



Fidson Healthcare Plc

...We value life

FIDSON HEALTHCARE PLC

Lagos, Nigeria

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2026

Table of Contents

Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial statements	5

FIDSON HEALTHCARE PLC*Unaudited report and financial statements**For the period ended 30 September 2026***Statement of Profit or Loss and Other Comprehensive Income**

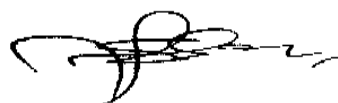
		2026		2025	
		Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep
	Notes	₦'000	₦'000	₦'000	₦'000
Revenue	5	38,127,568	112,612,229	30,437,514	93,081,677
Cost of sales	6	<u>(21,225,534)</u>	<u>(63,676,904)</u>	<u>(17,933,848)</u>	<u>(54,871,367)</u>
Gross profit		16,902,033	48,935,325	12,503,666	38,210,310
Other gains and losses	7	144,257	590,143	219,162	670,851
Administrative expenses	8	(6,868,283)	(16,421,511)	(3,417,838)	(9,907,553)
Impairment of receivables/ write-back	7b	(96,412)	(246,412)	-	(200,000)
Net exchange difference	9	155,590	(104,276)	(2,084,978)	(4,163,873)
Selling and distribution expenses	10	<u>(3,375,770)</u>	<u>(11,509,022)</u>	<u>(2,437,045)</u>	<u>(7,663,935)</u>
Operating profit		6,861,416	21,244,247	4,782,968	16,945,800
Finance costs	11	(819,621)	(3,726,717)	(1,915,261)	(5,136,309)
Finance income	12	<u>48,471</u>	<u>272,132</u>	<u>42,272</u>	<u>92,729</u>
Profit before tax	13	6,090,266	17,789,663	2,909,978	11,902,220
Income tax provision	14a	<u>(2,070,690)</u>	<u>(6,048,485)</u>	<u>(960,293)</u>	<u>(3,927,733)</u>
Profit for the Period		<u>4,019,575</u>	<u>11,741,177</u>	<u>1,949,685</u>	<u>7,974,487</u>
Earnings per share – basic (in kobo)					
Basic		<u>134</u>	<u>391</u>	<u>85</u>	<u>347</u>
Earnings per share – basic (in kobo)					
Diluted		<u>134</u>	<u>391</u>	<u>65</u>	<u>266</u>

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Statement of Financial Position
As at 30 September 2026

ASSETS	Notes	Sept-26 ₦'000	Dec-25 ₦'000
Non-current assets			
Property, plant and equipment	15	39,046,039	30,937,846
Intangible assets	16	202,888	238,235
Financial assets at FVTOCI	17a	26,800	12,360
Financial assets at amortised cost	17b	22,595	20,498
Other non-current financial asset	18	228,786	215,936
		39,527,108	31,424,875
Current assets			
Inventories	19	36,955,253	26,547,162
Trade and other receivables	20	29,322,833	11,068,227
Prepayments	21	8,676,933	6,535,857
Cash and bank balances	22	10,929,256	4,710,818
		85,884,276	48,862,064
Total assets		125,411,383	80,286,939
Equity and liabilities			
Equity			
Issued share capital	29	1,500,000	1,200,000
Share premium	30	26,366,387	5,009,225
Retained earnings		32,120,862	23,979,687
Financial Asset reserve	31	22,355	7,915
		60,009,605	30,196,827
Non-current liabilities			
Interest bearing loans and borrowings	23	9,969,675	3,596,236
Retirement benefit obligation	24	156,483	160,139
Government grant	25	219,739	207,267
Deferred tax liability	14c	4,676,505	4,676,505
		15,022,402	8,640,147
Current liabilities			
Trade and other payables	26	30,347,016	6,630,781
Interest bearing loans and borrowings	23	13,877,724	10,407,067
Bank Overdraft	22	-	9,528
Other financial liabilities	27	-	19,645,345
Government grant	25	66,592	427,488
Income tax payable	14b	5,948,494	4,250,709
Unclaimed dividend	28a	139,550	79,048
		50,379,377	41,449,966
Total liabilities		65,401,779	50,090,112
Total equity and liabilities		125,411,383	80,286,939

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS ON 22nd October 2026



Abiola Adebayo
Managing Director/CEO
FRC/2013/PRO/DIR/003/00000002162



Imokha Ayebae
Finance Director
FRC/2021/PRO/ANAN/001/00000023145

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Statement of Changes in Equity

	Share capital	Share premium	Retained earnings	Available- for-sale reserve	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
At 1 January 2025	1,147,498	4,829,614	16,364,125	4,655	22,345,892
Issue of Shares	52,502	179,611	-	-	232,113
Profit for the year	-	-	9,883,576	-	9,883,576
Other comprehensive income for the year, net	-	-	26,982	3,260	30,242.00
Total Comprehensive Income for the year	-	-	9,910,558	3,260	9,913,818
Dividends (Note 28)	-	-	(2,294,996)	-	(2,294,996)
At 31 December 2025	1,200,000	5,009,225	23,979,687	7,915	30,196,827
At 1 January 2026	1,200,000	5,009,225	23,979,687	7,915	30,196,827
Additional Shares	300,000	-	-	-	300,000
Issue of Shares	-	21,357,162	-	-	21,357,162
Profit for the year	-	-	11,741,177	-	11,741,177
Other comprehensive income for the year, net	-	-	-	14,440	14,440
Total Comprehensive Income for the year	-	-	11,741,177	14,440	11,755,617
Dividends (Note 28)	-	-	(3,600,000)	-	(3,600,000)
At 30 September 2026	1,500,000	26,366,387	32,120,863	22,355	60,009,605

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Statement of Cash Flows

		Sept-26	Dec-25
	Notes	N'000	N'000
Operating activities:			
Profit before tax		17,789,663	14,962,608
Adjustments to reconcile profit before tax to net cash flows			
Depreciation of property, plant and equipment	15	1,843,764	1,948,477
Depreciation - Right of use assets		-	-
Adjustment in CWIP	15	-	187,663
Impairment loss/ (gain)	7	246,412	133,069
Gain on disposal of plant, property and equipment	7	18,300	(22,501)
Net exchange difference on loan	23	(25,522)	30,073
Net exchange difference (unrealized)			35,032
Employee compensation plan		1,120,000	232,113
Amortisation of government grant	7	(357,967)	(643,331)
Amortisation of Intangible assets	16	293,116	290,367
Interest income	12	(272,132)	(144,315)
Finance costs	11	3,726,717	7,130,319
Net of movement in pension cost	23	(3,656)	(90,951)
Changes in working capital:			
(Increase)/ decrease in trade and other receivables	20	(18,254,606)	(4,993,082)
Decrease / (increase) in prepayments	21	17,531,425	5,977,176
(Increase)/ Decrease in inventories	19	(10,408,091)	(2,364,868)
Increase in government grant	25	9,542	-
increase in loans & receivables	17b	-	242,230
(Decrease)/increase in trade and other payables	25	23,716,235	(3,739,952)
Cash generated by operations		36,973,199	19,170,128
Income tax paid	14b	(4,350,700)	(2,349,120)
Net cash flow (used in)/ generated from operating activities		32,622,499	16,821,008
Cash flows from investing activities:			
Purchase of property, plant & equipment	15	(9,973,699)	(8,016,748)
Additions to intangible assets	16	(258,379)	(463,131)
Interest received	12	272,132	119,028
Interest income on other non Current Asset	11	-	
Proceeds from sale of property, plant and equipment		3,711	96,155
Net cash flows utilized by investing activities		(9,956,234)	(8,264,696)
Cash flows from financing activities:			
Interest paid on loans & borrowings	23a	(3,123,075)	(3,941,758)
Interest paid on financial liabilities	27	(2,369,824)	(2,464,168)
Dividend paid	28	(3,600,000)	(2,294,996)
(Payment)/refund of unclaimed dividend	28	60,502	(54,840)
Proceed from loans & borrowings	23	30,158,333	6,000,000
Proceed from other financial liabilities		-	19,645,345
Loan repayment (principal)- othet financial liabilities	27	(17,275,521)	(15,646,950)
Loan repayment (principal)	23	(20,288,715)	(8,709,925)
Net cash (used in)/ provided by financing activities		(16,438,299)	(7,467,291)
Net increase/(decrease) in cash and cash equivalents		6,227,967	1,089,021
Net foreign exchange difference		-	(35,302)
Cash and cash equivalents at the beginning of the year		4,701,290	3,647,571
Cash and cash equivalents at the end of the period	22	10,929,256	4,701,290

Notes to the financial statements

1.0 Corporate information.

The Company was incorporated as a private limited liability Company on 13 March 1995 and commenced business activities on 15 March 1995. The principal activities of the Company include manufacturing and distribution of pharmaceutical products. The Company's shares were quoted on the Nigerian Stock Exchange on 5 June 2008. The issued share capital is held as to 33.57% directly by the Directors, 5.54% indirectly by the Directors and 60.89% by the Nigerian Public.

