981)	2,270,188
Total tax assets	(7,299,371)	26,223,195	(22,127,585)	(3,203,761)

All tax liabilities are subject to the agreement of the Ghana Revenue Authority.

The Growth and Sustainability Levy (GSL) which became effective in 1 May 2024 is applicable to profits before tax or production, depending on the category of the Company. The GSL applicable rate for the Company is 2.5% (Category C) on accounting profit before tax.

10. Cash and bank balances

	2025	2024
Cash at bank	**242,883,997**	162,857,612
Cash on hand	**114,587**	86,095
	242,998,584	162,943,707

Cash and cash equivalents include the following for the purposes of cashflow:

	2025	2024
Cash and bank balances (Note 10)	**242,998,584**	162,943,707
Bank overdrafts (Note 13)	**(70,266,984)**	(78,921,650)
	172,731,600	84,022,057

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

11. Stated capital

The authorised shares of the Company is 10,000,000,000 ordinary shares of no par value out of which 3,550,000,000 have been issued as follows:

	No. of Shares		Amount	
Proceeds	**2025**	2024	**2025**	2024
Authorised				
Ordinary shares of no-par value	**10,000,000,000**	10,000,000,000		
Issued				
For cash	**3,550,000,000**	3,550,000,000	50,000,000	50,000,000

There was no change in the stated capital during the year. There is no unpaid liability on any share and there are no calls or instalments unpaid. There are no treasury shares.

12. Retained earnings

Retained earnings represent cumulative earnings of the Company which is available for distribution to member of the Company subject to the requirements of the Companies Act, 2019 (Act 992). The movement in retained earnings is shown as part of the statement of changes in equity on page 17 of these Financial Statements.

13. Borrowings

Held at amortised cost

		2025	2024
Term loans	(i)	**183,604,545**	317,148,140
Corporate bonds	(ii)	**352,323,356**	352,323,356
Total loans and bonds		**535,927,901**	669,471,496
Bank overdrafts	(iii)	**70,266,984**	78,921,650
		606,194,885	748,393,146

Current and non-current components of borrowings:

Current	**149,874,219**	224,565,007
Non-current	**456,320,666**	523,828,139
	606,194,885	748,393,146

(a) Term loans are funding received by the Company from local and foreign banks and financial institutions. The terms of the loan is set out in note 13(i).
(b) Corporate bonds are 3 to 4 years (2024: 3 to 4 years) with interest rates ranging from 23.50% to 26.00% per annum (2024: 23.5% to 26%). The principal and maturity date of the corporate bonds are disclosed in note 13(ii).
(c) Overdrafts are facilities received from various financial institutions. See details in note 13(iii).

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

13. Borrowings (continued)

Movement in borrowings during the year is as follows:

Year ended 31 December 2025

	At 1 January	Drawdowns	Interest charged	Interest paid	Principal Repayment	Exchange loss/(gain)	At 31 December
Ecobank Ghana PLC	115,434,192	42,000,000	14,528,743	(14,528,743)	(97,936,892)	-	**59,497,300**
First Atlantic Bank LTD	-	73,980,000	6,267,429	(6,267,429)	(73,980,000)	-	**-**
Societe Generale Ghana PLC	28,597,712	-	5,657,014	(5,657,014)	(10,036,288)	-	**18,561,424**
First Bank Ghana LTD	17,649,485	-	2,100,833	(2,100,833)	(17,649,485)	-	**-**
Landesbank Baden-Wuerttemberg	58,149,117	-	2,006,312	(2,355,039)	(12,672,868)	(4,970,728)	**40,156,794**
KBC Bank NV	97,317,634	-	4,065,271	(4,328,051)	(17,338,853)	(14,326,974)	**65,389,027**
Total term loans	317,148,140	115,980,000	34,625,602	(35,237,109)	(229,614,386)	(19,297,702)	**183,604,545**
Corporate bonds	352,323,356	-	86,307,060	(86,307,060)	-	-	**352,323,356**
Total loans and bonds	669,471,496	115,980,000	120,932,662	(121,544,169)	(229,614,386)	(19,297,702)	**535,927,901**
Bank overdraft	78,921,650	101,243,512	32,948,797	(32,948,797)	(109,898,178)	-	**70,266,984**
	748,393,146	**217,223,512**	**153,881,459**	**(154,492,966)**	**(339,512,564)**	**(19,297,702)**	**606,194,885**

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

13. Borrowings (continued)

Movement in borrowings during the year is as follows:

