

CHAMS HOLDING COMPANY PLC

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
31 DECEMBER 2025**

CHAMS HOLDING COMPANY PLC

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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CHAMS HOLDING COMPANY PLC

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Corporate Information

Company Registration Number	-	RC 76807
Nature of business	-	The principal activities of (Chams Holding Company Plc) and its subsidiaries continue to be provision of Digital business intelligent solutions across a broad range of market segments. This includes the development, deployment, implementation and maintenance of technology-based payment and other digital solutions; to facilitate the innovative development and operations of digital business.

Directors:

Name	Designation
1. Sir Demola Aladekomo	- Chairman
2. Mrs. Mayowa Olaniyan	- Group Managing Director
3. Dr Olufemi Oyenuga	- Executive Director Joined 2 May 2025
3. Mr Segun Oloketuyi	- Non-Executive Director
4. Alhaji Yusufu Modibbo	- Independent Non-Executive Director
5. Dr. Mohammed Santuraki	- Independent Non-Executive Director
6. Mrs Ola Bakare	- Retired 24 July 2025
7. Sir Ayobola Abiola	- Non-Executive Director
8. Mr. Tomiwa Aladekomo	- Non-Executive Director
9. Mr. Mohammed Bashir	- Non-Executive Director
10. Mrs. Chijioke Ugochukwu	- Non-Executive Director
11. Mr. Dumebi Obodo	- Non-Executive Director
Company Secretary	- Oluwaseun Osuji - (Senior Legal Manager) FRC/2025/PRO/MBA/002/841758

Registered office	-	8 Loius Solomon Close Off Ahmadu Bello Way Victoria Island Lagos
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Auditors	-	PKF Professional services PKF House 205A Obanikoro Ikorodu Road Lagos State www.pkf-ng.com
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Bankers	-	Providus Bank Guaranty Trust Bank Plc Access Bank Plc Sterling Bank Polaris Bank Stanbic IBTC Zenith Bank Plc United Bank of Africa Plc First Bank Limited
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CHAMS HOLDING COMPANY PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

In accordance with the provisions of Companies and Allied Matters Act, 2020, and the Financial Reporting Council Act, 2023 (as amended), the Directors are responsible for the preparation of the consolidated and separate financial statements which give a true and fair view of the state of affairs of the Group for the period ended 31 December 2025, and of the financial performance for the year and of its profit or loss and other comprehensive income for the year. The responsibilities include ensuring that the Group:

- (a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the Companies and Allied Matters Act 2020;
- (b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities;
- (c) prepares its consolidated and separate financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
- (d) it is appropriate for the consolidated and separate financial statements to be prepared on a going concern basis unless it is presumed that the Group will not continue in business.

The Directors accept responsibility for the accompanying financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and in compliance with the Financial Reporting Council of Nigeria Act, 2023 (as amended) and in manner required by the Companies and Allied Matters Act 2020

The Directors are of the opinion that the accompanying consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the Group and of the financial performance for the year, with the requirements of the Financial Reporting Council of Nigeria Act, 2023 (as amended) and the Companies and Allied Matters Act 2020

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the consolidated and separate financial statements, as well as adequate systems of financial control.

Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of this consolidated and separate financial statements.

Signed on behalf of the Directors by:



Sir Demola Aladekomo
Chairman
FRC/2013/NSE/00000004336

Dated: 27 March 2026



Mrs. Mayowa Olaniyan
Group Managing Director
FRC/2013/ICAN/00000004330

Dated: 27 March 2026

CHAMS HOLDING COMPANY PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Certification of management's assessment of internal control over financial reporting

We, **Sir Demola Aladekomo** (Chairman) and **Mrs. Mayowa Olaniyan (Group Managing Director)**, certify that:

- a) We have reviewed the 2025 Annual Report and financial statements of Chams Holding Company Plc ("the company").
- b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
- c) Based on our knowledge, the financial statements, and other financial information included in this report, fairly represent in all material respects the financial condition, results of operations, and cash flows of the company as of 31 December 2025, presented in this report.
- d) Chams Holding Company Plc certifying officers:
 - e) Are responsible for establishing and maintaining internal controls;
 - f) Have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information regarding Chams Holding Company Plc, is made known to us by others within the entities, particularly during the period in which the report is being prepared;
 - g) Have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
 - h) Have evaluated the effectiveness of the company's internal controls and procedures as of date within 90 days prior to the report and presented in this report our conclusion about the effectiveness of the internal controls and procedures, as of 31 December 2025 covered by this report based on such evaluation.
- i) Chams Holding Company Plc certifying officers have disclosed, based on our most recent evaluation of internal control system, to the company's auditors (PKF Professional Services) and the Audit Committee that:
 - j) All significant deficiencies in the design or operation of the internal control system which are reasonably likely to affect Chams Holding Company Plc's ability to record, process, summarise, and report financial information; and
 - k) There was no fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- l) Chams Holding Company Plc certifying officers have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to deficiencies noted.

Sir Demola Aladekomo
Chairman
FRC/2013/NSE/00000004336

Dated: 27 March 2026

Mrs. Mayowa Olaniyan
Group Managing Director
FRC/2013/ICAN/00000004330

Dated: 27 March 2026

CHAMS HOLDING COMPANY PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 31 DECEMBER 2025

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

We the undersigned hereby certify the following with regards to our Audited Financial Statements for the year ended 31 December 2025 that:

- a) We have reviewed the report;
To the best of our knowledge, the report does not contain:
- Any untrue statement of a material fact, or
 - Omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made;
- b) To the best of our knowledge, the financial statement and other financial information included in this report fairly present in all material respects the financial condition and results of operation of the company as of, and for the periods presented in this report.
- c) We:
- are responsible for establishing and maintaining internal controls.
 - have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within the entity particularly during the period in which the periodic reports are being prepared;
 - have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
 - have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- c) We have disclosed to the auditor of the Company and Audit Committee:
- All significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls, and
 - Any fraud, whether or not material, that involves management or other employees who have significant role in the company's internal controls;

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

Sir Demola Aladekomo
Chairman
FRC/2013/NSE/00000004336

Dated: 27 March 2026

Mrs. Mayowa Olaniyan
Group Managing Director
FRC/2013/ICAN/00000004330

Dated: 27 March 2026

Independent Auditor's Attestation Report on Management's Assessment of Internal Controls over Financial Reporting

To the Shareholders of Chams Holding Company Plc

Attestation

We have performed a limited review assurance engagement on management's assessment of the effectiveness of internal control over financial reporting of **Chams Holding Company Plc and its subsidiaries ("the Company")** as of 31 December 2025, in compliance with the SEC Guidance on Implementation of Section 88-91 of the Investments and Securities Act 2025 (as amended) issued by the Securities and Exchange Commission and in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's internal control over financial reporting as of 31 December 2025 is not effective, in compliance with the SEC Guidance on Implementation of Section 88-91 of the Investments and Securities Act 2005 (as amended) issued by the Securities and Exchange Commission and the FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria.

Basis for Attestation

We conducted a limited review assurance engagement on management's assessment of the effectiveness of internal control over financial reporting of Chams Holding Company Plc ("the Company") as of 31 December 2025, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria.

Our responsibilities under those sections and the guidance are further described in the Auditor's Responsibilities for the Audit of the internal control procedures over financial reporting section of our report.

We are independent of the Group in accordance with the requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the internal control procedures over financial reporting in Nigeria.

We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Internal control procedures over financial reporting in Nigeria.

Responsibilities of the Directors and Those Charged with Governance for maintaining effective internal control over financial reporting

The directors are responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, in accordance with requirement of Section 405 of the Companies and Allied Matters Act, 2020, in connection with Section 1.1 of SEC Guidance on implementation of Sections 88-91 of the Investments and Securities Act, 2025 (as amended) and in compliance with the FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria.

Auditor's Responsibilities for the Audit of the internal control procedures over financial reporting

Our responsibility is to express an opinion on the management's assessment of the effectiveness of the Company's internal control over financial reporting based on our limited review.

We conducted our limited review assurance engagement in accordance with "the Guidance", which requires that we planned and performed the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included:

- obtaining an understanding of internal control over financial reporting,
- assessed the risks that a material weakness may exist, and
- evaluated the result of the test of design and operating effectiveness of internal control based on the assessed risks.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition of Internal Control over Financial Reporting

The Group's internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles and includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and direction of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Limitations of Internal Control over Financial Reporting

Because of such limitations, Internal Control over Financial Reporting cannot prevent or detect all misstatements, whether unintentional errors or fraud. However, these inherent limitations are known features of the financial reporting process, therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. The major limitations are:

- a) Internal Control over Financial Reporting cannot provide absolute assurance due to its inherent limitations;
- b) It is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures.
- c) It can be circumvented by collusion or improper management override.

Other Information

We have also audited, in accordance with the requirements of International Standards on Auditing, the financial statements of the **Chams Holding Company Plc** and our report dated 27 March 2026 expressed an unqualified opinion.



Benson O. Adejayan, FCA
FRC/2013/PRO/ICAN/004/00000002226
For: PKF Professional Services
FRC/2023/COY/141906
Chartered Accountants
Lagos, Nigeria



Dated: 27 March 2026

Independent Auditor's Report

To the Shareholders of Chams Holding Company Plc

Opinion

We have audited the accompanying consolidated and separate financial statements of **Chams Holding Company Plc and its subsidiaries (together, "the Group")** which comprise the consolidated and separate statement of financial position at 31 December 2025, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group at 31 December 2025, and its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS's) in Compliance with the Financial Reporting Council of Nigeria Act, 2023 (as amended) and with the requirements of the Company and Allied Matters Acts, 2020.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters below relate to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
<p>Impairments on financial assets</p> <p>The impairment assessment of cash and cash equivalents, trade and other receivable net of prepayments, investment securities, Investment in associate, subsidiaries and investment projects are key areas of judgment due to the level of subjectivity inherent in estimating the impact of key assumptions on the recoverable amount of the trade receivables and claims recoverable.</p> <p>Significant judgement is required by the Directors in assessing the impairment of financial assets in compliance with IFRS 9, which requires a loss allowance for Expected Credit Loss (ECL) to be measured at the reporting date for those financial assets subject to impairment accounting and this assessment must consider all reasonable and supportable historic and forward-looking information.</p> <p>The use of the Expected Credit Loss (ECL) model for the computation of impairment allowance requires the application of certain indices which are derived from historical financial data within and outside the Group, this includes:</p> <ul style="list-style-type: none"> • Assessing the relationship between the quantitative and qualitative factors incorporated in determining the Probability of Default (PD), and the Loss Given Default (LGD) and the Exposure at Default (EAD); • Incorporating forward-looking information into the ECL model and probability weightings applied to them; • factors considered in cash flow estimation including timing and amount; • Analysis of external ratings, internal benchmarking or grouping risks together when the Group relies on such. The Group might be unable to support the suitability of any groupings to justify such approach as this may mask underlying credit losses or increases in credit risks, if the segments are not sufficiently homogeneous. 	<p>We focused our testing of management's impairment assessment on cash and cash equivalents, trade and other receivable net of prepayments, investment securities, Investment in associate, subsidiaries and investment projects included:</p> <p>i) We reviewed the IT general controls governing the IFRS reporting process employed by the Company in assigning PD's to the financial assets.</p> <p>Also, tested the key controls relating to the preparation of the impairment model including the competence and authority of person(s) performing the control, frequency, and consistency with which the control is performed;</p> <p>ii) For trade and other receivable net of prepayments, obtained an understanding of the Expected Credit Loss (ECL) model prepared by management for the computation of impairment.</p> <p>iii) Checked the forward-looking information used by management in its ECL calculations and corroborated the information using publicly available data comprising foreign exchange rate, gross domestic (GDP) growth rate, inflation, interest rates, unemployment rate etc.</p> <p>iv) Assessed the appropriateness of the most significant model assumptions including loss given default and probability of default and recalculated the impairment allowance.</p> <p>v) Validated material transactions during the year to contract agreements, invoices, debit and credit notes.</p> <p>vi) We reviewed subsequent receipts after year end of trade and other receivable net of prepayments.</p> <p>vii) Evaluated the appropriateness of the related disclosures in line with IFRS 9 requirements.</p> <p>viii) Verified the source of the credit ratings used and check the appropriateness of the ratings in accordance with IFRS 9.</p>

Other Information

The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report; Corporate Governance Report and Company Secretary's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the requirements of the Financial Reporting Council of Nigeria Act, 2023 (as amended), the Companies and Allied Matters Act, 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements

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

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

- Identified and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluded on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the consolidated and separate financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) Proper books of account have been kept by the Group, in so far as it appears from our examination of those books;
- iii) The Group's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirement of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on managements assessment of the Company's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with ISA E3000 Revised Assurance Engagement Other Than Audit or Reviews of Historical Financial Reporting. We have issued an unmodified conclusion in our report dated 27 March 2026. The report is included in the annual report.