1.1 Composition of the financial statements

The Financial statements are drawn up in Naira, the functional currency of Fidson Healthcare Plc. In accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the Financial Statements comprise:

- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash flows
- Notes to the Financial Statements.

1.2 Financial period

These Financial Statements cover the financial period 30 September 2026 with comparative amounts for the period ended 30 September 2025.

2.1 Basis of preparation and measurement

These financial statements have been prepared in accordance with the IFRS Accounting Standards - Vol 11 as issued by the International Accounting Standards Board (IASB) that are effective at 31 December 2025 and Financial Reporting Council of Nigeria (Amendment) Act 2023, and the requirements of Companies and Allied Matters Act (CAMA) of Nigeria. The financial statements have been prepared on a historical cost basis, except for certain financial assets which have been measured at fair value.

2.2 Function Currencies

The financial statements are presented in the Nigerian Naira which is the company's functional currency. All financial information presented in Naira has been rounded to the nearest thousands, except when otherwise indicated.

2.3 Material accounting policy information

The following are the material accounting policies applied by the Company in preparing its financial statements:

2.3.1 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sell or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period. Or

Notes to the financial statements

2.3.1 Current versus non-current classification (cont'd)

- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. Or
- It does not have a right to defer the settlement of the liability for a minimum of twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

2.3.2 Fair value measurement

The Company measures some financial instruments and non-financial assets at fair value at each reporting date. Also, fair values of financial instruments measured at amortized cost are disclosed in Note 17.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the relevant observable inputs and minimizing the use of unobservable inputs.

2.3.3 Revenue recognition

Revenue is recognised to depict the transfer of promised goods to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods.

Notes to the financial statements

2.3.3 Revenue recognition (cont'd)

Revenue is recognised by applying a five-step approach:

- Identify the contract.
- Identify the separate performance obligations in the contract for Ethical and OTC when the products are delivered to the customer and for consumer healthcare when the customer picks up the product from the factory.
- Determine the transaction price.
- Allocate the transaction price to separate performance obligations.
- Recognise revenue when (or as) each performance obligation is accomplished (delivery of Ethical and Consumer healthcare product).

The Company recognises revenue from the following major sources:

- Sale of Ethical Products, ethical product category are infusion, capsule, and tablet. Revenue is recognised when products are delivered to customers.
- Sale of Over the Counter (OTC) products. OTC product category are tablet, capsule, and syrup. Herbal product. Revenue is recognised when products are delivered to customer.
- The company also recognises revenue from manufacturing pharmaceutical products on behalf of its customers. The performance obligation in this type of contract involves the delivery of finished pharmaceutical drugs to its customers. Revenue is recognised overtime for this type of contract.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when the ethical and OTC products are delivered to the customer and or when the consumer healthcare customer picks their product from the factory.

Cost to obtain a contract.

In addition to the cost of the product, the Company pays sales commission to its employees and distributor for certain contracts that they obtain for sales of products. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included under sales expenses) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

Dividends

Dividends are recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.3.4 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Notes to the financial statements

2.3.4 Government grants (cont'd)

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

2.3.5 Taxes

Current income tax

The income tax assets or liabilities for the current year are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are determined in accordance with the Companies Income Tax Act (CITA) 2007 at 30% of total profit after deducting capital allowances and loss relief.

Current income tax relating to items recognised outside the profit or loss are recognised outside profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Notes to the financial statements

2.3.5 Taxes (cont'd)

Deferred tax (cont'd)

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that.
- The temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax on items recognised in the profit or loss is also recognised in the profit or loss, while deferred tax on items recognised outside the profit or loss is also recognised outside the profit or loss.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity.

Value Added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of Value Added Tax (VAT), except:

- Where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statement of Financial Position.

2.3.6 Foreign currency transaction

Foreign currency transactions are converted into the functional currency, the Nigerian Naira at the rate of exchange prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency interbank rate of exchange ruling at the reporting date in accordance with the Central Bank of Nigeria guidelines. Any exchange gains or losses

Notes to the financial statements**2.3.6 Foreign currency transaction (cont'd)**

arising on settlement or translation of monetary items are recognised in the profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2.3.7 Property plant and equipment

Property, plant and equipment are stated at cost of purchase or construction, net of accumulated depreciation and/or accumulated impairment loss, if any. Such cost includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long term projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, such parts are recognised as individual assets with specific useful lives and depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Depreciation on the categories of property, plant and equipment is calculated to write off the cost less the residual value of the asset, using the straight-line basis, over the assets' expected useful lives. Land and capital work-in-progress are not depreciated. The attributable cost of each item of capital work-in-progress is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly. Depreciation commences once asset is available for use. The normal expected useful lives for the major categories of property, plant and equipment are:

	Years
Land	Nil
Buildings	50
Plant and machinery	4 to 25
Office equipment	4 to 10
Furniture and fittings	8
Motor vehicles	4 to 6
Capital work-in-progress (WIP)	Nil

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Impairment reviews are performed when there are indicators that the carrying amounts may not be recoverable.

Impairment losses and reversals of impairment losses are recognised in the profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the

Notes to the financial statements

2.3.7 Property plant and equipment (cont'd)

disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.3.8 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (less than N50,000) (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

Notes to the financial statements

2.3.8 Leases (cont'd)

- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company as a lessee

Finance leases transfer to the Company substantially all the risks and rewards incidental to ownership of the leased asset.

The assets are measured at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned

Notes to the financial statements.

2.3.8 Leases (cont'd)

between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the profit or loss.

The capital element of assets under finance lease is capitalised along with the Company's property, plant and equipment and depreciated at the same rates for assets of that category, or over the lease term, where the lease term is shorter than the assets' useful lives.

Operating lease payments are recognised as an operating expense in the profit or loss on a straight-line basis over the lease term.

Leases – as a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

2.3.9 Borrowing costs.

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

2.3.10 Intangible assets

Product licenses are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The Company makes upfront payments to purchase product licences. The product licenses are held on various pharmaceutical products sold by the Company and have licence years that range from 2 to 5 years. The licences may be renewed by the Company at the expiration of the license period.

Intangible assets with finite lives are amortised over the useful economic lives. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Notes to the financial statements

2.3.10 Intangible assets (cont'd)

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Amortisation is calculated using the straight-line basis to write down the cost of intangible assets to their residual values over their estimated useful lives.

An intangible asset is derecognised on disposal or when no future economic benefit is expected from use or disposal. The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the intangible asset and recognised in the statement of profit or loss when the asset is derecognised.

2.3.11 Financial instruments

(a) Financial assets

A financial asset is any asset that is:

- cash.
- an equity instrument of another entity.
- a contractual right to receive cash or another financial asset (e.g., receivables); or
- a contractual right to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to Fidson (e.g., derivatives resulting in an asset, bonds, and investments)

(i) Recognition and initial measurement

Financial instruments carried at fair value through profit or loss are initially recognised at fair value with transaction costs, which are directly attributable to the acquisition or issue of the financial instruments, being recognised immediately through profit or loss. Financial instruments that are not carried at fair value through profit or loss are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

Financial instruments are recognised or de-recognised on the date the company settles the purchase or sale of the instruments (settlement date accounting).

(ii) Classification and Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at amortised cost or fair value depending on their classification category.