Year ended 31 December 2024

	At 1 January	Drawdowns	Interest charged	Interest paid	Principal Repayment	Exchange loss	At 31 December
GCB Bank PLC	12,798,724	72,305,924	5,685,175	(5,685,174)	(85,104,649)	-	-
First National Bank LTD	16,401,099	-	1,102,082	(1,102,082)	(16,401,099)	-	-
Stanbic Bank Ghana LTD	78,750,000	-	10,022,014	(10,022,014)	(78,750,000)	-	-
Standard Chartered Bank Ghana PLC	26,401,447	12,000,000	1,030,491	(3,155,938)	(36,276,000)	-	-
First Atlantic Bank Ghana LTD	117,540,118	-	11,598,049	(13,702,225)	(115,435,942)	-	-
Absa Bank Ghana LTD	-	117,050,000	9,084,455	(9,084,455)	(117,050,000)	-	-
Consolidated Bank Ghana LTD	37,747,582	-	4,151,933	(5,899,515)	(36,000,000)	-	-
Ecobank Ghana PLC	158,954,732	149,000,000	31,246,879	(31,246,878)	(192,520,541)	-	115,434,192
Societe Generale Ghana PLC	42,624,634	-	9,670,196	(9,742,176)	(13,954,942)	-	28,597,712
First Bank Ghana LTD	23,722,122	35,168,365	3,979,025	(3,979,025)	(41,241,002)	-	17,649,485
Landesbank Baden-Wuerttemberg	59,530,317	-	4,507,211	(4,025,305)	(13,240,770)	11,377,664	58,149,117
KBC Bank NV	100,137,587	-	8,370,006	(9,177,961)	(23,044,234)	21,032,236	97,317,634
Total term loans	674,608,362	385,524,289	100,447,516	(106,822,748)	(769,019,179)	32,409,900	317,148,140
Corporate bonds	-	351,181,000	49,849,416	(48,707,060)	-	-	352,323,356
Total loans and bonds	674,608,362	736,705,289	150,296,932	(155,529,808)	(769,019,179)	32,409,900	669,471,496
Bank overdraft	85,498,065	108,726,512	47,608,346	(47,608,346)	(115,302,927)	-	78,921,650
	760,106,427	845,431,801	197,905,278	(203,138,154)	(884,322,106)	32,409,900	748,393,146

During the year ended 31 December 2024, GH¢90,822,736 out of the total interest expense of GH¢100,447,516 on total term loans was charged to the statement of comprehensive income, while the remaining GH¢9,624,780 relating to qualified assets was capitalised as part of property, plant and equipment.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

13. Borrowings (continued)

(i) Term loans (continued)

Summary of credit facilities from banks

Ecobank Ghana PLC loan facility

The Company secured a medium-term loan of GH¢171.7 million with an interest rate of 26.75% per annum from Ecobank Ghana Plc in 31 August 2022 to finance the construction of the Alcohol Rectification Plant at Tema Harbor payable over a period of sixty (60) months, maturing on 31 July 2027.

In 2024, the Company secured a short-term and medium-term loan facilities of GH¢196 million to finance the construction of the Alcohol Rectification Plant at Tema Harbor and to finance operational bills. The tenor of the short-term and medium-term loan facilities is 6 months with an interest rate of GRR plus 2% and GRR plus 5% respectively. In July 2024, the rates were subsequently revised to GRR minus 2% and minus 5% respectively for remaining of tenor of the loan.

Societe Generale Ghana PLC loan facility

The Company, in 2024 obtained a medium-term facility of GH¢34.4 million to finance the importation of various equipment to expand existing production capacity in the manufacturing of water and other alcoholic drinks. The tenor of this facility is sixty (60) months with an average annual interest rate of 26.84%. The loan is secured by a legal mortgage over a commercial property (Factory building & equipment, office complex and residential property) at Nungua, Accra. Pari-Passu legal mortgage over building located at Park Ridge Estates located at Spintex. In July 2024, the rates were subsequently revised to GRR minus 2% for remaining of tenor of the loan.

KBC Bank NV, Belgium loan facility

This is an asset financing facility of US$3.4 million obtained on 23 June 2022 for the purchase of a Preform Moulding Machine from Husky Injection Moulding System. The loan has a tenor of five (5) years with an average interest rate of 8% per annum.

KBC Bank NV, Belgium Export Credit Agreement facility

This is an Export Credit Agreement (ECA) of EUR5.3 million obtained on 24 November 2024 to finance the purchase of an Alcohol Rectification Machine from De Smit SA -Engineers and Contractors payable over seven (7) years with an average interest rate of 8% per annum.

Landesbank Baden- Wuerttemberg, Germany Export Credit Agreement facility

This is an Export Credit Agreement (ECA) of EUR5.7 million obtained on 18 November 2022 to finance the purchase of Water and CSD bottling line in Kumasi from Krone AG, Germany, payable over seven (7) years with an average interest rate of 8% per annum.

First Atlantic Bank Ghana LTD loan facilities

The Company has a 120 days revolving line of credit of USD 12 million to which it can draw on to finance its operational business. Interest is payable monthly at a rate of GRR+2% spread. The amount contracted was settled during the year.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

13. Borrowings (continued)

(ii) Corporate bonds

These are senior unsecured bonds listed on the Ghana Fixed Income Market (GFIM) of the Ghana Stock Exchange. Interest is payable on the bonds bi-annually.