Benson O. Adejayan, FCA
FRC/2013/PRO/ICAN/004/00000002226
For: PKF Professional Services
FRC/2023/COY/141906
Chartered Accountants
Lagos, Nigeria



Dated: 27 March 2026

CHAMS HOLDING COMPANY PLC

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group		Company	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Gross earnings		18,425,917	14,913,823	1,300,050	919,630
Revenue	7.1.1	17,654,269	14,841,373	-	-
Costs of sales	7.2	(13,894,565)	(10,483,486)	-	-
Gross profit		3,759,704	4,357,887	-	-
Other operating income	8	439,196	23,961	985,710	919,630
Selling and marketing expenses	9	(115,118)	(262,300)	(11,806)	(5,154)
Employees and other related expenses	10	(1,341,262)	(1,094,745)	(174,867)	(210,115)
Depreciation and amortisation expenses	11	(186,358)	(163,941)	(13,485)	(12,193)
Administrative expenses	13	(1,185,513)	(1,689,173)	(144,704)	(336,701)
Operating profit		1,370,649	1,171,689	640,849	355,467
Interest income	14.1	332,452	48,489	314,340	-
Interest expenses	14.2	(896,337)	(363,444)	(585,277)	(250,987)
Profit on continuing operations before taxation		806,764	856,734	369,912	104,480
Income tax(expense)/write back	16.1	(389,671)	(465,679)	22,372	125,236
Profit for the year		417,093	391,055	392,284	229,716
Profit attributable to:					
Owners of the parent		520,640	474,233	392,284	229,716
Non-controlling interests		(103,548)	(83,178)	-	-
		417,093	391,055	392,284	229,716
Basic earnings per share (kobo)		5.78	10.10	4.36	4.89
Items that will be subsequently reclassified to profit or loss					
Items that will not be reclassified to profit or loss					
Revaluation gain on intangible asset in the year		-	-	-	-
(Gain)/loss on investment securities at fair value through other comprehensive income	25	-	156	-	-
Other comprehensive income (net of tax)		-	156	-	-
Total comprehensive income (net of tax)		417,093	391,210	392,284	229,716
Attributable to:					
Owners of the parent		-	133	-	-
Non-controlling interest		-	23	-	-
		-	156	-	-
Attributable to:					
Owners of the parent		520,640	474,388	392,284	229,716
Non-controlling interest		(103,548)	(83,178)	-	-
		417,093	391,210	392,284	229,716

The accompanying notes and significant accounting policies form an integral part of these consolidated and separate financial statements.

CHAMS HOLDING COMPANY PLC

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2025

	Notes	Group		Company	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Assets					
Non-current assets					
Right-of-use assets	18	-	6,500	-	-
Property, plant and equipment	19	2,859,210	2,932,023	1,615,745	1,619,438
Intangible assets	21	7,500,877	7,365,871	-	-
Investment in subsidiaries	22	-	-	4,214,991	4,214,991
Investment in associates	23	75,000	75,000	75,000	75,000
Investments in convertible loans	24	1,106,669	-	1,106,669	-
Investment securities at fair value through other comprehensive income	25	100,000	100,000	100,000	100,000
Financial assets fair value through other profit and loss	28.3	12,130	10,873	-	-
Deferred Asset	16.4	-	-	22,165	-
Other Non current assets	21.2	1,325,000	1,325,000	-	-
Total non-current assets		12,978,886	11,815,267	7,134,570	6,009,429
Current assets					
Inventories	26	842,006	886,405	-	-
Trade and other receivables	27	14,576,929	6,129,263	3,388,442	1,476,932
Cash and cash equivalents	28	5,980,569	1,561,007	4,687,228	40,153
Total current assets		21,399,504	8,576,675	8,075,670	1,517,085
Total assets		34,378,390	20,391,942	15,210,240	7,526,514
Liabilities					
Non-current liabilities					
Deferred tax liabilities	16.4	102,938	123,582	-	16,457
Long term loan	31.2	1,105,181	2,458,484	476,022	1,648,901
Total non-current liabilities		1,208,118	2,582,066	476,022	1,665,358
Current liabilities					
Trade and other payables	29	11,779,019	6,274,828	1,889,060	1,740,496
Current tax liabilities	16.3	910,941	654,525	139,241	129,329
Current portion of deferred income	30.1	134,285	608,969	-	-
Current portion of long term loan	31.2	824,531	278,229	824,531	-
Total current liabilities		13,648,776	7,816,551	2,852,832	1,869,825
Total liabilities		14,856,894	10,398,617	3,328,854	3,535,183
Equity					
Ordinary shares	32.1	4,500,000	2,348,030	4,500,000	2,348,030
Share premium	32.2	5,380,809	35,008	5,380,809	35,008
Loss sustained	33	(1,268,335)	(1,788,976)	537,213	144,929
Other reserves:					
- Capital reserve	34	145,522	145,522	-	-
- Assets revaluation reserve	35	4,755,307	4,755,307	1,463,364	1,463,364
- FairValue reserve	36	156	156	-	-
		13,513,459	5,495,047	11,881,386	3,991,331
Non-controlling interest	37	6,008,037	4,498,278	-	-
Total equity		19,521,496	9,993,325	11,881,386	3,991,331
Total liabilities and equity		34,378,390	20,391,942	15,210,240	7,526,514

These consolidated and separate financial statements were approved by the Board of Directors on **27 March 2026** signed on its behalf by:



Sir. Demola Aladekomo
Chairman
FRC/2013/NCE/00000004336



Mrs. Mayowa Olaniyan
Group Managing Director
FRC/2013/ICAN/00000004330



Mr Adeoye Onaderu
Group Chief Financial Officer
FRC/2017/ICAN/00000016886

The accompanying notes and significant accounting policies form an integral part of these consolidated and separate financial statements.

CHAMS HOLDING COMPANY PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

Group	Share capital N'000	Share premium N'000	Loss sustained N'000	Capital reserve N'000	Revaluation reserve N'000	FairValue reserve N'000	Non- controlling interest N'000	Total equity N'000
At 1 January 2024	2,348,030	35,008	(2,263,209)	145,522	4,755,307	-	4,581,456	9,602,114
Changes in equity for the year:								
Profit for the year	-	-	474,233	-	-	-	(83,178)	391,055
Other comprehensive income:								
Fair value gain in the year	-	-	-	-	-	156	-	156
Total comprehensive income for the year	-	-	474,233	-	-	156	(83,178)	391,211
Transactions with owners:								
New shares issued during the year	-	-	-	-	-	-	-	-
At 31 December 2024	2,348,030	35,008	(1,788,976)	145,522	4,755,307	156	4,498,278	9,993,325
At 1 January 2025	2,348,030	35,008	(1,788,976)	145,522	4,755,307	156	4,498,278	9,993,325
Changes in equity for the year								
Profit/(loss) for the period	-	-	520,640	-	-	-	(103,548)	417,093
Other comprehensive income:								
Fair Value gain in the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	520,640	-	-	-	(103,548)	417,093
Transactions with owners								
Cost of control	2,151,970	5,345,801	-	-	-	-	1,613,306	9,111,077
	2,151,970	5,345,801	-	-	-	-	1,613,306	9,111,077
At 31 December 2025	4,500,000	5,380,809	(1,268,335)	145,522	4,755,307	156	6,008,037	19,521,495

The accompanying notes and significant accounting policies form an integral part of these consolidated and separate financial statements.

CHAMS HOLDING COMPANY PLC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital N'000	Share premium N'000	Loss sustained N'000	Revaluation reserve N'000	FairValue reserve N'000	Total equity N'000
Company						
At 1 January 2024	2,348,030	35,008	(84,787)	1,463,364	-	3,761,615
Changes in equity for the year:						
Profit for the year	-	-	229,716	-	-	229,716
Other comprehensive income:						
FairValue gain in the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	229,716	-	-	229,716
Transactions with owners:						
New shares issued during the year	-	-	-	-	-	-
	-	-	-	-	-	-
At 31 December 2024	2,348,030	35,008	144,929	1,463,364	-	3,991,331
At 1 January 2025	2,348,030	35,008	144,929	1,463,364	-	3,991,331
Changes in equity for the year:						
Profit for the year	-	-	392,284	-	-	392,284
Other comprehensive income:						
Total comprehensive income for the year	-	-	392,284	-	-	392,284
Transactions with owners:						
	2,151,970	5,345,801	-	-	-	7,497,771
At 31 December 2025	4,500,000	5,380,809	537,213	1,463,364	-	11,881,386

The accompanying notes and significant accounting policies form an integral part of these consolidated and separate financial statements.

CHAMS HOLDING COMPANY PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group		Company	
		2025 N'000	2024 N'000	2025 N'000	2024 N'000
Cash flows from operating activities					
Profit after tax		417,093	391,055	392,284	229,716
Adjustment for:					
Depreciation of property, plant and equipment	19	170,531	144,446	13,486	12,193
Depreciation of right-of-use-assets	18	6,500	3,300	-	-
Amortisation of intangible assets	21	(189,396)	9,015	(198,566)	-
Transfer from Argone to Access		-	(58,510)	-	-
Impairment charge on trade and other receivables	27	1,577	732,273	-	90,423
Adjustment to non controlling interest	37	1,509,759	-	-	-
Write off trade receivables		(241,560)	(79,253)	47	(66,206)
Other movement in trade and other receivables	27	(141,131)	(43,895)	-	-
Profit on disposal of property, plant and equipment	8	-	(4,450)	(710)	(3,730)
Interest income	14.1	(332,452)	(48,489)	(314,340)	-
Fair value gain		(1,257)	-	-	-
Finance cost	14.2	896,337	363,444	585,277	250,987
Tax expense	16.3	389,671	465,679	(22,372)	(125,236)
		2,486,928	1,874,615	455,106	388,147
Changes in operating assets and liabilities					
Decrease in Inventories	26	44,399	1,891,644	-	-
Increase in trade and other receivables	27	(8,066,552)	(2,347,375)	(1,911,561)	(829,791)
Increase/(decrease) in deferred income	30	(474,684)	534,233	-	-
(decrease)/Increase in trade and other payables	29	5,500,874	(1,125,778)	148,569	(38,181)
Tax paid	16.3	(153,096)	(197,588)	(6,338)	(9,282)
Net cash (used in)/from operating activities		(662,131)	629,751	(1,314,225)	(489,107)
Cash flows from investing activities					
Purchase of right-of-use assets		-	-	-	-
Proceeds from sale of property, plant and equipment		10,706	4,450	710	3,730
Purchase of property, plant and equipment		(108,424)	(752,514)	(9,793)	(5,759)
Acquisition of intangible assets		54,390	(27,114)	198,566	-
Investment in Joint Ventures		-	17,375	-	-
Financial asset fair value through profit or loss		1,257	(10,873)	-	-
Purchase of land		-	(1,325,000)	-	-
Interest income		332,452	48,489	314,340	-
Net cash (used in)/from investing activities		290,381	(2,045,187)	503,823	(2,029)
Cash flows from financing activities					
Proceeds from loans and borrowings		-	1,798,265	-	500,000
Repayment of loans and borrowings		(1,353,303)	(649,133)	(1,758,156)	44,569
Additional investment in convertible loan stock		(1,106,669)	-	(1,106,669)	-
Ordinary shares		2,151,970	-	2,151,970	-
Share premium		5,345,801	-	5,345,801	-
Finance cost		(896,337)	(363,444)	-	-
Net cash from/(used in) financing activities		4,141,462	785,688	4,632,946	544,569
Decrease/(increase) in cash and cash equivalents		3,769,712	(629,748)	3,822,544	53,433
Cash and cash equivalents at the beginning of the year		1,282,887	1,912,635	40,153	(13,280)
Cash and cash equivalents at the end of the year	28.1	5,052,599	1,282,887	3,862,697	40,153

The accompanying notes are an integral part of these consolidated financial statements.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. History of the Company and nature of operations

Chams Plc (The Company) was incorporated as a limited liability Company on 10 September 1985 and became a public Company on 4 September 2008. The Company was listed on the floor of the Nigerian Stock Exchange on 8 September 2008. The principal activities of Chams Plc and its subsidiaries (the Group) include identity management, payment collections and transactional systems. The Company's registered office is located at 8, Louis Solomon Close, Victoria Island, Lagos. By special resolution of the board of director dated on 12th May, 2022, the Company changed its initial name from "Chams Plc " to Chams Holding Company Plc".