Notes to the financial statements

2.3.11 Financial instruments (cont'd)

Classification

(a) Financial assets

Subsequent to initial recognition, all financial assets within the company are measured at:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI);
- or Fair value through profit or loss (FVTPL)

The company's financial assets are subsequently measured at amortised cost if they meet both of the following criteria and are not designated as at FVTPL:

Hold to collect' business model test - The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and

Solely payments of principal and interest rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding on a specified date. Interest in this context is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

Debt instruments are measured at amortised cost by the company if they meet both of the following criteria and are not designated as at FVTPL:

Hold to collect and sell' business model test: The asset is held within a business model whose objective is achieved by both holding the financial asset in order to collect contractual cash flows and selling the financial asset; and

Solely payments of principal and interest contractual cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets including equity investments are measured at fair value

A financial asset is classified and measured at fair value through profit or loss (FVTPL) by the company if the financial asset is:

- A debt instrument that does not qualify to be measured at amortised cost or FVOCI;
- An equity investment which the company has not irrevocably elected to classify as at FVOCI and present subsequent changes in fair value in OCI;
- A financial asset where the company has elected to measure the asset at FVTPL under the fair value option.

Notes to the financial statements

2.3.11 Financial instruments (cont'd)

(b) Financial liability

Financial liabilities are either classified by the company as:

- Financial liabilities at amortised cost; or
- Financial liabilities as at fair value through profit or loss (FVTPL).

Financial liabilities are measured at amortised cost by the company unless either:

- The financial liability is held for trading and is therefore required to be measured at FVTPL, or
- The company elects to measure the financial liability at FVTPL (using the fair value option).

- Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less costs of disposal and its 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 current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations are recognised in the profit or loss in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

(i) Amortised cost

Fidson's financial assets and liabilities are measured at amortised cost, FVTOCI, including, trade receivables and trade payables. The amortised cost of a financial asset or financial liability is the amount at which the asset or liability is measured at initial recognition minus principal repayments to date, and minus any reduction for impairment.

Notes to the financial statements

2.3.11 Financial instruments (cont'd)

(i) Amortised cost (cont'd)

If there is a difference between the initial amount and the maturity amount (arising from reasons other than impairment), amortised cost will also be plus or minus the cumulative amortisation using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in profit or loss as finance costs.

(ii) Effective interest method

The effective interest method calculates amortised cost by allocating the interest payment or expense over the relevant period. This calculation only applies if a premium has been paid or a discount received. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. When estimating cash flows, all contractual terms are considered but expected future credit losses are not taken into account unless the financial instrument is credit impaired.

(iii) Expected credit loss (ECL)

The expected credit loss is the difference between the cash flows due under the contract and the cash flows expected to be received, discounted at the original effective interest rate. An expected credit loss allowance is similar to an impairment provision.

An allowance for expected credit losses (ECLs) on all financial assets measured at amortised cost, e.g., most trade and other receivables, is set up through the Income Statement at initial recognition of the asset. The ECL is deducted from the carrying value of the asset on the balance sheet. Subsequent movements in the ECL (including release of the ECL if the asset is recovered in full) are reported in the Income Statement.

All ECL (impairment) allowances must be reviewed at least quarterly.

In applying the IFRS 9 impairment requirements, an entity needs to apply one of the following approaches:

- The simplified approach, which will be applied to trade receivables.
- The general approach, which will be applied to other receivables, including royalty receivables, and to loan assets and investments in debt securities.

a) The simplified impairment approach.

The simplified approach applied to trade receivables requires the recognition of lifetime ECLs at all times. Fidson uses a provision matrix as a practical expedient for determining ECLs on trade receivables, including non-overdue balances. The provision matrix should incorporate forward-looking information into historical customer default rates and,

Notes to the financial statements

2.3.11 Financial instruments (cont'd)

a) The simplified impairment approach (cont'd)

where appropriate, group receivables into customer segments that have similar loss patterns, such as Distributors, Sales representatives, and Institutions.

b) The general impairment approach

Under the general approach, prior to an asset actually being credit-impaired, entities recognise expected credit losses (ECLs) in two stages. For assets for which there has not been a significant increase in credit risk since initial recognition (i.e. 'good' exposures), entities are required to provide for ECLs that would result from default events that are possible within the next 12 months (a 12-month ECL).

For assets for which there has been a significant increase in credit risk since initial recognition, a loss allowance for ECLs expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL), is required.

Indicators of a significant increase in credit risk include:

- An actual or expected significant change in the financial asset's external or internal credit rating.
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the debtor's ability to meet its debt obligations, such as an increase in interest rates or a significant increase in unemployment rates.
- An actual or expected significant change in the operating results of the debtor.
- Significant increases in credit risk on other financial instruments of the debtor;
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant change in the debtor's ability to meet its debt obligations, such as a decline in the demand for the debtor's sales product because of a shift in technology;
- Expected changes in the loan documentation (i.e. changes in contract terms) including an expected breach of contract that may lead to covenant waivers or amendments, interest payment holidays, interest rate step-ups, requiring additional collateral or guarantees, or other changes to the contractual framework of the instrument;
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group (e.g., an increase in the expected number or extent of delayed contractual payments); and
- Past due information on debtors.

For current assets (expected to be recovered in less than 12 months), there will be no difference between the 12-month ECL and the lifetime ECL.

Notes to the financial statements

2.3.11 Financial instruments (cont'd)

(iv) Impairment of financial asset investments

Financial assets are impaired if there is objective evidence of impairment, resulting from one or more loss events that occurred after initial recognition but before the reporting date, that have an impact on the future cash flows of the asset.

In the case of equity investments classified as financial asset, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the year in which the fair value has been below its original cost.

When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the profit or loss – is reclassified from equity and to the profit or loss. Impairment losses on equity investments are not reversed through the profit or loss; increases in their fair value after impairment are recognized in other comprehensive income.

(v) Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either.

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Company's continuing involvement in it.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(vi) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability

Notes to the financial statements

2.3.11 Financial instruments (cont'd)

(vi) Derecognition of financial liabilities (cont'd)

and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

(vii) Offsetting of financial instruments

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

2.3.12 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials are stated at purchase cost on the weighted average basis.
- Finished goods and work in progress: Cost in this case consists of direct purchase cost, conversion cost (materials, labour and overhead) and other costs incurred to bring inventory to its present condition and location. Finished goods are valued using weighted average cost.
- Goods in transit are valued at the invoiced price.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Finished goods with six (6) months or less to expiration and expired materials are provided in the profit or loss account.

2.3.13 Inventory write-off

The Company writes off inventory that is no longer usable, obsolete, or cannot be sold. Inventory write-offs are recorded as a loss in the Statement of Comprehensive Income.

2.3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, as shown in the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, as shown in the statement of financial position, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.3.15 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required

Notes to the financial statements

2.3.15 Provisions (cont'd)

to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is recognized in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.3.16 Pension and other post-employment benefits

Retirement benefit Schemes

The gratuity scheme is a defined benefit plan. The cost of providing the benefits under the defined benefit plan is determined using the projected unit credit method.

Actuarial gains and losses are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the year in which they occur. Actuarial gains and losses are not reclassified to the profit or loss in subsequent years.

Defined contribution scheme

The Company operates a defined contribution plan in line with the provisions of the Pension Reform Act 2014 as amended. This plan is in proportion to the services rendered to the Company by the employees with no further obligation on the part of the Company. The Company and its employee contribute 10% and 8% respectively of employees' current salaries and designated allowances to the scheme. Staff contributions to the scheme are funded through payroll deductions while the Company's contribution is recorded as personnel expenses in the profit or loss.

Past service costs are recognized in the profit or loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date that the Company recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' and 'selling and distribution expenses' in statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs and gains and losses on curtailments
- Net interest expense or income

Short term benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for the amount expected to be paid under short term cash-bonus plans if the Company has a present and constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be measured reliably.

Notes to the financial statements

2.3.16 Pension and other post-employment benefits (cont'd)

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date.

2.3.17 Dividends

Dividends on ordinary shares are recognised as a liability when they are approved by the Company's shareholders at the Annual General Meeting. Dividends for the year that are approved after the reporting date are disclosed in the financial statements as a non-adjusting event.

2.3.18 Segment reporting

For management purposes, the Company is organised into business units based on its products and has three reportable segments as follows:

- The over-the-counter segment, which represent the products that may be sold directly to the consumer without a prescription.
- Ethical products segment, which are drugs, injectables and infusion which would be sold to the consumer only on the possession of a valid prescription.
- Consumer healthcare product which represent manufacturing product for customers.

2.3.19 Share based payment transactions

Share-based payments are recognized as expenses at fair value over the vesting period, with corresponding increases in equity (equity-settled). IFRS 2 requires measuring employee services at the grant-date fair value of equity instruments.