Bond ID	Maturity Date	Principal	Coupon rate
Series 1 – Tranche 01 and 02	29 January 2027	151,181,000	26.00%
Series 2 – Tranche 01	12 September 2028	200,000,000	23.50%
Total		**351,181,000**	

(iii) Bank overdrafts

	2025	2024
Bank overdrafts	**70,266,984**	78,921,650

At 31 December 2025, the Company had the following balances on drawn overdraft facilities with various financial institutions.

	2025	2024
GCB Bank PLC	**-**	10,333,614
Ecobank Ghana PLC	**21,400,847**	11,288,288
Societe Generale Ghana PLC	**34,614,844**	29,544,717
First Atlantic Bank Ghana LTD	**9,943,365**	9,883,232
Stanbic Bank Ghana LTD	**1,324,368**	-
First Bank Ghana LTD	**2,983,560**	-
Access Bank Ghana LTD	**-**	17,871,799
	70,266,984	78,921,650

14. Loans due to related parties

Loans due to related parties	**33,230,367**	40,696,274

Movement in related party loans during the year is as follows:

	2025	2024
At 1 January	**40,696,274**	103,533,665
Drawdowns	**5,034,278**	3,652,674
Principal repayments	**(12,500,185)**	(24,100,656)
Related parties balance offset	**-**	(42,389,409)
At 31 December	**33,230,367**	40,696,274

Loans due to related parties at 31 December 2025 comprises GH¢5.7 million short term loan facilities due to Pinnacle Holding LTD and Director's loans and advances amounting of GH¢27.5 million. These are payables on demand.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

15. Deferred tax liabilities

Deferred tax is calculated under the liability method on temporary differences using the enacted income tax rate. The movement in deferred tax (assets)/liabilities during the year is as follows:

	2025	2024
At 1 January	**23,923,845**	15,250,347
Charge to profit or loss	**5,920,088**	8,673,498
At 31 December	**29,843,933**	23,923,845

	At 1 January	**Charged/ (credited) to profit or loss**	**At 31 December**
Year ended 31 December 2025			
Accelerated tax depreciation	28,488,741	9,159,487	**37,648,228**
Other provisions	(4,564,896)	(3,239,399)	**(7,804,295)**
Net deferred tax liabilities	23,923,845	**5,920,088**	**29,843,933**
Year ended 31 December 2024			
Accelerated tax depreciation	15,869,408	12,619,333	28,488,741
Other provisions	(619,061)	(3,945,835)	(4,564,896)
Net deferred tax liabilities	15,250,347	8,673,498	23,923,845

16. Trade and other payables

	2025	2024
Trade payables	**252,115,943**	186,314,837
Amounts due to related parties (Note 26)	**34,489,339**	33,955,463
Accrued expenses	**103,643,929**	73,870,054
Advances from customers	**52,008,954**	42,248,665
Retention of distributors	**44,333,801**	39,676,107
Landing cost	**123,713,772**	96,246,483
Other payables	**17,084,577**	9,123,274
	627,390,315	481,434,883

The fair values of trade and other payables approximate their carrying amounts.

Movement in advances from customers

	2025	2024
At 1 January	**42,248,665**	27,784,013
Additions during the year	**1,885,563,555**	1,651,447,935
Amount applied to sales during the year	**(1,875,803,266)**	(1,636,983,283)
At 31 December	**52,008,954**	42,248,665

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

17. Revenue

	2025	2024
Revenue from external customers recognised at a point in time:		
Local sales	**2,811,545,625**	2,072,670,808
Export sales	**689,344,244**	648,486,062
Revenue from sale of goods	**3,500,889,869**	2,721,156,870

18. Cost of sales

Direct materials costs	**1,858,274,548**	1,573,502,506
Staff costs (Note 24)	**149,747,150**	118,679,914
Depreciation (Note 4)	**75,683,929**	67,712,508
Overhead costs	**77,469,053**	68,224,429
Repairs and maintenance	**67,613,795**	44,019,332
Production losses (breakages and leakages)	**5,646,591**	1,774,051
Other factory costs	**147,220,832**	109,832,942
	2,381,655,898	1,983,745,682

19. Selling, General and Administrative expenses

Staff costs (Note 24)	**110,475,586**	76,499,447
Directors' remuneration	**2,068,750**	1,014,500
Depreciation (Note 4)	**39,768,816**	28,420,683
Depreciation of right-of-use asset (Note 5)	**2,035,415**	2,035,415
Marketing and public relations	**33,795,579**	24,527,679
Auditor's remuneration	**575,000**	500,000
Repairs and maintenance	**16,129,078**	13,787,019
Motor vehicle running costs	**23,473,709**	22,756,907
Health and safety expenses	**1,505,587**	2,899,983
Protocol and free samples	**7,789,327**	3,584,429
Rent and rates	**2,044,924**	3,088,613
Shared service costs	**31,904,486**	16,313,945
Cleaning and sanitation expenses	**2,129,701**	1,460,095
Consultancy services	**2,992,724**	2,885,736
Transportation costs	**150,241,082**	135,678,321
Exportation costs	**12,018,073**	9,571,247
Utilities	**1,898,407**	1,443,089
Other expenses	**70,437,217**	34,874,889
	511,283,461	381,341,997