2. Basis of preparation

a. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the consolidated and Separate financial statements are set out in note 5. The policies have been consistently applied to all the years presented, unless otherwise stated.

b. Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and the requirements of the Companies and Allied Matters Act, 2020.

c. Going concern status

The financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as at when they fall due. There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity. Management is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements.

d. Basis of measurement

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 27 March 2026

The consolidated and separate financial statements have been prepared on the historical cost basis except for revalued property, plant and equipment.

d. Functional and presentation currency.

These consolidated and separate financial statements are presented in Naira, which is the Group's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

e. Use of estimates and judgement

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. Areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3. Adoption of new and revised standards

3.1 New and amended IFRS Standards that are effective for the current year

In the current year, the Company has applied a number of amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Amendments to IFRS 3 Business Combinations — Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets — Onerous Contracts — Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract

The amendments specify that the cost of fulfilling a contract comprises the costs that relates directly to the contract. Cost that relates directly to a contract consists of both the incremental cost of fulfilling that contract. Examples would be direct labour or materials and allocation of other costs that relates directly to fulfilling the contract (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendment's. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other components of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendment in the future will have an impact on the Company's financial statements.

Annual Improvements to IFRS Standards 2018 - 2020 — Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The Annual Improvements include amendments to four Standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

3.2 New and revised IFRS Standards in issue but not yet effective (but allow early application) for the year ending 31 December 2022

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- IFRS 17 (including the June 2020 amendments to IFRS 17) - Insurance Contracts
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate OT Joint Venture
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

IFRS 17 Insurance contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 1 Presentation of Financial Statements — Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The Directors of the company do not anticipate that the application of the amendments in the future will have an impact on the company's financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements — Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty.

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error;
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

Amendments to IAS 12 Income Taxes — Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
- Right-of-use assets and lease liabilities;

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

- Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

4. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates are based on factors including historical experience and expectations of future events that management believes to be reasonable. However, given the judgemental nature of such estimates, actual results could be different from assumptions used. The estimates and assumptions that can have significant risks of causing material adjustments to the carrying amounts of assets and liabilities are set out below:

a. Power to exercise significant influence

When the Group holds less than 20% of voting rights in an investment but the Group has the power to exercise significant influence, such an investment is treated as an associate. Where the Group holds over 20% of voting rights (but not over 50%) and the Group does not exercise significant influence, the investment is treated as fair value through other comprehensive income.

b. Legal proceedings

In accordance with IFRS, the Group recognises a provision where there is a present obligation from a past event, a transfer of economic benefits is probable and the amount of cost of the transfer can be estimated reliably. In instances where the criteria are not met, a contingent liability may be disclosed in the notes to the financial statements. Application of these accounting principles to legal cases requires the Group's management to make determinations about various factual and legal matters beyond control. The Group reviews outstanding legal cases following developments in the legal proceedings and at each reporting date in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinion or views of legal advisers, experience on similar cases and any decision of the Group's management as to how it will respond to the litigation, claims or assessment.

c. Income and deferred taxation

Chams Plc and its subsidiary Companies annually incur significant amounts of income taxes payable and also recognises significant changes to deferred tax assets and liabilities, all of which are based on management's interpretations of applicable laws and regulations.

The quality of these estimates is highly dependent upon management's ability to properly at times and all apply a complex set of rules, to recognise changes in applicable rules and in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

d. Impairment of property, plant and equipment and intangible assets

The Group assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount.

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Frequently, the recoverable amount of an asset proves to be the Group's estimated value in use. The estimated future cash flows applied are based on reasonable and supportable assumptions and present management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

5. Significant accounting policies

(i) Foreign currency translation

In preparing the financial statements of the Group, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency differences on loans and other borrowings are recognised as finance income and expenses. Other foreign currency differences as a result of transactions are recognised in the related items within the operating results.

(ii) Revenue recognition

Performance obligation and timing of revenue recognition

Revenue is derived from the sales of various product lines which span across delivery of business solution, biometric data capture, e-voting platform, business process outsourcing, contract and supplies. Revenue is recognised at a point in time when control of services has transferred to the customer as evidenced by the Job Completion and Acceptance Certificate.

There is limited judgement needed in identifying the point control passes:

- a) Once delivery of service to agreed location or client have occurred.
- b) The customer has accepted the services being delivered as evidenced with a Job Acceptance/delivery or Completion Certificate.
- c) The entity has a present right to receive payment from the customer as signed by parties to the contract in the agreement, memorandum of understanding or invoice.
- d) Retains none of the significant risks and rewards of the service or goods in question.

Determining the transaction price

The Group provides applications developed to fit into the specific need of client and prices are fixed per client per service rendered, therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. Exceptions are as follows:

Where transaction is done in large volume like in the case of ConfirmMe price can be varied through discounts depending on the volume of transaction. Commission is also earned from continuous transactions by client.

Allocating amounts to performance obligations

All prices have been allocated to each performance obligation identified in the contract on a relative stand-alone selling price basis. Chams only provide services, so each service is invoiced in accordance with agreement signed and the price agreed with the customer. Therefore, there is no judgement involved in allocating contract price to performance obligations (all performance obligations are capable of being, and are, sold separately).

Incremental costs of obtaining contracts and costs to fulfilling contracts

The Group does not incur significant costs in obtaining contracts (e.g., Administration costs related to the tender process). Also the Group is not expected to recover those costs. The costs to fulfil the contracts comprises the cost of application developed, hardware and the installation and other deliverable costs are charged separately to a customer.

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(iii) Finance costs and finance income

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss where the Group holds such financial assets and impairment losses recognised on financial assets (other than trade receivables). Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss.

Finance income comprises interest income on short-term deposits with bank, dividend income, changes in the fair value of financial assets at fair value through profit or loss and foreign exchange gains.

(iv) Basis of consolidation

Where the Group has control over an investee, it is classified as a subsidiary. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Group has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de facto control exists the Group considers all relevant facts and circumstances, including:

- The size of The Group's voting rights relative to both The size and dispersion of other parties who hold voting rights.
- Substantive potential voting rights held by The group and by other parties
- Other contractual arrangements
- Historic patterns in voting attendance.

The consolidated financial statements present the results of the Group and its subsidiaries ("the Group") as if they formed a single entity. Intergroup transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated and separate statement of profit or loss and other comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

a. Associates

When the Group has the power to participate in (but not control) the financial and operating policy decisions of another entity, it is classified as an associate. Associates are initially recognised in the consolidated statement of financial position at cost. The Group's share of post-acquisition profits and losses is recognised in the consolidated and separate statement of profit or loss and other comprehensive income except that, losses in excess of the Group's investment in the associate are not recognised unless there is obligation to make good those losses.

Profit and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investor's interest in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associates.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in the associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

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b. Joint venture

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control; that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

The Group reports its interests in jointly controlled entities using the equity method, which involves recognition in the consolidated income statement of Chams Plc's share of the net results of the joint ventures for the year. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group. Chams Plc's interest in a joint venture is carried in the statement of financial position at its share in the net assets of the joint venture together with goodwill paid on acquisition, less any impairment loss. When the share in the losses exceeds the carrying amount of an equity-accounted Group (including any other receivables forming part of the net investment in the Group), the carrying amount is written down to nil and recognition of further losses is discontinued, unless we have incurred legal or constructive obligations relating to the Group in question.

(v) Segment reporting

An operating segment is a component of an entity:

- a) That engages in business activities from which it may earn revenues and incur expenses (including inter group transactions).
- b) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segments and assess its performance; and
- c) For which discrete financial information is available.

The Group has three main business segments:

- Identity Management and solutions
- Payments, Collections and Transactional Systems
- ICT Training

Revenue and cost reporting are directly related to the segments. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers have been identified as the members of the management team including the Group Managing Director.

All reported revenue and related costs of each segment are reconciled

a. Identity management

- Chams Plc is a regional resource centre for identification solutions for clients ranging from corporations, educational bodies to national government.

The Group's identity management activities will include Prometric's, biometrics identification with applications in the financial, healthcare, corporate and other public fields.

Under the Group Operations it provides identity management through its subsidiary companies such as:

• Card Centre Nigeria Limited

This is an operator of one of the world's largest card manufacturing and personalising factory. It also has Smart and Chip Card expertise engaging efficient and effective technologies for card personalisation, identity card enrolment logistic and access control.

b. Payments, collections and transactional systems

The payment systems involve building, developing and maintenance of ICT infrastructures across the nation through its companies by helping Nigeria move seamlessly with the world's trend of cashless economy. Under the Group Operations, it provides payment platforms through our subsidiary companies such as:

• ChamsAccess Limited

ChamsAccess Limited is a Leading Access and Technology Solutions Company focused on providing Customized Solutions that create instant value for our customers.

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• Cham Switch Limited

Set up to build an enabling infrastructure to ensure unimpeded expansion of all other E-payment initiatives of Chams Group.

• Chams Mobile Limited

Setting up mobile payment platforms that will allow users carry out transactions through their mobile phones. These transactions ranges from funds transfer and airtime top-up to balance enquiry etc.

c. All non-current assets under each segment are geographically analysed.

d. Others: Terminal and printers and recharge card aspect of Card Centre

Geographical location

The Group has presence in both Lagos and Abuja.

(vi) Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Freehold buildings are subsequently carried at fair value, based on year valuations by a professionally qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year. Changes in fair value are recognised in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognised in profit or loss.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives.

The expected useful lives of property, plant and equipment are as follows:

Leasehold Improvement	Over the shorter of the useful life of the item
Building	50 years
Computers and other IT equipment	4 years
Office equipment	4 years
Furniture and fittings	4 years
Plant and machineries	7 years
Motor vehicles	4 years
IT Software	5 years

At the date of revaluation, the accumulated depreciation on the revalued freehold property is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The excess depreciation on revalued freehold buildings, over the amount that would have been charged on a historical cost basis, is transferred from the revaluation reserve to retained earnings when freehold buildings are expensed through the consolidated and separate statement of profit or loss and other comprehensive income (e.g. through depreciation, impairment). On disposal of the asset the balance of the revaluation reserve is transferred to retained earnings.

Derecognition

An item of property, plant and equipment is derecognised on disposal when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit and loss in the year the asset is derecognised.

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At each statement of financial position date, the Group assesses whether there is any indication that an asset may be impaired. If any of such exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest generating unit to which the asset belongs.

If there is an indication that an asset is impaired, the carrying amount of the asset is reduced to its recoverable amount.

Impairment losses are recognised immediately in the income statement.