The Company operates an Employee Share Based Scheme (ESBS) for its management employees whereby it awards shares to qualified employees. The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity as a capital contribution from the Company over the three years that the employees unconditionally become entitled to the awards.

A Trustee arrangement exists between FIDSON Healthcare Plc and Meristem Trustees Limited, whereby the vested shares will be delivered to the qualified employees at the third year's upon meeting the established criteria (i.e. Performance appraisal).

3 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, causing a material adjustment to the carrying amounts of assets and liabilities within the next financial

Notes to the financial statements

3.1 Estimates and assumptions (cont'd)

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

Taxes

Taxes are paid by Companies under a number of different regulations and laws, which are subject to varying interpretations. In this environment, it is possible for the tax authorities to review transactions and activities that have not been reviewed in the past and scrutinize these in greater detail, with additional taxes being assessed based on new interpretations of the applicable tax law and regulations. Accordingly, management's interpretation of the applicable tax law and regulations as applied to the transactions and activities of the Company may be challenged by the relevant taxation authorities. The management believes that its interpretation of the relevant tax law and regulations is appropriate and that the tax position included in these financial statements will be sustained.

Retirement benefits

The actuarial techniques used to assess the value of the defined benefit plans involve financial assumptions (discount rate, rate of return on assets, medical costs trend rate) and demographic assumptions (salary increase rate, employee turnover rate etc.). The company uses the assistance of an external independent actuary in the assessment of these assumptions.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that the financial assets is impaired. Financial assets are deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial assets at FVTOCI that can be reliably estimated. The objective evidence the Management relies upon in assessing the financial assets at FVTOCI for impairment includes information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered. A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is also seen as objective evidence of impairment.

The Company judges that the impairment is significant if the fair value declined is between 20% and 30% and prolonged when it is between 9 and 12 months.

When the fair value of financial assets at FVTOCI cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model.

Notes to the financial statements

3.1 Estimates and assumptions (cont'd)

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer to Note 18a on the details of financial instrument.

Property, plant and equipment

The Company carries its property, plant and equipment at cost in the Statement of Financial Position. Estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The Company reviews the estimated the useful lives and residual values of its property, plant and equipment, and accounts for any changes prospectively. Refer to Note 15 on property plant and equipment.

4.0 ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

4.1 Standards and interpretations effective and adopted in the current year

At the date of authorisation of these financial statements, the following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

IFRS	Standard/ Interpretation:	Effective date
IAS 21	<p>The Effect of Changes in Foreign Exchange Rates Amendments to IAS 21 - Lack of exchangeability issued. In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate used where it is not. Prior to these amendments, IAS 21 set out the exchangeable rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary. These new requirements apply for annual reporting periods beginning on or after 1 January 2025. Early application is permitted (subject to any endorsement process).</p> <p>FIDSON determined that the amendments did not have a material impact on the financial statements.</p>	Effective for annual periods beginning on or after 1 January 2025

4.0 ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS (Cont'd)
4.1 Standards and interpretations effective and adopted in the current year (Cont'd)
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

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.

FIDSON determined that the amendments are not expected to materially impact the Company's financial statements.

4.2 Standards and interpretations not yet effective

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 1 January 2025 or later periods:

IFRS	Standard/ Interpretation:	Effective date: Years beginning on or after 1 January 2024	Expected impact:
IFRS 1	First Time Adoption of International Financial Reporting Standards Amended by Annual Improvements to IFRS Accounting Standards — Volume 11	Annual reporting periods beginning on or after 1 January 2026.	Unlikely there will be a material impact
IFRS 7	Financial Instruments – Disclosure – Gain or Loss on derecognition.		

Notes to the financial statements
4.2 Standards and interpretations not yet effective (cont'd)

IFRS	Standard/ Interpretation:	Effective date: Years beginning on or after 1 January 2024	Expected impact:
IFRS 7	Amended by Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments	Annual reporting periods beginning on or after 1 January 2026.	Unlikely there will be a material impact
	Amended by <i>Annual Improvements to IFRS Accounting Standards — Volume 11</i>	Annual reporting periods beginning on or after 1 January 2026.	Unlikely there will be a material impact
	Amended by IFRS 18 Presentation and Disclosure in Financial Statements; the amendments move the disclosure requirements in IAS 1:80A and IAS 1:136A regards puttable financial instruments classified as equity instruments to IFRS 7	Annual reporting periods beginning on or after 1 January 2027.	Unlikely there will be a material impact
IFRS 9	Financial Instruments Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) published	Annual reporting periods beginning on or after 1 January 2026. An entity is required to apply the amendments retrospectively.	Unlikely there will be a material impact
	Amended by Annual Improvements to IFRS Accounting Standards — Volume 11	Annual reporting periods beginning on or after 1 January 2026.	Unlikely there will be a material impact
	Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) published	Annual reporting periods beginning on or after 1 January 2026. An entity is required to apply the amendments retrospectively.	Unlikely there will be a material impact
IFRS 10	Consolidated Financial Statement Amendment on Sale or Contribution of Assets between an investor and its associate or joint venture.	Deferred indefinitely	Unlikely there will be a material impact

Notes to the financial statements
4.2 Standards and interpretations not yet effective (cont'd)

	Amended by <i>Effective Date of Amendments to IFRS 10 and IAS 28</i>	Deferred indefinitely	Unlikely there will be a material impact
	Amended by Annual Improvements to IFRS Accounting Standards — Volume 11	Annual reporting periods beginning on or after 1 January 2026.	Unlikely there will be a material impact
IFRS 18	<p>Presentation and Disclosure in Financial Statements</p> <p>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</p>	Effective for an entity's first annual IFRS financial statements for periods beginning on or after 1 January 2027	Unlikely there will be a material impact
IFRS 19	<p>Subsidiaries without Public Accountability: Disclosures</p> <p>An eligible subsidiary that applies IFRS 19 is required to apply the requirements in other IFRS Accounting Standards for recognition, measurement and presentation requirements. For disclosure requirements, it applies IFRS 19 instead of the disclosure requirements in other IFRS Accounting Standards, except in specified circumstances.</p>	Annual reporting periods beginning on or after 1 January 2027.	Unlikely there will be a material impact

Notes to the financial statements

4.2 Standards and interpretations not yet effective (cont'd)

International Accounting Standards ("IAS")

IAS	Standard/ Interpretation:	Effective date: Years beginning on or after 1 January 2023	Expected impact:
IAS 7	Statement of Cash Flows – Cost Method Amended by Annual Improvements to IFRS Accounting Standards – Volume 11 Amended by IFRS 18 Presentation and Disclosure in Financial Statements	Annual reporting periods beginning on or after 1 January 2026. Annual reporting periods beginning on or after 1 January 2027.	Unlikely there will be a material impact Unlikely there will be a material impact
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors IAS 8 (2005) will be superseded by IAS 8 (2024) Basis of Preparation of Financial Statements when an entity applies IFRS 18 Presentation and Disclosure in Financial Statements	Annual reporting periods beginning on or after 1 January 2027.	Unlikely there will be a material impact
IAS 33	Earnings Per Share Amended by IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	Annual reporting periods beginning on or after 1 January 2027.	Unlikely there will be a material impact
IAS 34	Interim Financial Reporting Amended by IFRS 18 Presentation and Disclosure in Financial Statements	Annual reporting periods beginning on or after 1 January 2027.	Unlikely there will be a material impact

None of these standards are expected to have a material impact on the financial statements.

Notes to the financial statements

5 Revenue

	Sept-26 N'000	Sept-25 N'000
Sales of goods		
Ethical	69,185,807	61,135,544
Over-The-Counter (OTC)	35,053,775	27,818,488
Export	1,984,206	364,642
Consumer Healthcare Product	6,388,441	3,763,003
	<u>112,612,229</u>	<u>93,081,677</u>
Geographical location:		
Revenue earned in Nigeria	110,628,023	92,717,035
Revenue earned outside Nigeria	1,984,206	364,642
	<u>112,612,229</u>	<u>93,081,677</u>

Revenue represents total value of goods invoiced to third parties locally, contract manufacturing and export.