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

20. Other operating (expense)/income

	2025	2024
Bottling contract	**6,499,422**	84,094
Sundry income	**2,791,143**	797,843
Exchange (loss)/gains - net	**(16,048,292)**	48,787,036
	(6,757,727)	49,668,973

21. Finance income

Interest received	**1,590,515**	1,186,404

22. Finance costs

Interest on term loans (Note 13)	**34,625,602**	90,822,736
Interest on corporate bonds (Note 13)	**86,307,060**	49,849,416
Interest on overdraft facilities (Note 13)	**32,948,797**	47,608,346
Exchange (gains)/losses on borrowings (Note 13)	**(19,297,702)**	32,409,900
	134,583,757	220,690,398

23. Income tax expense

	2025	2024
Corporate income tax charge (Note 9)	**81,535,245**	21,866,998
Growth and Sustainability Levy (Note 9)	**11,305,645**	4,356,197
Deferred tax charge (Note 15)	**5,920,088**	8,673,498
	98,760,978	34,896,693

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the statutory income tax rate applicable to profits as follows:

	2025	2024
Profit before income tax	**452,964,777**	172,600,459
Tax charged at applicable rate of 25% (2024: 25%)	**113,241,194**	43,150,115
Expenses not deductible for tax purposes	**3,461,948**	1,730,219
Items taxed at a different rate (12.5% and 8%)	**(29,247,809)**	(14,339,838)
Growth and Sustainability Levy	**11,305,645**	4,356,197
	98,760,978	34,896,693

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

24. Staff costs

	2025	2024
Salaries and other short-term employee benefits	**253,355,432**	189,778,714
Employer's social security contributions	**6,867,304**	5,400,647
	260,222,736	195,179,361

Staff costs are charged to cost of sales, selling, general and administrative expenses as shown below:

	2025	2024
Cost of sales	**149,747,150**	118,679,914
Selling, General and Administrative expenses	**110,475,586**	76,499,447
	260,222,736	195,179,361

The total number of persons employed by the Company at 31 December 2025 was 828 (2024: 713).

25. Cash generated from operations

	2025	2024
Profit before income tax	**452,964,777**	172,600,459
Adjustments for:		
Depreciation of property, plant and equipment (Note 4)	**115,452,745**	96,133,191
Depreciation of right-of-use assets (Note 5)	**2,035,415**	2,035,415
Finance costs (Note 22)	**134,583,757**	220,690,398
Exchange gains on intercompany loan receivable (Note 8)	**-**	(5,351,948)
Exchange losses – cash and cash equivalents	**1,081,227**	3,610,937
Impairment charge on trade receivables (Note 7)	**15,234,764**	13,633,711
Working capital changes:		
Increase in inventories	**(94,839,544)**	(256,583,600)
(Increase)/decrease in trade and other receivables	**(126,782,495)**	39,761,690
Increase in trade and other payables	**145,955,432**	131,327,525
Decrease in other assets	**-**	31,641,520
Cash generated from operations	**645,686,078**	449,499,298

26. Related party transactions

Entities related to Kasapreko PLC through common shareholding with whom the Company transacted during the year or had related parties balances with at year end were Capemay Properties Limited, Midland International Limited, Herbal Farms & Research Limited, Kasapreko Nigeria Limited, Royal Crown Packaging LTD and Amerigan Resources Limited.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

26. Related party transactions (continued)

(a) Transactions with related parties

The Company entered into the following transactions with its related parties during the year:

Loans payable to related parties

Pinnacle Holding LTD and Director's loans and advances:

The Company made drawdowns and repayments on its short-term loan facilities with its related party and Director during the year. Further details of these facilities are disclosed in note 14.

	2025	2024
Purchases of goods and services from related parties:		
Midland International Limited	**9,702,380**	6,489,616
Herbal Farms & Research Limited	**55,529,307**	10,611,302
Royal Crown Packaging LTD	**16,944,076**	40,425,383
Advances to related parties:		
Midland International Limited	**12,106,621**	-
Kasapreko Nigeria Limited	**58,247,172**	10,084,999
Drawdowns – Loans due from related parties:		
Caltech Limited	**-**	278,996
Capemay Properties Limited	**-**	10,967,747
Repayments – Loans due from related parties:		
Capemay Properties Limited	**-**	(18,469,065)
Drawdowns - Loans due to related parties:		
Director loans and advances	**5,034,278**	3,652,674
Repayments - Loans due to related parties:		
Director loans and advances	**(12,500,185)**	(35,301,348)