(vii) Leases

Leases in which substantially all the risks and rewards incidental to the ownership of the leased asset have been transferred to the Group (a finance lease), the asset is treated as if it has been purchased outright. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. The interest element of the lease is charged to the consolidated statement of comprehensive income over the year of the lease. Leases other than finance lease are operating lease and are not recognised as assets in the books. Lease expenses are charged to the statement of profit or loss and other comprehensive income.

(viii) Intangible assets

Internally generated intangible assets primarily comprised internally developed software. Such software as well as other internally generated assets for internal use are valued at cost and amortised over their useful lives. Impairments are recorded if the carrying amount of the asset exceeds the recoverable amount.

Development costs include, in addition to those costs attributable to the development of the asset, an appropriate proportion of overhead costs. Borrowing costs are capitalised to the extent that they are material and related to the year over which the asset is generated. The estimated useful life of software is 10 years which is assessed for impairment every year.

Naira.com is a software that was internally developed by the Group. It is an internet-based payment solution platform with an indefinite life. The software will not be subjected to annual amortisation but will be reviewed for an impairment on an annual basis. The software which was initially recognised at cost will be subsequently carried at the revalued amount. The revaluation will be carried out at intervals of every three years.

(ix) Inventory

Inventories are stated at the lower of cost and net realisable value. Inventories include Scanner and Computers for biometric data capture and varsity books for training and are stated at cost, which is arrived at using the average cost method. Net realisable value is the estimated selling price in the ordinary course of business. Cost comprises purchase price and other incidental cost in bringing the inventory to the warehouse.

Write down on inventories of spare parts and consumables are calculated by comparing book value and probable net realizable value after a specific analysis of obsolescence of inventory.

(x) Financial Instruments

Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

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(xi) Classification of financial assets

The Group classifies its financial assets into one of the three categories as required by IFRS 9 depending on the purpose for the asset was acquired. These categories:

- Financial assets at amortised cost
- Fair value through profit or loss
- Fair value through other comprehensive income

Other than at amortised cost, the Group does not have any category of asset that can be measured at fair value through profit or loss and fair value through other comprehensive income.

(xii) At amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

(xiii) Trade receivables

Trade receivables arise principally from the provision of services to customers performed in the ordinary course of business.

They are generally due for settlement within 30 days and therefore are all classified as current.

(xiv) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group and collateral is not normally obtained. The non-current other receivables are due, and payments made within three years from the end of the reporting period.

(xv) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand and bank balances held with financial institutions.

(xvi) Impairment of financial assets

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

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Fair value through other comprehensive income

The Group has an investment in unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For these investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

(xvii) Prepayments

Prepayments are payments made in advance relating to the following year and are recognised and carried at original amount less amounts utilised in the statement of profit or loss and other comprehensive income.

(xviii) Financial liabilities

The Group classifies its financial liabilities into one of three categories, depending on the purpose for which the liability was acquired. The Group's accounting policy for each category is as follows:

a. Trade and other payables

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

b. Customer Deposits (Transit Account)

Advance payment from customer where performance obligation is not yet fulfilled, will be recognised as loan. Interest will be calculated at the ruling rate where performance obligation will be fulfilled after 12 months period.

c. Borrowings

Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any interest payable while the liability is outstanding.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in income statement.

(xiv) Borrowings costs

Borrowing costs are interest and other costs that the entity incurs in connection with the borrowing of funds. Borrowing costs on qualifying capital expenditure are capitalized while others are expensed.

(xv) Employee benefits

a. Short - term employee benefits

All short-term employee benefits payable within 12 months after service is rendered, the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a year should be recognized in that year.

All benefits that are due or outstanding as at the end of the year are accrued for.

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b. Defined contribution plans

The Group operates a defined contribution plan as stipulated in the Pension Reform Act, 2004. Under the defined contributory scheme, the Group contributes 10%, while its employees contribute 8% of their annual basic, housing and transport allowances to the scheme. Once the contributions have been paid, the Group retains no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan. The Group's obligations are recognised in the statements of comprehensive income as administrative expenses (employee benefits) when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available.

c. Termination benefits

Termination benefits would be recognized when and only when, the Group is demonstrably committed to either terminate the employment of an employee or group of employees before the normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Group shall recognize termination benefits as an expense when the Group is demonstrably committed with a detailed formal plan for the termination without realistic possibility of withdrawal.

(xvi) Income tax

Expenses on income tax comprise current and deferred tax. Current tax is the expected tax payable on taxable income or loss for the year, using tax rates enacted by the Government. Current tax assets and liabilities will be offset on the statement of financial position. Deferred tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividend by the Group are recognised at the same time as the liability to pay the related dividend is recognised.

(xvii) Share capital and share premium

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amount received over and above the par value of the shares issued are classified as 'share premium' in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Financial instruments issued by the Group are classified as equity only to extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments.

(xviii) Reserves

Reserves include all current and prior year retained earnings.

(xix) Dividends on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they become legally payable.

Interim dividends are deducted from equity when they are declared and no longer at the discretion of the shareholders. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

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(xx) Offsetting financial instruments

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

(xxi) Impairment of financial instruments

The Group assesses at the end of each reporting year whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

(xxii) Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required from the group and the amounts can be estimated reliably.

Timing or amounts of the outflow may still be uncertain.

Provisions are measured at the estimated amounts required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are discounted to their present values when the time value of money is material.

(xxiii) Related party transactions

Related parties include the related Companies, the directors and any employee who is able to exert significant influence on the operating policies of the Group. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

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The Group considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transactions with the Group, the transactions are disclosed separately as to the type of relationship that exists with the Group and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

Accounting classification and fair value of financial assets and liabilities

The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities:

	Carrying amount N'000	Amortised cost N'000	Fair value N'000	FairValue through OCI N'000
Group				
At 31 December 2025				
Financial assets				
Cash and cash equivalents	5,980,569	5,205,595	774,974	-
Investment in associates	75,000	-	75,000	-
Investment in Joint Ventures	-	-	-	-
Investment securities at fair value through other comprehensive income	100,000	-	-	100,000
Trade and other receivables	14,576,929	14,576,929	-	-
	<u>20,732,498</u>	<u>19,782,524</u>	<u>849,974</u>	<u>100,000</u>
Financial liabilities				
Trade and other payables	11,779,019	-	11,779,019	-
Long term loan	1,929,712	1,929,712	-	-
	<u>13,708,731</u>	<u>1,929,712</u>	<u>11,779,019</u>	<u>-</u>
At 31 December 2024				
Financial assets				
Cash and cash equivalents	1,561,007	2,162	1,558,845	-
Investment in associates	75,000	-	75,000	-
Investment securities at fair value through other comprehensive income	100,000	-	-	100,000
Trade and other receivables	6,129,263	6,129,263	-	-
	<u>7,865,270</u>	<u>6,131,425</u>	<u>1,633,845</u>	<u>100,000</u>
Financial liabilities				
Trade and other payables	6,274,828	-	6,274,828	-
Long term loan	2,736,713	2,736,713	-	-
	<u>9,011,541</u>	<u>2,736,713</u>	<u>6,274,828</u>	<u>-</u>

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	Carrying amount N'000	Amortised cost N'000	Fair value N'000	FairValue through OCI N'000
Company				
At 31 December 2025				
Financial assets				
Cash and cash equivalents	4,687,228	4,583,433	103,795	-
Investment in subsidiaries	4,214,991	-	4,214,991	-
Investment in associates	75,000	-	75,000	-
Investment securities at fair value through other comprehensive income	100,000	-	-	100,000
Trade and other receivables	3,388,442	3,388,442	-	-
	<u>12,465,661</u>	<u>7,971,875</u>	<u>4,393,786</u>	<u>100,000</u>
Financial liabilities				
Trade and other payables	1,889,060	-	1,889,060	-
Long term loan	1,300,553	1,300,553	-	-
	<u>3,189,613</u>	<u>1,300,553</u>	<u>1,889,060</u>	<u>-</u>
At 31 December 2024				
Financial assets				
Cash and cash equivalents	40,153	-	40,153	-
Investment in subsidiaries	4,214,991	-	4,214,991	-
Investment in associates	75,000	-	75,000	-
Investment securities at fair value through other comprehensive income	100,000	-	-	100,000
Trade and other receivables	1,476,932	1,476,932	-	-
	<u>5,907,076</u>	<u>1,476,932</u>	<u>4,330,144</u>	<u>100,000</u>
Financial liabilities				
Trade and other payables	1,740,496	-	1,740,496	-
Long term loan	1,648,901	1,648,901	-	-
	<u>3,389,397</u>	<u>1,648,901</u>	<u>1,740,496</u>	<u>-</u>

6. Financial Risk Management

The Group is exposed through its operations to the following risks:

- Reputational risk;
- Technology risk;
- Legal risk;
- Credit risk;
- Fair value or cash flow interest rate risk;
- Foreign exchange risk;
- Other market price risk; and
- Economic and government/political risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

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The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Investments in unquoted equity securities
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans
- Forward currency contracts

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives quarterly reports from the Financial Controller through which it reviews and monitors performance. The Group's internal auditors also review the risk management policies and processes and report their findings to the Audit Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is the Group's policy to assess the credit risk of new customers before signing contracts. Such credit ratings are taken into account by business practices.

The Finance Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered from the Finance Committee.

The Finance Committee determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, the Group ensures that substantial amount of the outstanding balance is paid before future credit sales are made to the customers.

Credit risk also arises from cash and cash equivalents with banks and financial institutions. For banks and financial institutions, the Group consider banks that have been approved by the Central Bank of Nigeria.

Cash in bank and short-term deposits

A significant amount of cash is held with the following institutions:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Providus Bank Plc	4,327	1,249,517	100	14,026
Zenith International Bank Plc	15,919	83,064	39	47
First Bank of Nigeria Limited	239,265	17,603	91	6,513
Access Bank Plc	59,733	33,572	-	4
United Bank for Africa Plc	72,076	28,813	12,559	131
Stanbic IBTC Bank	268	165	18	18
Guarantee Trust Bank	238,666	60,479	918	470
Sterling Bank Plc	441	1,045	-	12
Titan Trust Bank	2,519	2,193	-	-
Wema Bank	4,567	-	262	-
Others	43,722	82,503	15	18,932
	681,503	1,558,954	14,002	40,153
Short term	5,205,595	-	4,583,433	-
	5,887,098	1,558,954	4,597,435	40,153

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The Finance Committee monitors the utilisation of the credit limits regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

Market risk

Market risk arises from the Group's use of tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (currency risk) or other market factors (other price risk).

Fair value and cash flow interest rate risk

The Group is exposed to cash flow interest rate from borrowings at floating rate. It is currently Group policy that all existing floating rate borrowings are restructured to fixed rates in order to mitigate against frequent fluctuation in interest rate. This policy is managed across the Group by individual treasury units. Although the board accepts that this policy neither protects the Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

During 2025 and 2024, the Group's borrowings at variable rate were denominated in Naira.

The Group analyses the interest rate exposure on a quarterly basis. A sensitivity analysis is performed by applying a simulation technique to the liabilities that represent major interest-bearing positions.

Based on the various scenarios the Group then manages "its cash-flow" interest rate risk by changing from using floating-to fixed interest rate.

Foreign exchange risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

In order to monitor the continuing effectiveness of this policy, the Board receives a monthly forecast, analysed by the major currencies held by the Group, of liabilities due for settlement and expected cash reserves.

The Group is currently not exposed to foreign exchange risk as it does not have any liability to be settled in foreign currency.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a year of at least 45 days. The Group also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on a portion of its long-term borrowing.

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The Board receives rolling 12-month cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial year, these projections indicate that the Group is expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to seek for overdraft facilities. The Group currently maintain a "no borrowing Philosophy".

The liquidity risk of each entity is managed by the treasury function within the entity. To ensure efficiency in liquidity management, the treasury unit manages the funds for each project within the Group. Projects within each entity are seen as being self-funding.