6 Cost of sales

	Sept-26 N'000	Sept-25 N'000
Ethical	33,115,058	30,928,798
Over The Counter (OTC)	16,778,121	14,073,522
Export	1,170,680	174,563
Consumer Healthcare Product	3,900,344	2,470,026
Depreciation of factory PPE (Note 8a)	996,663	903,066
Energy	3,915,240	3,994,324
Personnel Cost (Note 8b)	2,621,537	1,542,745
Other Factory Overheads	1,179,261	784,321
	<u>63,676,904</u>	<u>54,871,367</u>

7 Other gains and losses

	Sept-26 N'000	Sept-25 N'000
Amortisation of government grant	357,967	513,716
Other operating income	61,264	12,914
Gain/(Loss) on disposal of property, plant and equipment	(18,300)	1,506
Sale of scrap	189,213	142,715
	<u>590,143</u>	<u>670,851</u>

7b Impairment of receivables (Note 20)

	Sept-26 N'000	Sept-25 N'000
Amount impaired	246,412	200,000

According to IAS 1 Impairment gain or loss should be disclosed separately on the financial statement.
This has been disclosed separately in the statement of profit or loss and other comprehensive income.

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Notes to the financial statements

	Sept-26 N'000	Sept-25 N'000
8 Administrative expenses		
Association and Membership	25,371	10,623
Audit fee	46,945	24,579
Conferences and Workshop	60,498	175,358
Consultancy fees	876,679	431,442
Corporate social responsibility	191,597	161,927
Depreciation and amortisation (Note 8a)	1,140,217	713,500
Diesel and fuel	264,549	192,533
Insurance	465,574	257,581
Legal	7,427	8,004
Office supplies	33,100	30,634
Personnel costs (Note 8b)	8,748,480	4,100,306
Printing & stationery	92,671	76,767
Repairs and maintenance	747,221	704,898
Motor Vehicles running cost	369,267	325,621
Outsourced Cleaning and Security Expenses	88,505	80,128
Telephone & postage	195,132	150,514
Training	139,507	70,078
Travelling & Entertainment	1,172,527	836,151
Permit and Dues	521,882	158,824
Auxilliary materials & Tools	665,737	393,115
Canteen expenses	149,502	134,526
AGM Expenses	15,427	19,499
Directors Expenses	15,000	35,700
Bank administrative fee	213,202	395,952
Medical Expenses	107,202	158,686
Inventory Write-off	68,292	260,608
	16,421,511	9,907,553

Motor Vehicles running cost was previously added with Repairs and maintenance. This is separated.

	Sept-26 N'000	Sept-25 N'000
8a Depreciation and amortisation		
Depreciation of property, plant and equipment (Note 15)	1,843,764	1,430,979
Depreciation of Rights of use assets	-	-
Depreciation of property, plant and equipment included in cost of sales (Note 6)	(996,663)	(903,066)
	847,101	527,912
Amortisation of intangible assets (Note 15)	293,116	185,587
	1,140,217	713,500
8b Personnel costs		
ITF	113,069	56,461
Pension cost	180,439	112,992
Salary and wages	7,334,972	3,930,853
Other employee cost	1,120,000	-
Total reported in admin (Note 8)	8,748,480	4,100,306
Included in cost of sales (Note 6)	2,621,537	1,542,745
	11,370,018	5,643,051

Other Employee cost relates to the Employee share scheme provided prior to vesting in 2028. This is separated for disclosure.

	Sept-26 N'000	Sept-25 N'000
9 Net exchange difference		
Realised - Exchange loss	104,276	3,963,873
Unrealised - Exchange loss	-	200,000
	104,276	4,163,873
10 Selling and distribution expenses		
Promotion and advertisement	2,919,899	1,369,682
Logistics expense	4,176,023	2,792,126
Sales expenses	4,413,100	3,502,127
	11,509,022	7,663,935

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Notes to the financial statements

	Sept-26 N'000	Sept-25 N'000
11 Finance cost		
Interest on bank loans	3,028,924	3,543,904
Interest on overdraft	94,151	162,428
Interest on other financial liability (CP)	603,642	1,429,978
	<u>3,726,717</u>	<u>5,136,309</u>
12 Finance income		
Interest earned on loans and receivables	272,132	92,729
	<u>272,132</u>	<u>92,729</u>
13 Profit before tax		
This is stated after charging and crediting:		
Amortisation of intangibles	293,116	185,587
Audit fee	46,945	24,579
Depreciation of property, plant and equipment	1,843,764	1,430,979
Depreciation of right of use assets	-	-
Personnel costs (Note 8b)	11,370,018	5,643,051
Exchange loss/(gain)	104,276	4,163,873
	<u>11,658,119</u>	<u>11,228,029</u>
14 Taxation		
14(a) Income tax expense		
The major components of income tax expense for the period ended 30 September 2026		
	Sept-26 N'000	Sept-25 N'000
Current income tax:		
Current year income tax charge (provision)	5,336,899	3,570,666
Current development tax charge (provision)	711,587	357,067
	<u>6,048,485</u>	<u>3,927,733</u>
Total current tax	<u>6,048,485</u>	<u>3,927,733</u>
14b Income tax payable	Sept-26 N'000	Dec-25 N'000
Current tax payable		
At 1 January	4,250,709	2,349,129
Charge for the year (provision)	6,048,485	4,250,700
Payments during the year	(4,350,700)	(2,349,120)
	<u>5,948,494</u>	<u>4,250,709</u>
At 30 September 2026	<u>5,948,494</u>	<u>4,250,709</u>
14c Deferred tax liability		
At 1 January	4,676,505	3,836,609
Amounts recorded in profit or loss	-	828,332
comprehensive income	-	11,564
	<u>4,676,505</u>	<u>4,676,505</u>
At 30 September 2026	<u>4,676,505</u>	<u>4,676,505</u>

Notes to the financial statements

15 Property, plant and equipment

COST:	LAND	BUILDING	MOTOR VEHICLES	OFFICE EQUIPMENT	PLANT & MACHINERY	FURNITURE & FITTINGS	CONSTRUCTION WIP	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2025	1,165,630	11,970,664	2,959,923	1,535,931	8,910,618	448,400	5,053,966	32,045,152
Additions	-	4,163	1,104,748	302,916	994,951	90,280	5,520,105	8,017,163
Disposals	-	-	(161,560)	(2,140)	(77,432)	(97)	-	(241,229)
Reclassification (Note 15.3)	-	234,913	226,795	289,483	2,794,043	-	(3,545,234)	-
Adjustment from CWIP (Note 15.)	-	-	-	-	-	-	(187,663)	(187,663)
At 31 December 2025	1,165,630	12,209,740	4,129,906	2,126,190	12,622,180	538,583	6,841,174	39,633,402
Additions	-	113,681	509,456	72,606	138,758	79,805	9,059,393	9,973,699
Disposals	-	-	(175,912)	(97,326)	(108,989)	(13,679)	-	(395,905)
Reclassification (Note 15.3)	-	530,692	1,950,550	92,672	3,390	5,620	(2,582,925)	-
Adjustment from CWIP (Note 15.)	-	-	-	-	-	-	-	-
At 30 September 2026	1,165,630	12,854,114	6,414,000	2,194,142	12,655,338	610,330	13,317,643	49,211,196
DEPRECIATION :								
At 1 January 2025	-	1,339,446	1,383,375	1,069,596	2,920,109	206,862	-	6,919,381
Charge for the year	-	228,710	604,045	211,788	862,831	41,103	-	1,948,477
Disposal	-	-	(148,588)	(1,560)	(22,068)	(93)	-	(172,309)
At 31 December 2025	-	1,568,156	1,838,832	1,279,824	3,760,872	247,872	-	8,695,557
Charge for the year	-	180,480	730,761	173,650	722,252	36,621	-	1,843,764
Disposal	-	-	(166,759)	(92,328)	(101,822)	(13,253)	-	(374,163)
At 30 September 2026	-	1,748,636	2,402,833	1,361,146	4,381,302	271,240	-	10,165,158
CARRYING VALUE:								
At 30 September 2026	1,165,630	11,105,477	4,011,167	832,995	8,274,037	339,090	13,317,643	39,046,039
At 31 December 2025	1,165,630	10,641,584	2,291,074	846,365	8,861,308	290,710	6,841,174	30,937,846

15.2 This represents reversal of initial transaction recognised in capital work in progress to the affected vendor's account, repairs and maintenance.

15.3 This represents reclassification from capital work in progress to property, plant and equipment.

15.4 The company's assets have been pledged as security for bank borrowings to the tune of the outstanding balance of total borrowings at the reporting date.