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

26. Related party transactions (continued)

(b) Year end balances arising from related party transactions are as follows:

	2025	2024
Amounts due to related parties		
Midland International Limited	**-**	1,513,485
Herbal Farms & Research Limited	**21,107,052**	20,761,061
Amerigan Resources Limited	**8,678,711**	10,330,544
Royal Crown Packaging LTD	**4,703,576**	1,350,373
	34,489,339	33,955,463
Amounts due from related parties		
Midland International Limited	**894,693**	-
Kasapreko Nigeria Limited	**16,399,179**	10,084,999
	17,293,872	10,084,999
Loans due to related parties		
Pinnacle Holding LTD	**5,685,673**	5,685,673
Director loans and advances	**27,544,694**	35,010,601
	33,230,367	40,696,274

(c) Transactions with key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly including any Director (whether executive or otherwise) of the Company.

Remuneration of key management personnel of the Company are as follows:

	2025	2024
Salaries and other short-term emoluments	**5,096,122**	4,608,000
Pension costs	**753,808**	720,000
	5,849,930	5,328,000

27. Segment reporting

Discrete financial information reported to and reviewed by the Chief Operating Decision-Maker (CODM) to make key operating decisions and assess performance comprises revenue, cost of sales, and gross profits at the product category level (i.e. alcoholic and non-alcoholic products) of the Company, as set out below.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

27. Segment reporting (continued)

Year ended 31 December 2025

	Alcoholic Beverages	Non-alcoholic Beverages	Total
Revenue from customers within Ghana	1,016,223,498	1,795,322,127	**2,811,545,625**
Revenue from customers outside Ghana	543,454,970	145,889,274	**689,344,244**
Total Revenue	**1,559,678,468**	**1,941,211,401**	**3,500,889,869**
Cost of sales	(1,098,502,720)	(1,283,153,178)	**(2,381,655,898)**
Gross profit	**461,175,748**	**658,058,223**	**1,119,233,971**

Year ended 31 December 2024

Revenue from customers within Ghana	656,323,310	1,416,347,498	2,072,670,808
Revenue from customers outside Ghana	512,311,936	136,174,126	648,486,062
Total Revenue	1,168,635,246	1,552,521,624	2,721,156,870
Cost of sales	(853,793,677)	(1,129,952,005)	(1,983,745,682)
Gross profit	314,841,569	422,569,619	737,411,188

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

28. Financial risk management

The Company's activities expose it to a variety of financial risks; credit risk, liquidity risk and market risk (including foreign exchange risk, interest rate risk and price risk).

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's management team is responsible for developing and monitoring the Company's risk management policies. The management team and the Board of Directors meet at quarterly Board meetings to review the performance of the Company and discuss risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and services offered.

28.1 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Management is responsible for managing and analysing credit risk for each new client before standard payment and delivery terms are offered. Credit risk arises from cash at bank and short-term deposits with banks, as well as trade and other receivables. The Company does not have any significant concentrations of credit risk. The Company manages credit risk relating to cash at bank by diversification of bank deposits with different financial institutions licensed by the Bank of Ghana.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The expected credit losses also incorporate forward looking information.

The table below shows the maximum exposure to credit risk by class of financial instruments.

	2025	2024
Cash at bank	**242,883,997**	162,857,612
Trade receivables – Third party customers (gross)	**240,837,453**	178,699,211
Trade receivables – Amounts due from related parties (gross)	**16,399,179**	10,084,999
Other receivables (excluding prepayments and statutory receivables)	**42,313,216**	228,497
	542,433,845	351,870,319

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The credit control team has established a credit policy under which a new customer is analysed individually for credit worthiness before the Company's standard payment terms and conditions are offered. The Company generally trade with pre-defined and selected customers. Credit exposure on trade receivable is covered by customers issuing post-dated cheques to cover amount owed, as well the use of customer's security deposits.

Analysis by credit quality of trade receivables is as follows:

The Company uses the simplified approach to measure the ECLs of trade receivables from customers. Loss rates are calculated using a 'historical loss rate' method based on actual credit loss experience over the past two years adjusted to reflect current and forward-looking information on macroeconomic factors. The Company has identified inflation rates to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in this factor.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

28. Financial risk management (continued)

28.1 Credit risk (continued)

Trade receivables (continued)

On the basis of the policy in note 2.8 and 3.1, the loss allowance as at 31 December 2025 was determined as follows for trade receivables:

	Current	31- 45 days	46 – 90 days	91- 180 days	Over 180 days	Total
At 31 December 2025						
Gross trade receivables – Third party customers	128,822,353	35,066,705	38,317,013	36,430598	2,200,784	**240,837,453**
Gross trade receivables – related parties				6,813,855	9,585,324	**16,399,179**
Expected loss rate	4.73%	15.34%	14.07%	25.30%	10.61%	
Loss allowance	(6,095,349)	(5,379,520)	(5,390,033)	(10,942,634)	(1,250,590)	**(29,058,126)**
Net carrying amount	**122,727,004**	**29,687,185**	**32,926,980**	**32,301,819**	**10,535,518**	**228,178,506**
At 31 December 2024						
Gross trade receivables – Third party customers	105,492,045	10,400,082	12,018,633	20,520,553	30,267,898	178,699,211
Gross trade receivables – related parties					10,084,999	10,084,999
Expected loss rate	6.17%	30.85%	28.44%	28.14%	23.92%	
Loss allowance	(6,506,662)	(3,208,839)	(3,417,839)	(5,774,861)	(9,653,540)	(28,561,740)
Net carrying amount	98,985,383	7,191,243	8,600,794	14,745,692	30,699,357	160,222,470

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025	2024
At 1 January	**28,561,740**	14,928,029
Trade receivables written off during the year as uncollectible	**(14,738,378)**	-
Increase in loss allowance charge to profit or loss	**15,234,764**	13,633,711
At 31 December	**29,058,126**	28,561,740

The allowance account for trade receivables is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible; at which point the amounts considered irrecoverable are written off.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

28. Financial risk management (continued)

28.1 Credit risk (continued)

Staff receivables

Staff receivables are recovered through the monthly payroll deductions in accordance with a payment plan.

Cash at bank

The Company manages credit risk relating to bank balances by having banking relationships with only reputable well-established financial institutions licensed by the Bank of Ghana.

Other receivables

The Company's exposure to credit risk in respect of other receivables is minimal. The Company has transacted business with these non-trade customers over the years. There are no history of default. No forward-looking information have been identified by the Directors that could materially impact the payment profile of these non-trade customers.

28.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations when due. The Company maintains a strong liquidity position and manages the liquidity profile of its assets, liabilities and commitments so that cash flows are appropriately balanced, and all funding obligations are met when due.

Prudent liquidity risk management implies that sufficient cash is maintained, and that sufficient funding is available through an adequate amount of committed credit facilities.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed below are the contractual undiscounted cash flows.

	Carrying amounts	Less than 1 year	More than 1 year	Contractual cashflows
At 31 December 2025				
Financial liabilities				
Trade payables	252,115,943	252,115,943	-	**252,115,943**
Amounts due to related parties	34,489,339	34,489,339	-	**34,489,339**
Accrued expenses and other payables (excluding non-financial liabilities)	103,643,929	103,643,929	-	**103,643,929**
Bank overdrafts	70,266,983	70,266,983	-	**70,266,983**
Loans due to related parties	33,230,367	33,230,367	-	**33,230,367**
Borrowings – secured loans	535,927,901	149,874,219	456,320,666	**606,194,885**
	1,029,674,462	**643,620,780**	**456,320,666**	**1,099,941,446**

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

28. Financial risk management (continued)

28.2 Liquidity risk (continued)

	Carrying amounts	Less than 1 year	More than 1 year	Contractual cashflows
At 31 December 2024				
Financial liabilities				
Trade payables	186,314,837	186,314,837	-	186,314,837
Amounts due to related parties	33,955,463	33,955,463	-	33,955,463
Accrued expenses and other payables (excluding non-financial liabilities)	69,952,318	69,952,318	-	69,952,318
Bank overdrafts	78,921,650	78,921,650	-	78,921,650
Loans due to related parties	40,696,274	40,696,274	-	40,696,274
Borrowings – secured loans	669,471,496	145,643,357	837,111,700	982,755,057
	1,079,312,038	555,483,899	837,111,700	1,392,595,599

28.3 Market risk

Market risk is the risk that adverse movements in foreign exchange rates, interest rates and commodity prices will reduce the Company's income.

(i) Foreign currency risk

At 31 December 2025

	USD	EUR	GBP	NGN
Trade and other receivables	6,157,548	3,086,819	-	-
Trade and other payables	(12,539,012)	(2,136,786)	(21,770)	-
Amounts due from related parties	-	-	-	2,129,763,552
Bank overdrafts	(697,498)	-	-	-
Borrowings	(1,020,605)	(6,703,551)	-	-
Cash and cash equivalents	5,594,722	107,085	432	145,530,131
Gross exposure	**(2,504,845)**	**(5,646,433)**	**(21,338)**	**2,275,293,683**
At 31 December 2024				
Trade and other receivables	3,222,943	654,640	-	1,061,578,809
Trade and other payables	(8,745,278)	(214,126)	-	(430,311,084)
Amounts due from related parties	1,657,957	-	-	-
Bank overdrafts	(136,397)	-	-	-
Borrowings	(1,691,173)	(8,261,167)	-	(17,649,485)
Cash and cash equivalents	1,198,722	241,161	434	771,963,431
Gross exposure	(4,493,226)	(7,579,492)	434	1,385,581,671

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

28. Financial risk management (continued)

28.3 Market risk (continued)

(i) Foreign currency risk (continued)
The following exchange rates applied during the year:

	Average Rate		Reporting Rate	
	2025	**2024**	**2025**	**2024**
Ghana Cedi:				
USD	10.4500	14.6868	11.7667	14.9433
EUR	12.2728	15.2972	13.9533	15.6367
GBP	14.0579	18.4541	15.9833	18.8000
NGN	0.0073	0.0095	0.0077	0.0095

The Company imports raw materials and finished products from its suppliers overseas and is therefore exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, Euro, Pound Sterling and Naira. The Company also sells to various customers overseas which increases its exposure to foreign currency risk. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. Management is responsible for minimising the effect of the currency exposure by holding bank accounts in foreign currencies and also paying foreign denominated liabilities as soon as possible as per the agreed terms of payment.

At 31 December 2025, if the Ghana cedi had weakened or strengthened by 5% against the US Dollar with all other variables held constant, post-tax profit for the year and equity would have been GH¢1,105,266 lower or higher (2024: post tax profit would have been GH¢2,517,886 higher or lower), mainly as a result of US Dollar denominated trade receivables, trade payables, intercompany receivables and cash and cash equivalents.

At 31 December 2025, if the Ghana cedi had weakened or strengthened by 5% against the Euro with all other variables held constant, post-tax profit for the year and equity would have been GH¢2,954,48 higher or lower (2024: post tax-profit would have been GH¢4,444,434 lower or higher), mainly as a result of Euro denominated trade receivables, trade payables, borrowings, intercompany receivables, intercompany payables and cash and cash equivalents.

At 31 December 2025, if the Ghana cedi had weakened or strengthened by 5% against the Pound Sterling with all other variables held constant, post-tax profit for the year and equity would have been GH¢12,789 lower or higher (2024: post tax profit would have been GH¢306 higher or lower), mainly as a result of British Pound denominated cash and cash equivalents.

At 31 December 2025, if the Ghana cedi had weakened or strengthened by 5% against the Nigerian Naira with all other variables held constant, post-tax profit for the year and equity would have been GH¢656,991 higher or lower (2024: post tax loss would have been GH¢493,613 higher or lower), mainly as a result of West African CFA franc denominated trade receivables, intercompany receivables and cash and cash equivalents.

(ii) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with a floating interest rate. To manage this risk, the Company's policy is to contract for best interest rate in borrowing from banks. The Company regularly monitors financing options available to ensure optimum and attractive interest rates are obtained.

The sensitivity analysis for interest rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

The Company used sensitivity analysis techniques to measure the estimated impact in the profit or loss from an instantaneous increase or decrease of 1% (100 basis points) in interest rates.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

28. Financial risk management (continued)

28.3 Market risk (continued)

(ii) Interest rate risk (continued)

The Company calculates the impact on profit or loss of a defined interest rate shift. A change of a 100 basis point in the interest rate at the reporting rate would have impacted equity and profit or loss by the amounts shown below:

	2025 Increase	**2025 Decrease**	2024 Increase	2024 Decrease
Interest expense impact	**(1,009,378)**	**1,009,378**	(1,412,104)	1,412,104

(iii) Price risk

The Company does not hold any financial assets or liabilities subject to price risk.

28.4 Capital management

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 for shareholders and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may limit the amount of dividends paid to its shareholder, issue new shares, or sell assets to reduce debt. There are no externally imposed capital requirements. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings less cash and cash equivalents. Equity comprises of all components of equity.

The Company's adjusted net debt to equity at the reporting date was as follows:

	2025	2024
Total liabilities	**1,318,570,163**	1,294,448,148
Less: Cash and bank	**242,998,584**	162,943,707
Net debt	**1,075,571,579**	1,131,504,441
Total equity	**700,760,254**	346,231,617
Net debt to equity ratio	**1.53**	3.27

29. Fair value of financial assets and liabilities

Fair values have been determined for measurement and/or disclosure purposes based on the following financial instruments included within current assets and current liabilities (excluding borrowings) are generally short term in nature and accordingly their fair values approximate to their carrying values.

Borrowings are mainly floating rated instruments.

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

29. Fair value of financial assets and liabilities (continued)

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The carrying values of trade and other receivables, cash and cash equivalents and trade and other payables approximate their fair values, due to their short-term nature. These are classified as level 3 in the fair value hierarchy, because the inputs used for fair value measurement are unobservable. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities not measured at fair values.