The following table sets out the contractual maturities (representing undiscounted contractual cash- flows) of financial liabilities.

	Below 1 year N'000	Between 1 to 2 years N'000	Above 3 years N'000	Total N'000
Group				
At 31 December 2025				
Financial liabilities				
Trade and other payables	11,779,019	-	-	11,779,019
Long term loan	-	1,105,181	-	1,105,181
	<u>11,779,019</u>	<u>1,105,181</u>	<u>-</u>	<u>12,884,200</u>
At 31 December 2024				
Financial liabilities				
Trade and other payables	6,274,828	-	-	6,274,828
Long term loan	278,229	2,458,484	-	2,736,713
	<u>6,553,057</u>	<u>2,458,484</u>	<u>-</u>	<u>9,011,541</u>
Company				
At 31 December 2025				
Financial liabilities				
Trade and other payables	1,889,060	-	-	1,889,060
Long term loan	-	476,022	-	476,022
	<u>1,889,060</u>	<u>476,022</u>	<u>-</u>	<u>2,365,082</u>
At 31 December 2024				
Financial liabilities				
Trade and other payables	1,740,496	-	-	1,740,496
Long term loan	-	1,648,901	-	1,648,901
	<u>1,740,496</u>	<u>1,648,901</u>	<u>-</u>	<u>3,389,397</u>

Capital Disclosures

The Group monitors "adjusted capital" which comprises all components of equity (i.e. share capital share premium, noncontrolling interest, retained earnings, and revaluation reserves).

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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Consistent with others in the industry, the Group monitors capital on the basis of the debt to adjusted capital ratio. This ratio is calculated as net debt to adjusted capital as defined above. Net debt is calculated as total debt (as shown in the consolidated statement of financial position) less cash and cash equivalents.

The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating. The debt-to-adjusted-capital ratios at 31 December 2025 and at 31 December 2024 were as follows:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Loans and borrowings	1,929,712	2,736,713	1,300,553	1,648,901
Cash and cash equivalents	(5,980,569)	(1,561,007)	(4,687,228)	(40,153)
Net debt	(4,050,857)	1,175,706	(3,386,675)	1,608,748
Total equity	19,521,496	9,993,325	11,881,386	3,991,331
Total adjusted capital	19,521,496	9,993,325	11,881,386	3,991,331
Debt to adjusted capital ratio (%)	-21%	12%	-29%	40%

The increase in the debt to adjusted capital ratio during 2025 resulted primarily from the increase in equity when compared with 2024.

7. Revenue and costs of sales

7.1 Revenue from contract with customers

The following is an analysis of the Group's and Company's revenue for the year from continuing operations (excluding investment and other income).

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
7.1.1 Product line Categories				
Card & Sim production	5,798,067	6,446,693	-	-
Chams core	6,423,996	2,534,265	-	-
New and membership solution	2,716,959	3,015,202	-	-
E- voting	49,023	24,325	-	-
BVN sales and maintenance	12,048	69,213	-	-
Printer products	1,595,044	843,707	-	-
Identity cards	101,573	30,041	-	-
Payment Gateway Fee	4,657	201,182	-	-
Virtual Airtime Fee	46,274	38,302	-	-
Access control	44,148	295,727	-	-
Pension Central	21,520	11,082	-	-
Cyber security & Infrastructure	825,785	950,030	-	-
Sales-Logistics	741	312	-	-
HR and payroll services	-	362,192	-	-
Kegow	12,995	9,115	-	-
I'm Alive	1,426	9,048	-	-
Bulk SMS	13	7	-	-
Total revenue	17,654,269	14,841,373	-	-

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
7.2. Costs of sales				
Card & Sim production	4,250,469	4,883,022	-	-
Chams core	5,152,001	2,295,136	-	-
New and membership solution	2,591,259	2,309,762	-	-
E- voting	10,379	-	-	-
BVN sales and maintenance	7,912	55,375	-	-
Identity cards	83,191	26,617	-	-
Managed service evolving	1,250	69,649	-	-
Virtual Airtime Fee	27,198	35,566	-	-
Single Funds Transfer Fee & bills	-	-	-	-
Access control	20,828	105,053	-	-
E-Value Fee	-	-	-	-
Cybersecurity	441,238	-	-	-
Pension Central	7,288	2,347	-	-
Printer products	1,286,521	475,092	-	-
Labour registry/artisan bluwox	-	1,051	-	-
HR and payroll services	-	202,655	-	-
Kegow	12,318	8,380	-	-
I'm Alive	2,713	13,179	-	-
Bulk SMS	-	-	-	-
Other direct costs	-	602	-	-
Total costs of sales	13,894,565	10,483,486	-	-
Gross profit	3,759,704	4,357,887	-	-
Gross margin	21%	29%	0%	0%

7.3. Segment Information

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on both the types of goods or services delivered or provided and the market where the goods or services are delivered or provided. The Group's reportable segments under IFRS 8 are therefore as follows:

Biometric Devices sale & Printer and consumables sales	- Biometric and computer devices
Kegow&Alive	- Payment platform & pension verification
Access control & Pension central	- Membership subscriptions and pension central
E- voting	- Transactional systems.
New Solutions	- Information technology products and solution
BVN Sales and Maintenance	- BVN Sales and Maintenance management
Card & Sim production	- Card & Sim production
Identity cards	- Identity cards management
Virtual Airtime & Payment gateway fees	- Virtual Airtime & Payment gateway fees
Cyber security & Infrastructure	- Cyber security & Infrastructure

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

7.3.1 Business segment - 2025

Revenue and results	Biometric Devices sale & Printer and consumables sales N'000	New Solutions N'000	Virtual Airtime & Payment gateway fees N'000	E-voting N'000	Kegow&A live N'000	BVN Sales and Maintenance N'000	Card & Sim production N'000	Identity cards N'000	Access control & Pension central N'000	Cyber security & Infrastructure N'000	Total N'000
Gross segment revenue	8,019,040	2,716,959	50,944	49,023	14,421	12,048	5,798,067	102,314	65,668	825,785	17,654,269
Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-
Total revenue	8,019,040	2,716,959	50,944	49,023	14,421	12,048	5,798,067	102,314	65,668	825,785	17,654,269
Other income	-	(1,856)	10,422	-	-	11,461	122,878	-	136	296,155	439,196
Less: Costs of sales											
Material	-	-	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-	-	-
Depreciation - direct	-	-	-	-	-	-	-	-	-	-	-
Depreciation- apportioned	-	-	-	-	-	-	-	-	-	-	-
Finance lease charges	-	-	-	-	-	-	-	-	-	-	-
Operating lease charges	-	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-	-
Other direct overheads	6,879,760	2,591,260	28,448	10,379	15,032	7,912	4,250,470	83,191	28,116	-	13,866,452
Contribution to profit	1,139,280	123,843	32,918	38,644	- 611	15,597	1,670,475	19,127	37,688	1,121,940	4,198,901
Less: Apportioned costs											
Workshop charge	-	-	-	-	-	-	-	-	-	-	-
General administration	(1,227,310)	-	(518,518)	-	603,769	-	(1,356,002)	-	(28,279)	(865,796)	(3,392,137)
Profit before taxation	(88,030)	123,843	(485,600)	38,644	603,158	15,597	314,473	19,127	9,409	256,144	806,764

There was no intersegment transaction as all revenue generated above was from external customers.

The accounting policies of the reportable segments are the same as the company's accounting policies described in note 3. Segment profit represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other operating income as well as finance costs.

This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

7.3.1 Business segment - 2024

Revenue and results	Business process outsourcing N'000	Chams core N'000	Membership N'000	E- voting N'000	Confirm me N'000	BVN Sales and Maintenance N'000	Data card products Supply of Cards N'000	Identity cards N'000	HR and payroll services N'000	Managed service Evolving, Switching service income and others N'000	Total N'000
Gross segment revenue	6,446,693	2,534,265	2,992,631	24,325	-	69,213	843,707	362,192	-	1,480,580	14,753,606
Intersegment revenue	-	-	-	-	-	-	30,041	-	-	38,302	68,343
Total revenue	6,446,693	2,534,265	2,992,631	24,325	-	69,213	873,748	362,192	-	2,044,315	14,841,373
Other income	-	2,572	-	-	-	-	2,773	-	3,054	15,562	23,961
Less: Direct costs											
Material	-	-	-	-	-	-	-	-	-	(10,483,486)	(10,483,486)
Salaries and wages	-	-	-	-	-	-	-	-	-	-	-
Depreciation - direct	-	-	-	-	-	-	-	-	-	-	-
Depreciation- apportioned	-	-	-	-	-	-	-	-	-	-	-
Finance lease charges	-	-	-	-	-	-	-	-	-	-	-
Operating lease charges	-	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-	-
Other direct overheads	-	-	-	-	-	-	-	-	-	-	-
Contribution to profit	6,446,693	3,915,490	4,497,186	24,325	-	69,213	1,518,427	362,192	3,054	2,059,877	4,381,848
Less: Apportioned costs											
Workshop charge	-	-	-	-	-	-	-	-	-	-	-
General administration	-	(1,378,653)	(1,504,555)	-	-	-	(641,906)	-	-	-	(3,525,114)
Loss before taxation	6,446,693	2,536,837	2,992,631	24,325	-	69,213	876,521	362,192	3,054	2,059,877	856,734

There was no intersegment transaction as all revenue generated above was from external customers.

The accounting policies of the reportable segments are the same as the company's accounting policies described in note 3. Segment profit represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other operating income as well as finance costs.

This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

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	2025			2024		
	Nigeria N'000	Other Countries N'000	Total N'000	Nigeria N'000	Other Countries N'000	Total N'000
7.4 Business and geographical segment						
Revenue and other income	18,093,465	-	18,093,465	14,865,334	-	14,865,334
Profits before interest and tax	1,370,649	-	1,370,649	1,171,689	-	1,171,689
Interest income	332,452	-	332,452	48,489	-	48,489
Finance cost	(896,337)	-	(896,337)	(363,444)	-	(363,444)
Income tax expense or income	(389,671)	-	(389,671)	(465,679)	-	(465,679)
Segment assets	34,378,390	-	34,378,390	20,391,942	-	20,391,942

7.5 Segment assets and liabilities

All assets and liabilities are jointly used by the reportable segments.

Impairment loss on land and other items of property, plant and equipment 86 million does not relate specifically to any of the segments of the business

7.6 Information about major customers

There are no customers that represent more than 10% of the total revenue of any of the reported segments.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
8. Other operating income				
Rental Income (Note 8.1)	-	-	78,000	74,000
Profit on disposal of property, plant and equipment	-	4,450	710	3,730
Dividend received	136	1,279	-	-
Exchange Gain	2,843	3,989	-	-
Provision write back (Note 8.3)	422,506	-	-	-
Group contribution (Note 8.2)	-	-	907,000	841,900
Miscellaneous income	13,712	14,243	-	-
	439,196	23,961	985,710	919,630

8.1. The rental income is earned on some part of the floor space of the company's Head Office which is leased out to its subsidiaries and some other companies. This has been fully eliminated on consolidation.