15.5 The company is not allowed to pledge these assets as security for other borrowings or sell them to another entity.

Notes to the financial statements

16 Intangible assets

Product licences	Sept-26 ₦'000	Dec-25 ₦'000
Cost:		
At 1 January	1,095,173	632,042
Additions	<u>258,379</u>	<u>463,131</u>
At 30 September 2026	<u>1,353,552</u>	<u>1,095,173</u>
Amortisation		
At 1 January	856,938	566,571
Adjustment in Intangibles	611	-
Charge for the year	<u>293,116</u>	<u>290,367</u>
At 30 September 2026	<u>1,150,664</u>	<u>856,938</u>
Carrying amount	<u>202,888</u>	<u>238,235</u>

The product licenses are intangible assets with finite life and are amortized in line with the provisions of IAS 38. The intangible assets are tested for impairment when there are indicators of impairment in line with the provisions of IAS 36, by comparing the recoverable amount with the carrying amount at the end of the reporting period. There were no indicators of impairment during the year.

17 Financial assets

The company's financial instruments are summarised by categories as follows:

	Sept-26 ₦'000	Dec-25 ₦'000
Financial assets (FVTOCI)	26,800	12,360
Financial assets at amortised cost	<u>22,595</u>	<u>20,498</u>
Total financial assets	<u>49,395</u>	<u>32,858</u>

17a Financial assets at FVTOCI

Quoted equity at fair value (Zenith Bank Plc)		
At 1 January	12,360	9,100
Gain FVTOCI	<u>14,440</u>	<u>3,260</u>
Total	<u>26,800</u>	<u>12,360</u>

The Company recognised a fair value gain of N14,440,000 (2025: N3,260,000) on financial instrument quoted equity. The gain is recognised in other comprehensive income.

Notes to the financial statements

17b(i) Financial assets at amortised cost

The company's financial instruments are summarised by categories as follows:

	Sept-26 ₦'000	Dec-25 ₦'000
Investment with Cardinal Stone Partners	22,595	20,498
	<u>22,595</u>	<u>20,498</u>
	Sept-26 ₦'000	Dec-25 ₦'000
17b(ii) Financial assets at amortised cost		
Investment with Cardinal Stone Partners		
At 1 January	18,682	16,099
Additions	-	-
Drawdown	-	-
Interest accrued	2,097	2,583
	<u>20,779</u>	<u>18,682</u>
Sinking Fund	1,816	1,816
	<u>22,595</u>	<u>20,498</u>

Cardinal Stone Partners Limited is the portfolio management and custodial service provider for the Company towards meeting its payment on the bond. The bond was issued in 2014 and fully repaid in 2019. The balance above represents the residual portion of the investment towards gratuity payment.

17b(iii) Financial asset - forward contracts

	Sept-26 ₦'000	Dec-25 ₦'000
Opening	-	242,230
Addition		
Redeemed	-	(242,230)
	<u>-</u>	<u>0</u>
Balance	<u>-</u>	<u>0</u>
Analysed as follows:		
Current		-
Non current	-	-
	<u>-</u>	<u>-</u>
Balance	<u>-</u>	<u>0</u>

This amount represents the total value of letter of credits forward contracts yet to be delivered by Central Bank of Nigeria (CBN).

Notes to the financial statements

	Sept-26 N'000	Dec-25 N'000
18 Other non –current financial asset		
Meristem Trustees		
At 1 January	215,936	198,106
Proceeds	-	-
Accrued interest	12,850	17,830
	<u>228,786</u>	<u>215,936</u>
	Sept-26 N'000	Dec-25 N'000
19 Inventories		
Finished goods	19,126,084	13,880,564
Goods-in-transit	1,207,765	733,283
Raw and Packaging materials	13,377,460	11,361,321
Work- in- progress	2,136,353	248,220
Engineering spare parts	800,245	447,046
Promotional and Other Consumable Materials	307,348	244,184
	<u>36,955,253</u>	<u>26,914,618</u>
Total inventory writedown	<u>(0)</u>	<u>(367,455)</u>
	<u>36,955,253</u>	<u>26,547,162</u>
19a Inventories Writedown	Sept-26 N'000	Dec-25 N'000
at 1 January	367,455	247,652
Addition	149,015	368,988
Write off	(516,470)	(249,185)
	<u>0</u>	<u>367,455</u>

The company did not pledge any inventory as collateral for loans. The value of inventory written down in the year is ~~N~~0.18 million (2025: ~~N~~367.5 million)

Notes to the financial statements

	Sept-26 N'000	Dec-25 N'000
20a Trade and other receivables		
Trade receivables	29,336,289	11,024,888
Impairment loss on trade receivables	<u>(299,368)</u>	<u>(209,252)</u>
	29,036,921	10,815,636
Other Receivables (Note 20c)	1,031,466	841,848
Impairment loss on trade receivables	<u>(745,553)</u>	<u>(589,257)</u>
	<u>29,322,833</u>	<u>11,068,227</u>
Analysed as follows:		
Current	29,322,833	11,068,227
Non current	<u>-</u>	<u>-</u>
	<u>29,322,833</u>	<u>11,068,227</u>

Other receivables relate to withholding tax, and staff advances. These are not interest bearing and repayment is within 1 year.

Trade receivables meet the definition of financial asset and the carrying amount of the trade receivables approximates their fair value. Trade receivables are expected to be fully collected within 1 year.

The company measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position adjusted for factors that are specific to the debtors' general economic conditions of the industry in which the debtor operate and an amendment of both the current as well as the forecast direction of conditions at the reporting rate.

There has been no change in the estimation techniques or significant assumption made during the current reporting period.

The company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered bankruptcy proceedings, or when the bad receivables are over two years past due, which occurs earlier.

- 20b** As at 30 September 2026, trade receivables valued at ₦1.04billion (2025: ₦798million) were impaired and provided for. See below for the movements in the provision for impairment of trade receivables.

	Individually impaired N'000
At 1 January 2026	798,509
Addition	246,412
Write off of trade receivables	<u>-</u>
At 30 September 2026	<u>1,044,921</u>
At 1 January 2025	665,440
Addition	133,069
Write off of trade receivables	<u>-</u>
At 31 Dec 2025	<u>798,509</u>

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Notes to the financial statements

	Sept-26 ₦'000	Dec-25 ₦'000
20c. Other receivables		
Withholding tax receivables (WHT)	146,585	49,403
Value added tax receivables (VAT)	525,114	-
Staff advances and other debtors	359,767	792,445
	<u>1,031,466</u>	<u>841,848</u>

Other receivables relate to withholding tax, value added tax receivables and staff advances. These are not interest bearing and repayment is within 1 year.

	Sept-26 ₦'000	Dec-25 ₦'000
21 Prepayments		
Advance to suppliers	7,911,560	5,036,303
Other prepayments	765,373	1,499,554
	<u>8,676,933</u>	<u>6,535,857</u>

This represents advances made to suppliers for the purchase of factory raw and packaging materials. Other prepayments include prepaid advert, prepaid insurance and prepaid rent. Prepaid rent relates to rental paid for warehouses and offices outside Lagos.
For greater accuracy, we made a slight adjustment to our SOP to recognize goods in transit only upon confirmation of arrival. Therefore, payments made to vendors are treated as advances to suppliers pending the recognition of goods in transit.

	Sept-26 ₦'000	Dec-25 ₦'000
22 Cash and bank balances		
Bank balances	9,207,118	4,706,194
Cash at hand	10,867	2,430
Short-term deposits (including demand and time deposits)	2,135	2,194
Restricted cash for letter of credit	1,709,137	-
	<u>10,929,256</u>	<u>4,710,818</u>

Cash at banks in some classified account (e.g Call accounts, DSRA account and others) earn interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of cash flows, cash and cash equivalents consist of:

	Sept-26 ₦'000	Dec-25 ₦'000
Bank overdraft (Note 22.1)	-	(9,528)
Cash and bank balances	10,929,256	4,710,818
	<u>10,929,256</u>	<u>4,701,290</u>

- 22.1** Bank overdraft represents the outstanding commitment on short-term borrowings for working capital management. The bank overdrafts are secured against mortgage debenture held by a trustee. The lenders are Access Bank, Guaranty Trust Bank, FCMB, Fidelity Bank and FSDH. The interest on the overdraft ranges from 22– 27%.