	31 December 2025		31 December 2024	
	Carrying amount	**Fair value**	Carrying amount	Fair value
	GH¢	**GH¢**	GH¢	GH¢
Financial liabilities				
Borrowings	**606,194,885**	**733,002,635**	748,393,146	682,755,057
Loans to related parties	**33,230,367**	**33,230,367**	40,696,274	40,696,274
Total financial liabilities	**639,425,252**	**766,233,002**	789,089,420	723,451,331

Fair value hierarchy as at 31 December 2025

	Level 1	**Level 2**	**Level 3**	**Fair value**
Financial liabilities				
Borrowings	-	**733,002,635**	-	765,116,910
Loans due to related companies	-	**33,230,367**	-	33,230,367
Total financial liabilities	-	**766,233,002**	-	**798,347,277**

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

29. Fair value of financial assets and liabilities (continued)

Fair value hierarchy as at 31 December 2024

Financial liabilities

Borrowings	-	682,755,057	-	682,755,057
Loans due from related companies	-	40,696,274	-	40,696,274
Total financial liabilities	-	723,451,331	-	723,451,331

30. Earnings per share

The Company presents basic and diluted earnings per share (EPS) for outstanding ordinary shares. The Company calculates basic earnings per share by dividing profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. On the other hand, dilutive EPS shall be calculated by adjusting profit or loss attributable to ordinary shares outstanding for effects of all dilutive potential ordinary shares.

	2025	2024
Profit attributable to shareholders	**354,203,799**	137,703,766
Weighted average number of shares at 31 December	**3,550,000,000**	3,550,000,000
Basic earnings per share	**0.0998**	0.0388
Diluted earnings per share	**0.0998**	0.0388

At the reporting date, basic and diluted earnings per share were the same. There were no outstanding shares with potential dilutive effect on the weighted average number of ordinary shares issued.

31. Contingencies

Litigations / Claims

The Company is involved in lawsuits that arose in the normal course of business. The Directors' assessment is that the claims against the Company cannot be reasonably estimated or determined and the probable outcome of the legal cases are uncertain. No provision has been made as no material liabilities are expected to arise from these contingent liabilities.

Letters of credit

The Company had established Letters of Credit (LC's) with some commercial banks in Ghana.

Name of Bank	**USD**	**GH¢**	**EUR**
First Atlantic Bank Ghana LTD	3,029,218	-	33,700
Standard Chartered Bank Ghana PLC (Secured)	9,000,000	-	-
Standard Chartered Bank Ghana PLC (Unsecured)	9,000,000	-	-
SG Ghana PLC	8,000,00	-	-
Stanbic Bank Ghana LTD	-	80,000,000	-

NOTES (continued)
(All amounts are in Ghana Cedis unless otherwise stated)

32. Commitments

There were no capital commitments as of 31 December 2025 (2024: Nil).

33. Events after the reporting date

The Directors are not aware of any other material events that have occurred between the date of the statement of financial position and the date of approval of the Financial Statements by the Directors that may require adjustment of, or disclosure in the Financial Statements.

APPENDIX I: SHAREHOLDER'S INFORMATION

1. Details of shareholder

The shareholder in the Company and the respective number of shares held at 31 December 2025 are as follows**:**

Name	Number of shares	% Shareholding
Pinnacle Holding LTD	3,550,000,000	100.00

2. Shareholding

The number and distribution of ordinary shareholder with voting rights as at 31 December 2025 is as shown below:

	No. of holders	Total holding	% Holdings
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 and above	1	3,550,000,000	100.00
	1	3,550,000,000	100.00

APPENDIX II: FIVE YEAR FINANCIAL SUMMARY

	2025	2024	2023	2022	2021
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Statement of comprehensive income					
Revenue	**3,500,890**	2,721,157	1,875,037	1,285,603	944,997
Profit/(loss) before income tax and GSL	**452,965**	172,600	33,956	(14,654)	37,382
Profit/(loss) after income tax and GSL	**354,204**	137,704	20,432	(20,462)	29,762
Total comprehensive income	**354,204**	137,704	20,432	(20,462)	29,762
No. of shares in thousands	**3,550,000**	3,550,000	3,550,000	3,550,000	3,550,000
Earnings/(loss) per share	**0.0998**	0.0388	0.0058	(0.0058)	0.0084
Statement of financial position					
Assets					
Non-current assets					
Property, plant and equipment	**795,401**	697,953	723,279	617,775	326,824
Right-of-use assets	**40,467**	42,502	20,492	22,025	-
Other assets	**-**	-	31,642	48,824	135,718
Total non-current assets	**835,868**	740,455	775,413	688,624	462,542
Current assets	**1,183,462**	900,224	662,114	505,451	379,684
Total assets	**2,019,330**	1,640,679	1,437,527	1,194,075	842,226
Liabilities					
Non-current liabilities	**486,165**	547,752	307,666	331,975	103,263
Current liabilities	**832,730**	746,696	921,332	674,004	530,405
Total liabilities	**1,318,895**	1,294,448	1,228,998	1,005,979	633,668
Net assets	**700,435**	346,232	208,529	188,096	208,558
Equity					
Stated capital	**50,000**	50,000	50,000	50,000	50,000
Retained earnings	**650,435**	296,232	158,528	138,096	158,558
Total equity	**700,435**	346,232	208,528	188,096	208,558
Net assets per share	**0.1973**	0.0975	0.0587	0.0530	0.0587

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