8.2. This represent payment made by subsidiaries as a result of professional services rendered by the Holding Company

8.3. This represent impairment write back from ChamsAccess and Card Centre during the year

9. Selling and marketing expenses

Branding and media advertisement	9,402	3,308	11,004	-
Marketing and promotion	105,716	258,992	802	5,154
	115,118	262,300	11,806	5,154

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
10. Employees and other related expenses				
Salaries ,wages, allowances and benefits	1,082,582	880,698	121,685	123,586
Pension contributions (Note 28.2.1)	81,110	32,346	47,327	8,411
Staff Medical and Recruitment	29,052	25,857	-	-
Other staff costs	148,518	155,844	5,854	78,118
	<u>1,341,262</u>	<u>1,094,745</u>	<u>174,867</u>	<u>210,115</u>
11. Depreciation and amortisation expenses				
Depreciation expenses:				
11.1.Property, plant and equipment				
Building	10,004	10,006	10,004	10,006
Furniture and fittings	9,049	12,193	171	2,006
Computer equipment	36,712	29,404	2,095	181
Equipment	18,836	22,212	1,215	-
Motor vehicles	31,321	15,765	-	-
Plant and machinery	64,764	60,026	-	-
11.2.Right-of-use- assets				
Right-of-use- assets	6,500	1,164	-	-
12. Amortisation expenses:				
Software development	9,171	13,171	-	-
	<u>186,358</u>	<u>163,941</u>	<u>13,485</u>	<u>12,193</u>
13. Administrative expenses				
Director fees and expenses	53,750	24,187	38,425	13,300
Repairs and maintenance	70,686	57,677	5,343	4,073
Bank charges	19,064	33,276	1,847	16,793
Insurance expenses	8,666	8,920	-	-
Gift and donations	37,057	26,200	2,900	13,184
Printings and stationeries	12,944	13,540	591	2,035
Legal and professional charges	115,692	243,726	17,733	144,481
Audit fees	22,189	18,000	5,600	4,054
Transport expenses, travelling and freight expenses	81,300	51,248	6,933	11,571
Entertainment expenses	24,479	21,885	1,317	544
Telephone, postage and Carriage	15,897	10,950	1,877	810
Rents and rates	5,321	106,284	889	3,171
Electricity and power	109,957	11,332	5,102	196
Computer and Internet expenses	195,053	59,706	1,879	1,479
Subscriptions	33,699	27,611	10,658	19,108
Transport	12,978	6,877	1,928	1,004
Rent allowance	21,709	-	9,709	-
Investment committee allowance	6,000	-	6,000	-
Anniversary expenses	12,430	-	12,430	-
Cleaning expenses	6,078	4,671	4,425	6,452
Impairment loss (write back)/charge on financial assets:				
Impairment loss charge on trade receivable (Note 27.3)	-	523,454	-	-
Impairment loss charge on other receivable (Note 25.4)	1,577	208,819	-	90,423
Intangible assets written off (Note 21)	-	20,760	-	-
Exchange loss	7,782	210,050	748	589
Loss on disposal of assets	8,896	-	-	-
Shared expense	250,000	-	-	-
Miscellaneous expenses	52,309	-	8,370	3,434
	<u>1,185,513</u>	<u>1,689,173</u>	<u>144,704</u>	<u>336,701</u>

13.1 Provision of non-audit services

The Firm did not provide any non-audit services to the Company during the year under review.

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	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
14. Net interest expense				
14.1. Interest income:				
Finance Income (Bank deposits calculated using effective Interest rate method)	332,452	48,489	314,340	-
14.2 Finance costs				
Interest expenses:				
Interest on bank loans calculated using effective Interest rate methods				
Bank loans	(896,337)	(363,444)	(585,277)	250,987
Net interest expense	(563,885)	(314,955)	(270,937)	250,987
15. Profit for the year is arrived at after charging:				
Directors' remuneration	53,750	24,187	38,425	13,300
Auditors' remuneration	22,189	18,000	5,600	4,054
Depreciation property, plant and equipment	170,687	149,605	13,485	12,193
Depreciation right-of-use assets	6,500	1,164	-	-
Amortisation of intangible assets	9,171	13,171	-	-
16. Taxation				
16.1. Income tax recognised in profit or loss				
Current tax				
Current tax expense in respect of the current year:				
Income tax/minimum tax	351,342	424,161	-	7,366
Development levy	58,170	60,209	16,250	6,345
Information Technology tax	-	11,508	-	1,045
Police fund level	-	2,287	-	5
National Agency for Scheme & Engineering Under/(over) provision	-	341	-	-
	-	45	-	-
	409,512	498,551	16,250	14,761
Deferred tax write back (Note 16.4)	(19,841)	(32,872)	(38,622)	(139,997)
Total income tax expense recognised in current year for continuing operations	389,671	465,679	(22,372)	(125,236)

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16.1.a. Corporation tax is calculated at 30 per cent (2024: 30 per cent) of the estimated taxable profit for the year. The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21, LFN, 2021 as amended.

16.1.b. The charge for education tax of 3 per cent (2023: 3 per cent) is based on the provisions of the Education Tax Act, CAP E4, LFN, 2021.

16.2. Reconciliation of income tax expense for the year to the accounting profit as per profit or loss:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Profit before tax on continuing operations	806,764	856,734	369,912	104,480
Tax at the statutory corporation tax rate of 30% (2023: 30%)	242,029	257,020	110,973	31,344
Effect of:				
Effect of exempted income from taxation	-	-	-	-
Effect of exempted expenses from taxation	-	-	-	-
Effects of Minimum tax	351,342	424,161	-	7,366
Effects of education tax	58,170	60,209	16,250	6,345
Effects of information Technology tax	-	11,508	-	1,045
Effects of Police fund level	-	2,287	-	5
National Agency for Scheme & Engineering Under/(over) provision	-	341	-	-
Deferred tax writeback	-	45	-	-
	(19,841)	(32,872)	(38,622)	(139,997)
Income tax expense recognised in profit or loss for continuing operations	389,671	465,679	(22,372)	(125,236)
Effective rate (%)	-	1	-	(1)
16.3. Current tax liabilities				
At 1 January	654,525	353,903	129,329	123,850
Charge for the year (Note 16.1)	409,512	498,165	16,250	14,761
Payments during the year	(153,096)	(197,588)	(6,338)	(9,282)
Under provision	-	45	-	-
At 31 December	910,941	654,525	139,241	129,329

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
16.4. Deferred tax assets /(liabilities)				
Deferred tax liabilities/(assets)	<u>102,938</u>	<u>123,582</u>	<u>- 22,165</u>	<u>16,457</u>

16.4.1. Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax liabilities after offset presented in the Statement of Financial Position:

Group	At 1 January N'000	Recognise in net income N'000	Recognise in OCI N'000	Reclassify from equity to net income N'000	At 31 December N'000
At 31 December 2025					
Deferred tax liabilities in relation to:					
Property, plant & equipment	123,582	(20,644)	-	-	102,938
Provisions	-	-	-	-	-
Total	<u>123,582</u>	<u>(20,644)</u>	<u>-</u>	<u>-</u>	<u>102,938</u>
Deferred tax assets in relation to:					
Unutilised capital allowance	-	-	-	-	-
Write-off	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net deferred tax liabilities	<u>123,582</u>	<u>(20,644)</u>	<u>-</u>	<u>-</u>	<u>102,938</u>
At 31 December 2024					
Deferred tax liabilities in relation to:					
Property, plant & equipment	123,582	-	-	-	123,582
Provisions	-	-	-	-	-
Total	<u>123,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,582</u>
Deferred tax assets in relation to:					
Unutilised capital allowance	-	-	-	-	-
Write-off	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net deferred tax liabilities	<u>123,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,582</u>

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

16.4.1. Cont'd

	At 1 January N'000	Recognise in net income N'000	Recognise in OCI N'000	Reclassify from equity to net N'000	At 31 December N'000
Company					
At 31 December 2025					
Deferred tax liabilities/(assets) in relation to:					
Property, plant & equipment	16,457	(38,622)	-	-	(22,165)
Provisions	-	-	-	-	-
Total	16,457	(38,622)	-	-	(22,165)
Deferred tax assets in relation to:					
Unutilised capital allowance	-	-	-	-	-
Write-off	-	-	-	-	-
Total	-	-	-	-	-
Net deferred tax liabilities	16,457	(38,622)	-	-	(22,165)
At 31 December 2024					
Deferred tax liabilities in relation to:					
Property, plant & equipment	16,457	-	-	-	16,457
Provisions	-	-	-	-	-
Total	16,457	-	-	-	16,457
Deferred tax assets in relation to:					
Unutilised capital allowance	-	-	-	-	-
Write-off	-	-	-	-	-
Total	-	-	-	-	-
Net deferred tax liabilities	16,457	-	-	-	16,457

16.4.3. Deferred tax assets have not been recognised in respect of the above tax losses, unused tax credit and deductible temporary difference as it is not probable that the related deferred tax assets will be recovered in the near future and there are no other tax planning opportunities or other evidence of recoverability in the near future.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

17. Profit/(loss) per share

Profit/(loss) per share are calculated on the basis of profit/(loss) after taxation and the number of issued and fully paid ordinary shares of each financial year.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Profit/(loss) from continuing operations				
Profit/(loss) attributable to owners of the Group	520,640	474,233	392,284	229,716
Weighted average number of shares				
Number of ordinary shares for the purposes of basic earnings/(loss) per share	9,000,000	4,696,060	9,000,000	4,696,060
Number of ordinary shares for the purposes of diluted loss per share	9,000,000	4,696,060	9,000,000	4,696,060
Earnings/(loss) per share (Kobo) - Basic	5.78	10.10	4.36	4.89
Earnings/(loss) per share (Kobo) - Diluted	5.78	10.10	4.36	4.89

17.1. The denominators for the purposes of calculating both basic earnings/(loss) per share is based on issued and paid ordinary shares of 50 kobo each.

	2025 N'000	2024 N'000
18. Leases		
18.1. Right-of-use assets		
Shops in lease		
Cost:		
At 1 January	33,120	33,120
Additions	-	-
At 31 December	33,120	33,120
Accumulated depreciation:		
At 1 January	26,620	23,320
Charge in the period	6,500	3,300
At 31 December	33,120	26,620
Carrying amount	-	6,500
18.2. Lease liabilities		
At 1 January	-	-
Additions	10,680	10,680
Interest expense	(10,680)	(10,680)
At 31 December	-	-

CHAMS HOLDING COMPANY PLC

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19. Property, plant and equipment-Group	Land N'000	Building N'000	Motor Vehicles N'000	Furniture and fittings N'000	Computer equipment N'000	Office equipment N'000	Plant and machinery N'000	Total N'000
Cost or Valuation:								
At 1 January 2024	-	2,000,000	250,893	335,003	255,809	1,169,422	991,455	5,002,582
Additions	-	1,968	-	6,960	35,099	38,240	670,246	752,513
Reclassification (Note 19.2)	1,000,000	(1,000,000)	-	-	-	-	-	-
Disposal	-	-	(2,000)	-	-	-	-	(2,000)
At 31 December 2024	1,000,000	1,001,968	248,893	341,963	290,908	1,207,662	1,661,701	5,753,095
At 1 January 2025	1,000,000	1,001,968	248,893	341,963	290,908	1,207,662	1,661,701	5,753,095
Additions	-	-	-	175	14,542	15,804	77,903	108,424
Disposal	-	-	(24,470)	-	-	-	-	(24,470)
At 31 December 2025	1,000,000	1,001,968	224,423	342,138	305,450	1,223,466	1,739,604	5,837,049
Accumulated depreciation								
At 1 January 2024	-	377,999	139,893	313,169	199,981	1,143,565	504,019	2,678,626
Charge in the year	-	10,007	32,367	5,209	26,146	15,924	54,793	144,446
Disposal	-	-	(2,000)	-	-	-	-	(2,000)
At 31 December 2024	-	388,006	170,260	318,378	226,127	1,159,489	558,812	2,821,072
At 1 January 2025	-	388,006	170,260	318,378	226,127	1,159,489	558,812	2,821,072
Charge in the year	-	10,004	31,321	9,049	36,556	18,836	64,764	170,531
Disposal	-	-	(13,764)	-	-	-	-	13,764
At 31 December 2025	-	398,010	187,817	327,427	262,683	1,178,325	623,576	2,977,839
Carrying amount:								
At 31 December 2025	1,000,000	603,958	36,606	14,711	42,767	45,141	1,116,028	2,859,210
At 31 December 2024	1,000,000	613,962	78,633	23,585	64,781	48,173	1,102,889	2,932,023

19.1 The Group building was professionally valued by Jide Alabi & Co (Estate Surveyors and Valuers) as at 30 June 2022 on the basis of their open market values. The revised value of the properties was N2,000,000,000 resulting in a surplus on revaluation of N959,065,000 which has been credited to the property, plant and equipment revaluation account.