Notes to the financial statement

	Sept-26 N'000	Dec-25 N'000
23 Interest Bearing Loans and borrowings		
(Non-current portion)		
Bank of Industry ('BOI')(23b)	64,246	59,684
CBN DCRR/FCMB-Capex(Note 23c)	452,307	422,152
NEXIM/Fidelity-Capex(Note 23d)	-	-
Bank of Industry Term Loan 5billion (Note 23e)	859,573	813,888
Bank of Industry-N2.5billion Capex (23f)	1,158,578	1,085,679
Bank of Industry- FCMB WC Loan 5billion (Note 23h)	1,413,468	1,214,833
NEXIM/Fidelity-1billion Working Capital(Note 23i)	1,008,594	-
Bank of Industry-N5billion Fidelity Loan (Note 23j)	5,012,910	-
	9,969,675	3,596,236
(Current portion)		
Bank of Industry ('BOI') 4 (Note 23b)	40,567	162,266
Bank of Industry Term Loan 5billion (Note 23e)	333,333	1,083,333
CBN/DCRR/FCMB- CAPEX (Note 23c)	100,727	389,708
NEXIM/Fidelity-Capex (23d)	-	-
Bank of Industry N2.5Billion Capex (Note 23f)	125,000	500,000
Short term borrowings (Note 23g)	12,795,099	6,271,760
Bank of Industry- FCMB WC Loan 5billion (Note 23h)	482,998	2,000,000
NEXIM/Fidelity-1billion Working Capital (23i)	-	-
Bank of Industry-N5billion Fidelity Loan (Note 23j)	-	-
	13,877,724	10,407,067
Total	23,847,400	14,003,303
23a Reconciliation of interest bearing loans		
At 1 January	14,003,303	15,997,308
Interest expense	3,123,075	4,627,605
Additions	30,158,333	6,000,000
Transfer to Government grant	-	-
Principal repayment	(20,288,715)	(8,709,925)
Interest paid	(3,123,075)	(3,941,758)
Exchange gain/loss	(25,522)	30,073
AT 30 September	23,847,400	14,003,303
23b The BOI loan is a N2billion loan granted in two tranches of N1bn each. The first N1bn granted at 10% for 84 months for capital expenditure while the other N1bn granted at 15% for 42 months to augment working capital has been fully repaid.		
A fair value of the loan was obtained using an estimated market rate of 16%. The difference between the loan rate and market rate accounted for a grant element of N161.35m. This was recognized as a government grant and will be amortized to profit or loss over the duration of the loan. The loan was granted in 2019 with a moratorium of 1 year.		
The moratorium on principal repayment of BOI loan 3 and 4 was extended by one year to cushion the effect of the COVID-19 pandemic, 2% reduction in interest rate was also granted until March 31, 2021. The working capital loan has been paid off.		
23c FCMB loan is a N2.5billion Central Bank of Nigeria (CBN) Real Sector Support Facility-Differentiated Cash Reserve Requirement granted to Fidson Healthcare PLC for 84 months was obtained in June 2020. N2billion is for acquisition of CAPEX while N500million is for working capital. The working capital portion has been fully repaid. The principal and interest shall be in twenty equal instalments and the interest shall be 9% per annum. However the CBN concessionary rate of 5% elapsed on February 28,2021. In addition, the moratorium period for principal repayment was further extended by another one year till 2022.		

Notes to the financial statements

- 23d** Nexim Loan is a N3billion Nigerian Export-Import bank loan under the direct lending scheme to Fidson Healthcare PLC at the rate of 9% per annum. The loan was disbursed in two equal instalments, N1.5billion for equipment finance and the other for working capital utilization. The first instalment was disbursed in December 2020 while the last instalment was disbursed in February 2021. The loan has been paid off as at July 2025.
- 23e** The new BOI facility is a 6 years period term loan of N5billion of which the sum of N2billion was disbursed in 2022 while N3billion was disbursed in 2023. The initial interest rate on the facility which is 5% elapsed in February 2022 and current interest rate on the facility is 9%. The security on the borrowing is a tripartite legal mortgage over the property.
- 23f** The BOI facility of N2.5billion secured in 2023, was obtained for a period of 6 years for additional equipment finance due to the expansion of our production facility. The interest rate on the facility is 10% with a 12 month moratorium. The security on the borrowing is a tripartite legal mortgage over the property.
- 23g** Short- term borrowings above are current and are expected to be settled within 12 months of the reporting date. The loans from Wema Bank, Lotus, Coronation Bank, Sterling Bank and Rand Merchant Bank are secured by Naira cash provided to the banks. The security on the borrowings from FCMB Bank is a tripartite legal mortgage over the property of the Company and attract an interest rate of 30% . The carrying value of short-term borrowings approximates their fair value due to the short-term nature and the fact that there were no material movement in market rates since the inception of the loans.

Details of short-term borrowings are as follows:

	Sept-26	Dec-25
	N'000	N'000
FCMB-bankers acceptance	-	6,113,425
FSDH - import finance facility	-	-
Wema LC Liability	-	-
Coronation LC Liability	-	-
Lotus Bank LC Liability	-	-
FCMB LC Liability	-	158,335
Sterling LC Liability	-	-
Fidelity LC Liability	1,595,099	-
FDC Term Loan	-	-
Cardinal Stone Term Loan	11,200,000	-
	12,795,099	6,271,760

- 23h** The BOI facility is a 3years period working capital loan of N5billion which was disbursed in October 2024. The interest rate on the facility is 14% with a 6 months moratorium. The security on the loan is from FCMB already included in the Trust Deed managed by Meristem Trustees.
- 23i** Nexim Loan is a 2years period working capital facility of N1billion through the Nigerian Export-Import bank loan at a rate of 9% without any moratorium period disbursed in August 2026. The interest is payable on quarterly basis while the principal is payable at maturity.
- 23j** The BOI facility is a 5years period term loan of N5billion which was disbursed in September 2026. The interest rate on the facility is 15% with a 6 months moratorium. The security on the loan is from Fidelity.

24 Retirement benefit obligation

Net benefit expense (recognised in administrative expenses)

	Sept-26	Dec-25
	N'000	N'000
Interest cost on benefit obligation	-	38,546
Net benefit expense	-	38,546
Defined benefit liability	156,483	160,139

The 2025 actuarial valuation was carried out by Ernest & young and signed by Miller Kingsley with FRC number FRC/2013/NAS/00000002392

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Notes to the financial statements

	Sept-26 ₦'000	Dec-25 ₦'000
25 Government grant		
At 1 January	634,755	1,278,086
Additions	9,542	-
Released to profit or loss (Note 7)	(357,967)	(643,331)
	<u>286,331</u>	<u>634,755</u>
At 30 September 2026	<u>286,331</u>	<u>634,755</u>
Current	66,592	427,488
Non-current	<u>219,739</u>	<u>207,267</u>
	<u>286,331</u>	<u>634,755</u>

This represents the grant elements of the Central Bank of Nigeria intervention loans, after the loans were re-measured using the effective interest rate. The government grants have been recognised in the statement of financial position and are being amortised through the profit or loss on a systematic basis over the tenure of the loans.

	Sept-26 ₦'000	Dec-25 ₦'000
26 Trade and other payables		
Trade payables	11,334,292	3,751,709
Accruals	16,017,589	695,333
Other payables (Note 26a)	<u>2,995,136</u>	<u>2,183,739</u>
	<u>30,347,016</u>	<u>6,630,781</u>

26a. Other payables		
Other creditors (Note 26b)	2,596,709	1,655,696
Withholding tax (WHT)	130,026	160,766
Nigeria Social Insurance Trust Fund (NSITF)	-	2,200
Payable to the Directors	107,003	270,821
Pay as you earn (PAYE)	74,450	74,931
Staff Cooperative	13,979	9,419
NHF	13,324	7,829
VAT Payable	11,236	1,606
Staff Pension Fund	36,738	471
Non Executive Directors	-	-
Outstanding due General Managers	<u>11,671</u>	<u>-</u>
	<u>2,995,136</u>	<u>2,183,739</u>

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60-day terms.

Other creditors are non-interest bearing and have an average term of six months.

Trade payables, and other payables meet the definition of financial liability and their carrying amounts

approximate fair value because the terms and conditions of payment is within 1 year for trade and other payables.

FIDSON HEALTHCARE PLC
Unaudited report and financial statements
For the period ended 30 September 2026

Notes to the financial statements

26b Other creditors

Included in the other creditors are:

	Sept-26 N'000	Dec-25 N'000
Distributors and sales representative	753,431	1,047,637
Pioneer Director Retirement Liability	165,533	91,391
Others	1,677,745	516,668

2,596,709	1,655,696
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Sept-26 # N'000	Dec-25 N'000
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27 Other Current Financial Liabilities

Commercial papers

At 1 January	19,645,345	15,646,950
Interest for the year	-	2,464,168
Interest paid	(2,369,824)	(2,464,168)
Principal paid	(17,275,521)	(15,646,950)
Additions	-	19,645,345
	-	19,645,345

The commercial paper was raised to augment the working capital need of Fidson Healthcare Plc. This need arose as a result of constant depreciation of naira to dollar in the foreign exchange market. During the year, the company paid off commercial paper series 10 in January 2025.

On July 2025, the company raised commercial paper in two tranches, series 1 and 2 of N2.357 billion and N17.287 billion at 23% and 24.75% interest rate which will be due in January and April 2026 respectively. The N2.357 billion and N17.287 billion due in January 2026 and April 2026 have been fully repaid.

In the prior year, the company raised commercial paper in two tranches, series 10 and 11 of N11.07 billion and N4.57 billion at 25.5% and 27% interest rate which was due and paid in January 2025 and April 2025 respectively.

28 Dividends

	Sept-26 # N'000	Dec-25 N'000
Dividends proposed and approved	3,600,000	2,294,996
Paid during the year	(3,600,000)	(2,294,996)

Balance unpaid	-	-
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Dividends on ordinary shares:

Dividend proposed for 2025: N1.50k per share (2024 : N1.00k per share)	3,600,000	2,294,996
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28a Unclaimed dividend

	Sept-26 N'000	Dec-25 N'000
Unclaimed dividend	139,550	79,048

The Unclaimed dividend relates to the amount returned by the registrar to the company in line with the regulatory requirements. This is accounted for as a current liability with the corresponding entry sitting in cash and cash equivalent.

28b Reconciliation of unclaimed dividend

	Sept-26 N'000	Dec-25 N'000
At 1 January	79,048	133,887
Additions	3,600,000	2,294,996
Payment	(3,600,000)	(2,294,996)
(Payment)/refund of unclaimed dividend	60,502	(54,839)
At 30 September 2026	139,550	79,048

Notes to the financial statements

	Sept-26 ₦'000	Dec-25 ₦'000
29 Share capital and reserves		
Issued and fully paid:	Sept-26 ₦'000	Dec-25 ₦'000
2,294,996,000 ordinary shares of 50k each	1,200,000	1,147,498
105,003,725 ordinary shares of 50k each	-	52,502
600,000,000 ordinary shares of 50k each	300,000	-
	<u>1,500,000</u>	<u>1,200,000</u>
At 30 September 2026		

A total of 105,003,725 ordinary shares of 50 kobo each of the company have been earmarked for the company's employee scheme (Long Term Incentive Plan) as approved by the shareholders at the 22nd Annual General Meeting in 2022 has become part of the company's issued share capital as they have been duly registered with the Security and Exchange Commission on November 2025 with reference number SEC/SIS/SO/FHP/11/25 and registered number SR/FHP/2025/000404.

At the 26th Annual General meeting of the company held on 31st July 2025, the shareholders approved an increase of 600,000,000 in the ordinary shares through right issues now recognised in May 2026.

The Company operates an employee share scheme for its management employees known as Employee Share Based Payment Scheme (ESBPS). Under the ESBPS, the Company awards Performance Stock Units (PSUP) to the qualified employees that remain continuously employed by the Company throughout the performance period. The scheme entitled the employees to receive freely disposable shares at the end of a three-year restriction period.

In line with IFRS 2 and the employee share scheme agreement, the total shares of 105,003,725 attributable to this scheme has been valued at ₦42 per share being the fair value of the shares at the date of SEC's approval of this scheme. The vesting period will be for 3 years (2026- 2028). The fair value of the ESBPS is determined on the basis of the market share price of the Company as at the grant date (i.e. November 2025).

	Sept-26 ₦'000	Dec-25 ₦'000
30 Share premium		
At 1 January	5,009,225	4,829,614
Arising during the year	21,357,162	4,357,654
Employee share scheme to be allocated	-	(4,178,043)
	<u>26,366,387</u>	<u>5,009,225</u>
At 30 September 2026		

Section 120.2 of Companies and Allied Matters Act requires that where a Company issues shares at premium (i.e. above the par value), the value of the premium should be transferred to share premium.

Share premium arises from shares issued at a price higher than the nominal value. The current balance was as a result of increase in share capital with a nominal value of 50k from 200,000,000 to 1,500,000,000 and 1,500,000,000 to 2,086,360,250 ordinary shares in November 2007 and April 2019 respectively. A bonus issue of 208,636,025 ordinary share of 50kobo each by way of one new ordinary share of 50 kobo for every 10 ordinary share held as at the close of business on July 8, 2022 was approved by SEC in August 2022.

The additions to the share premium for the year is attributable to the price difference between the market share price ruling at the grant date less the nominal price of the share multiplied by the approved total bonus shares for this scheme and 600,000,000 units right issues.

The Prepaid employee compensation amount represents the value of employee share-based scheme recognised at fair value during the year.

31 Fair Value Reserve

The reserve records fair value changes in available for sale financial asset.

	Sept-26 ₦'000	Dec-25 ₦'000
At 1 January	7,915	4,655
Other Comprehensive income for the year, net	14,440	3,260
	<u>22,355</u>	<u>7,915</u>
At 30 September 2026		

Gain or loss on equity available for sale financial asset is not taxable. Hence, no deferred tax was recognised for fair value gain or loss.

This is to aid any user of the financial statement not familiar with Nigerian tax laws.

SHAREHOLDING STRUCTURE/FREE FLOAT STATUS

Description	31-Dec-25		30-Sept-26	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	2,400,000,000	100%	3,000,000,000	100%
Substantial Shareholdings (5% and above)				
Dr. Fidelis A. Ayebae	758,543,749	31.61%	758,543,749	25.28%
Stanbic IBTC Nominees Limited	568,422,033	23.68%	710,527,541	23.68%
Total Substantial Shareholdings	1,326,965,782	55.29%	1,469,071,290	48.97%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
DR. Fidelis A. Ayebae (indirect)	1,100,000	0.05%	166,393,312	5.55%
Mr. Emmanuel E. Imoagene	37,413,200	1.56%	54,766,500	1.83%
Dr. Vincent Ahonkhai	365,860	0.02%	59,604	0.00%
Mrs. Aishatu P. Sadauki	859,705	0.04%	-	0.00%
Mr. Olusegun S. Adebajji	-	0.00%	-	0.00%
Mr Philip I. Ejiofor	-	0.00%	1,750,000	0.06%
Dr. Babatunde K. Ipaye	-	0.00%	1,000,000	0.03%
Dr. (Mrs.) Amina Mohammed-Baloni	-	0.00%	-	0.00%
Mrs. Hannah E. Oyebanjo	-	0.00%	200,000	0.01%
Mr. Olugbenga O. Olayeye	21,539,144	0.90%	24,548,930	0.82%
Mr. Abiola A. Adebayo	18,289,269	0.76%	22,861,586	0.76%
Mr. Imokha Ayebae	41,800,000	1.74%	66,319,780	2.21%
Mr. Ola Ijimakin	2,359,280	0.10%	4,984,373	0.17%
Mr. Oshoke M. Ayebae	69,310,444	2.89%	71,935,537	2.40%
Total Directors' Shareholdings	193,036,902	8.04%	414,819,622	13.83%
Other Influential Shareholdings				
Mrs. Olufunmilola O Ayebae	0	0.00%	74,629,500	2.49%
Total Other Influential Shareholdings	0	0.00%	74,629,500	2.49%
Free Float in Units and Percentage	879,997,316	36.67%	1,041,479,588	34.72%
Free Float in Value	₦ 27,121,517,279.12		₦ 88,525,764,980.00	

Declaration:

(A) FIDSON HEALTHCARE PLC with a free float percentage of 34.72% as at 30th September 2026, is compliant with the Exchange's free float requirements for companies listed on the Main Board.

(B) FIDSON HEALTHCARE PLC with a free float value of N88,525,764,980.00 as at 30th September 2026, is compliant with the Exchange's free float requirements for companies listed on the Main Board.

NB: Average market price in 2026 was advised as N87.15 by the Nigerian Exchange Limited