19.2 This represents reclassification of Land from Building

19.3 At 31 December 2025, the Company had none of its assets pledged as security (31 December 2024: Nil)

19.4 There were no amounts of contractual commitments for the acquisition of property, plant and equipment.

19.5 No impairment charge on property, plant and equipment during the year.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

19. Property, plant and equipment - Company	Land N'000	Building N'000	Motor Vehicles N'000	Furniture and fittings N'000	Computer equipments N'000	Office equipments N'000	Plant and machinery N'000	Total N'000
Cost or Valuation:								
At 1 January 2024	-	2,000,000	74,968	201,171	28,936	1,076,567	40,960	3,422,602
Additions	-	1,968	-	570	1,790	1,431	-	5,759
Reclassification (Note 19.2)	1,000,000	(1,000,000)	-	-	-	-	-	-
At 31 December 2024	1,000,000	1,001,968	74,968	201,741	30,726	1,077,998	40,960	3,428,361
At 1 January 2025	1,000,000	1,001,968	74,968	201,741	30,726	1,077,998	40,960	3,428,361
Additions	-	-	-	175	2,122	7,496	-	9,793
At 31 December 2025	1,000,000	1,001,968	74,968	201,916	32,848	1,085,494	40,960	3,438,154
Accumulated depreciation								
At 1 January 2024	-	377,999	74,968	201,171	25,065	1,076,567	40,960	1,796,730
Charge in the year	-	10,007	-	-	2,006	180	-	12,193
At 31 December 2024	-	388,006	74,968	201,171	27,071	1,076,747	40,960	1,808,923
At 1 January 2025	-	388,006	74,968	201,171	27,071	1,076,747	40,960	1,808,923
Charge in the year	-	10,004	-	171	2,095	1,216	-	13,486
At 31 December 2025	-	398,010	74,968	201,342	29,166	1,077,963	40,960	1,822,409
Carrying amount:								
At 31 December 2025	1,000,000	603,958	-	574	3,682	7,531	-	1,615,745
At 31 December 2024	1,000,000	613,962	-	570	3,655	1,251	-	1,619,438

19.1 The company building was professionally valued by Jide Alabi & Co. (Estate Surveyors and Valuers) as at 30 June 2022 on the basis of their open market values. The revised value of the properties was N2,000,000,000 resulting in a surplus on revaluation of N959,065,000 which has been credited to the property, plant and equipment revaluation account.

19.2 This represents reclassification of Land from Building.

19.3 At 31 December 2025, the Company had none of its assets pledged as security (31 December 2024: Nil).

19.4 The building was pledged as security for term loan and overdraft.

19.5 No impairment charge on property, plant and equipment during the period.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
20. Investment projects				
Chams Varsity (Note 20.2)	-	4,083	-	4,083
Chams Consortium (Note 20.3)	-	146,589	-	146,589
	-	150,672	-	150,672
Impairment allowance on defunct units	-	(150,672)	-	(150,672)
	-	-	-	-

20.1. Investment projects represent expenses incurred on behalf of Chams Varsity, Chams.Net and Chams Wallet divisions, and will be converted to shares when these divisions

20.2. Chams Varsity: a defunct division of Chams Plc established for training professionals on technical areas of Information technology. However, the unit is no longer in operation. Thus, full impairment has been made.

20.3. Chams Consortium: a defunct division of Chams Plc established for business advisory units with responsibility of prospecting for new contracts. However, the unit is no longer in operation. Thus, full impairment has been made.

20.4. Chams Mobile Limited: Setting up more mobile payment platforms that will allow users to carry out transactions through their mobile phones. These transactions range from funds transfer and airtime top-up to balance enquiry. However, the total expenditure till date has been capitalised and transferred to investment in subsidiaries.

20.5. Movement in Investment projects

Name of projects	At 1 Jan N'000	Additions N'000	Transferred to investment in subsidiaries N'000	At 31 Dec N'000
At 31 December 2025				
Chams Varsity	4,083	-	-	4,083
Chams Consortium	146,589	-	-	146,589
	150,672	-	-	150,672
31 December 2024				
Chams Varsity	4,083	-	-	4,083
Chams Consortium	146,589	-	-	146,589
	150,672	-	-	150,672

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21. Intangible assets - Group	Euro Master Verve Certificate N'000	Naira.com N'000	NCC Licences N'000	Konal Solution N'000	IT Software N'000	Software Development N'000	ODO software N'000	Work in progress N'000	Total N'000
Cost:									
At 1 January 2024	24,103	3,890,291	65,708	-	3,402,746	125,350	6,983	391,917	7,907,098
Additions-externally acquired	(24,103)	-	-	-	-	-	-	51,217	27,114
Revaluation surplus	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-	-
At 31 December 2024	-	3,890,291	65,708	-	3,402,746	125,350	6,983	443,134	7,934,212
At 1 January 2025	-	3,890,291	65,708	-	3,402,746	125,350	6,983	443,134	7,934,212
Additions-externally acquired	-	-	-	-	(72,216)	(125,350)	-	143,176	(54,390)
At 31 December 2025	-	3,890,291	65,708	-	3,330,530	-	6,983	586,310	7,879,822
Amortisation									
At 1 January 2024	332	-	992	-	429,597	125,350	3,055	-	559,326
Charge in the year	(332)	-	6,571	-	1,612	-	1,164	-	9,015
Reclassified	-	-	-	-	-	-	-	-	-
At 31 December 2024	-	-	7,563	-	431,209	125,350	4,219	-	568,341
At 1 January 2025	-	-	7,563	-	431,209	125,350	4,219	-	568,341
Charge in the year	-	-	6,571	-	(72,362)	(125,350)	1,745	-	(189,396)
Reclassified	-	-	-	-	-	-	-	-	-
At 31 December 2025	-	-	14,134	-	358,847	-	5,964	-	378,945
Carrying amount:									
At 31 December 2025	-	3,890,291	51,574	-	2,971,683	-	1,019	586,310	7,500,877
At 31 December 2024	-	3,890,291	58,145	-	2,971,537	-	2,764	443,134	7,365,871

20.1 Naira.com was independently valued by Meristem Capital Limited at 31 December 2021 to ascertain the open market value of the assets. The Valuer's opinion of the market value was primarily derived from historical financial information provided by the management of the Company, as contained in their annual financial statements from 2016 to 2020, Company's forecasts of cashflows and recent evidence of market transactions on comparable assets within the neighbourhood. The valuation resulted in a revaluation surplus of N3,185,355,000 on Naira.com which has been credited to revaluation reserve. No amortisation was charged on Naira.com in accordance with the Group's accounting policy.

The IT Software consisting of HR Payroll, I'm Alive, VOTA and Agent Management Solution was independently valued by Axis Partner at 30th August 2022 to ascertain the open market value of the assets. The Valuer's opinion of the market value was primarily derived from historical financial information provided by the management of the Company, as contained in their annual financial statements from 2017 to 2022, Company's forecasts of cashflows and recent evidence of market transactions on comparable assets within the neighbourhood. The valuation resulted to a fair value of N2,973,135,565.00 using a projected discounted cashflow for intangible asset. No amortisation was charged on the asset in accordance with the Company's accounting policy.

CHAMS HOLDING COMPANY PLC

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	IT Softwares N'000	Software Development N'000	Total N'000
21. Intangible assets - Company			
Cost:			
At 1 January 2024	73,216	125,349	198,565
Additions-externally acquired	-	-	-
At 31 December 2024	73,216	125,349	198,565
At 1 January 2025	73,216	125,349	198,565
Additions-externally acquired	(73,216)	(125,350)	(198,566)
At 31 December 2025	-	(1)	(1)
Amortisation			
At 1 January 2024	73,216	125,349	198,565
Charge in the year	-	-	-
At 31 December 2024	73,216	125,349	198,565
At 1 January 2025	73,216	125,349	198,565
Charge in the year	(73,216)	(125,350)	(198,566)
At 31 December 2025	-	(1)	(1)
Carrying amount:			
At 31 December 2025	-	-	-
At 31 December 2024	-	-	-
	Group	Company	
	2025	2024	2025
	N'000	N'000	N'000
			2024
			N'000

21.1.1 Other Non current assets

Cost of land	1,325,000	1,325,000	-	-
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21.1.1 This amount represents cost of Land situated at Lekki Peninsula, which title has not been perfected. Also included in this amount is the sum of N325 million which represents deposit for land by Chams Card Centre at Mosarekogo Village which the title documents has not been perfected.

	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
22. Investment in subsidiaries				
Chams Access Ltd	-	-	1,810,600	1,810,600
Chams Switch Ltd	-	-	1,173,774	1,173,774
Card Centre Ltd	-	-	2,298,002	2,298,002
Chamsmobile Ltd	-	-	622,763	622,763
	-	-	5,905,139	5,905,139
Impairment on value of subsidiaries	-	-	(1,690,148)	(1,690,148)
	-	-	4,214,991	4,214,991
22.1. Movement in impairment on value of subsidiaries				
At 1 January	-	-	1,690,148	1,690,148
Impairment loss recognised (Note 13)	-	-	-	-
At 31 December	-	-	1,690,148	1,690,148

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

22.2 Movement in Investment subsidiaries

Name of subsidiaries	At 1 Jan N'000	Additions N'000	Transferred from investment projects N'000	At 31 Dec N'000
31 December 2025				
Chams Access Limited	1,810,600	-	-	1,810,600
Chams Switch Limited	1,173,774	-	-	1,173,774
Card Center Limited	2,298,002	-	-	2,298,002
Chamsmobile Limited	622,764	-	-	622,764
	<u>5,905,140</u>	<u>-</u>	<u>-</u>	<u>5,905,140</u>
31 December 2024				
Chams Access Limited	1,810,600	-	-	1,810,600
Chams Switch Limited	1,173,774	-	-	1,173,774
Card Centre Limited	2,298,002	-	-	2,298,002
Cham Mobile Limited	622,764	-	-	622,764
	<u>5,905,140</u>	<u>-</u>	<u>-</u>	<u>5,905,140</u>

22.3 Subsidiary undertakings

All shares in subsidiaries undertakings are ordinary shares.

Name of Subsidiaries	Principal activities	Country of incorporation	Percentage held	Statutory year end
Chams Access Limited (Note 21.3.1)	Development of ATM, POS, printers and terminals	Nigeria	66.90%	31 December
Chams Switch Limited (Note 21.3.2)	Processing of electronic payments	Nigeria	45.00%	31 December
Card Centre Limited (Note 21.3.3)	Printing of payment/ financial cards	Nigeria	54.50%	31 December
Chams Mobile Limited (Note 21.3.4)	Platforms that will allow users to carry out transactions through their mobile phones	Nigeria	51.00%	31 December

22.3.1 Chams Access Limited

A Company incorporated in Nigeria on 21 December 2007 and commenced operations on 2 January 2009. Its engaged in the sales and maintenance of Dermalog machines, finger print scanners, BVN machines and data card

22.3.2 Chams Switch Limited

A Company incorporated in Nigeria on 1 February 2008 and its set up to provide e-payment infrastructure support to other e-payment platforms in the Chams Group and other Companies in the private and public sectors in general.

22.3.3 Card Centre Limited

A Company incorporated in Nigeria in August 2004 and its principal activities are designing, printing and personalisation of various types of Cards products including customised identity cards, ATM/Debit Cards and SIM Cards.

22.3.4 Chams Mobile Limited

A Company incorporated in Nigeria on 1 February 2008 and its Set up more mobile payment platforms that will allow users to carry out transactions through their mobile phones. These transactions range from funds transfer and airtime top-up to balance enquiry.

22.4. Condensed results of consolidated entities

The consolidated results of the consolidated entities of Chams Plc are shown in Note 21.4. The Chams Plc Group in the condensed results includes the results of the under listed entities:

Chams Plc
Chams Access Limited
Chams Switch Limited
Card Centre Limited
Chams Mobile Limited

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

22.5.a Condensed results of consolidated entities

31 December 2025

Condensed statement of profit or loss and other comprehensive income	Parent - Chams Plc N'000	Chams Access Ltd N'000	Chams Switch Ltd N'000	Card Centre Ltd N'000	Chams Mobile Ltd N'000	Total N'000	Elimination N'000	Group N'000
Gross earnings	1,300,050	11,931,386	51,081	6,023,259	78,133	19,383,909		19,383,909
Revenue	-	11,627,451	50,945	5,900,381	75,491	17,654,268	-	17,654,268
Costs of sales	-	(9,499,135)	(28,448)	(4,333,661)	(33,323)	(13,894,565)		(13,894,565)
Gross profit	-	2,128,316	22,497	1,566,720	42,168	3,759,703	-	3,759,703
Other operating income	985,710	303,935	136	122,878	2,642	1,415,301	(976,105)	439,196
Selling and marketing expenses	(11,806)	(72,372)	(2,433)	(23,527)	(5,657)	(115,795)	677	(115,118)
Employees and other related expenses	(174,867)	(453,397)	(220,912)	(362,902)	(126,334)	(1,338,412)	(2,850)	(1,341,262)
Depreciation and amortisation expenses	(13,485)	(42,211)	(12,973)	(102,925)	(5,524)	(177,118)	(9,240)	(186,358)
Administrative expenses	(144,704)	(762,977)	(313,450)	(669,163)	(284,690)	(2,174,984)	989,472	(1,185,512)
Operating profit	640,849	1,101,294	(527,135)	531,081	(377,395)	1,368,696		1,370,649
Interest income	314,340	-	-	18,110	2	332,452	-	332,452
Interest expenses	(585,277)	(34,190)	-	(276,869)	-	(896,335)	(2)	(896,337)
Profit on continuing operations before taxation	369,912	1,067,104	(527,135)	272,322	(377,393)	804,813		806,764
Income tax expenses	22,372	(374,107)	79,497	(117,431)	-	(389,668)	(3)	(389,671)
Profit for the year after tax	392,284	692,997	(447,638)	154,891	(377,393)	415,145	(3)	417,093
Condensed statement of cash flow								
Net cash from operating activities	(1,314,225)	747,137	323,233	(978,258)	663,534	(558,579)	(4)	(558,583)
Net cash used in investing activities	503,823	(73,249)	(148,890)	11,616	(2,919)	290,381	-	290,381
Net cash from financing activities	4,632,946	(958,923)	-	467,439	-	4,141,462	-	4,141,462
Net cash flow	3,822,544	(285,035)	174,343	(499,203)	660,615	3,873,264	(4)	3,873,260

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

31 December 2025

Condensed statement of financial position	Parent - Chams Plc N'000	Chams Access Ltd N'000	Chams Switch Ltd N'000	Card Centre Ltd N'000	Chams Mobile Ltd N'000	Total N'000	Elimination N'000	Group N'000
Assets								
Right-of-use assets	-	-	-	-	-	-	-	-
Property, plant and equipment	1,615,745	54,832	18,372	1,170,863	8,814	2,868,626	(9,416)	2,859,210
Investment projects	-	-	-	-	-	-	-	-
Intangible assets	-	1,018	4,477,410	51,574	2,970,873	7,500,876	1	7,500,877
Investment in subsidiaries	4,214,991	-	-	-	-	4,214,991	(4,214,991)	-
Investment in associate	75,000	-	-	-	-	75,000	-	75,000
Investment in Convertible loan	1,106,669	-	-	-	-	1,106,669	-	1,106,669
Financial assets - FVOCI	100,000	-	-	-	-	100,000	-	100,000
Financial assets fair value through other profit and loss	-	12,128	-	-	-	12,128	2	12,130
Deferred tax asset	22,165	-	-	-	-	22,165	-	-
Deposit for land	-	-	-	325,000	1,000,000	1,325,000	-	1,325,000
Inventories	-	496,307	29,946	315,754	-	842,007	(1)	842,006
Trade and other receivables	3,388,442	5,271,131	186,288	6,187,336	139,885	15,173,082	(596,153)	14,576,929
Cash and cash equivalents	4,687,228	333,413	249,313	26,791	695,951	5,992,700	(12,131)	5,980,569
Total assets	15,210,240	6,168,829	4,961,329	8,077,318	4,815,523	39,233,244	(4,832,689)	34,378,390
Liabilities								
Deferred tax liabilities	-	4,724	74,980	193,901	1,457	275,062	- 172,124	102,938
Deferred income	-	131,667	2,618	-	-	134,285	-	134,285
Lease liabilities	-	-	-	-	-	-	-	-
Long term loan	1,300,553	-	9,034	629,158	-	1,938,748	(9,036)	1,929,712
Trade and other payables	1,889,060	3,196,774	577,246	4,604,786	1,260,679	11,528,547	354,019	11,882,566
Current tax liabilities	139,241	744,439	6,540	17,221	3,500	910,941	-	910,941
Total liabilities	3,328,854	4,077,604	670,418	5,445,066	1,265,636	14,787,583	172,859	14,960,442
Equity								
Share capital and reserve	11,881,386	2,079,097	4,449,904	2,307,251	3,549,888	24,267,526	(10,754,067)	13,513,459
Non-controlling interest	-	-	-	-	-	-	6,008,037	6,008,037
Total equity	11,881,386	2,079,097	4,449,904	2,307,251	3,549,888	24,267,526	(4,746,030)	19,521,496
Total liabilities and equity	15,210,240	6,156,701	5,120,322	7,752,317	4,815,524	39,055,109	(4,573,171)	34,481,938

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

22.5.b. Condensed results of consolidated entities

31 December 2024

Condensed statement of profit or loss and other comprehensive income	Parent - Chams Plc	Chams Access Ltd	Chams Switch Ltd	Card Center Ltd	Chams Mobile Ltd	Total	Elimination	Group
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Gross earnings	919,630	7,673,508	243,825	6,480,070	473,893	15,790,926	(877,103)	14,913,823
Revenue	-	7,650,013	240,421	6,477,046	473,893	14,841,373	-	14,841,373
Costs of sales	-	(5,188,371)	(141,068)	(4,910,311)	(243,738)	(10,483,488)	-	(10,483,488)
Gross profit	-	2,461,642	99,353	1,566,735	230,155	4,357,885	-	4,357,885
Other operating income	919,630	23,495	3,404	3,024	-	949,553	(925,592)	23,961
Selling and marketing expenses	(5,154)	(92,326)	(11,147)	(106,802)	(46,871)	(262,300)	-	(262,300)
Employees and other related expenses	(210,115)	(360,746)	(167,513)	(256,367)	(100,004)	(1,094,745)	-	(1,094,745)
Depreciation and amortisation expenses	(12,193)	(41,622)	(13,900)	(90,721)	(5,504)	(163,940)	-	(163,940)
Administrative expenses	(336,701)	(976,568)	(287,338)	(898,946)	(183,347)	(2,682,900)	993,727	(1,689,173)
Operating loss	355,467	1,013,875	(377,141)	216,923	(105,571)	1,103,553	-	1,171,688
Interest income	-	154	-	45,628	2,707	48,489	-	48,489
Interest expenses	(250,987)	(31,944)	-	(80,514)	-	(363,445)	-	(363,445)
Loss on continuing operations before taxation	104,480	982,085	(377,141)	182,037	(102,864)	788,599	1	856,734
Income tax expenses	125,236	(444,116)	(5,758)	(137,201)	(3,840)	(465,679)	-	(465,680)
Loss for the year after tax	229,716	537,969	(382,899)	44,836	(106,704)	322,920	1	391,054
Condensed statement of cash flow								
Net cash from operating activities	(489,107)	(97,102)	323,233	(978,260)	663,535	(577,701)	18,777	(558,924)
Net cash used in investing activities	(2,029)	(2,759)	(148,890)	11,616	(2,919)	(144,981)	435,362	290,381
Net cash from financing activities	544,569	- 40,692	-	467,439	-	235,658	3,905,804	4,141,462
Net cash flow	53,433	(140,553)	174,343	(499,205)	660,616	(487,024)	4,359,943	3,872,919

CHAMS HOLDING COMPANY PLC

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31 December 2024

Condensed statement of financial position	Parent - Chams Plc N'000	Chams Access Ltd N'000	Chams Switch Ltd N'000	Card Centre Ltd N'000	Chams Mobile Ltd N'000	Total N'000	Elimination N'000	Group N'000
Assets								
Right-of-use assets	-	6,500	-	-	-	6,500	-	6,500
Property, plant and equipment	1,619,438	79,545	24,777	1,195,998	12,265	2,932,023	-	2,932,023
Investment projects	-	-	-	-	-	-	-	-
Intangible assets	-	2,764	4,335,088	58,145	2,969,873	7,365,870	-	7,365,870
Investment in subsidiaries	4,214,991	-	-	-	-	4,214,991	(4,214,991)	0
Investment in associate	75,000	-	-	-	-	75,000	-	75,000
Investment in Joint Ventures	-	-	-	-	-	-	-	-
Financial assets - FVOCI	100,000	-	-	325,000	1,000,000	1,425,000	(1,325,000)	100,000
Inventories	-	677,811	17,161	191,433	-	886,405	-	886,405
Trade and other receivables	1,476,932	2,585,438	1,033,638	1,188,473	143,916	6,428,397	(299,132)	6,129,265
Cash and cash equivalents	40,153	895,423	74,971	525,996	35,334	1,571,877	(10,870)	1,561,007
Total assets	7,526,514	4,247,481	5,485,635	3,485,045	4,161,388	24,906,063	(5,849,993)	19,056,070
Liabilities								
Deferred tax liabilities	16,457	11,632	-	4,517	89,519	1,457	114,548	9,034
Deferred income	-	607,277	1,692	-	-	608,969	-	608,969
Lease liabilities	-	-	-	-	-	-	-	-
Long term loan	1,648,901	278,225	9,034	809,585	-	2,745,745	(9,032)	2,736,713
Trade and other payables	1,740,496	1,508,103	552,938	2,280,407	210,382	6,292,326	(17,500)	6,274,826
Current tax liabilities	129,329	457,397	13,158	48,758	5,883	654,525	-	654,525
Total liabilities	3,535,183	2,862,634	572,305	3,228,269	217,722	10,416,113	(17,498)	10,398,615
Equity								
Share capital and reserve	3,991,331	1,201,937	5,066,489	256,776	3,998,085	14,514,618	(9,019,571)	5,495,047
Non-controlling interest	-	182,910	(153,159)	-	(54,419)	(24,668)	4,522,946	4,498,277
Total equity	3,991,331	1,384,847	4,913,330	256,776	3,943,666	14,489,950	(4,496,625)	9,993,324
Total liabilities and equity	7,526,514	4,247,481	5,485,635	3,485,045	4,161,388	24,906,063	(4,514,123)	20,391,940

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
23. Investment in associates				
Investment accounted for using equity method - in associates				
Paymaster Nigeria Limited	-	263,471	-	263,471
Smart Parcel Nigeria Limited	75,000	75,000	75,000	75,000
	75,000	338,471	75,000	338,471
Impairment on value of associate (Note 23.1)	-	(263,471)	-	(263,471)
	75,000	75,000	75,000	75,000
23.1. Movement in impairment on value of associates				
At 1 January	263,471	263,471	263,471	263,471
Impairment loss recognised (Note 13)	-	-	-	-
Impairment loss reversed (Note 13)	(263,471)	-	(263,471)	-
At 31 December	-	263,471	-	263,471

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FOR THE YEAR ENDED 31 DECEMBER 2025**

23.2 Investment in associates undertakings

All shares in subsidiaries undertakings are ordinary shares.

Name of Associates	Principal activities	Country of incorporation	Percentage held	Statutory year end
Paymaster Nigeria Limited	POS devices and solutions	Nigeria	34.00%	31 December
Smart Parcel Nigeria Limited	Parcel delivery	Nigeria	17.50%	31 December

23.3 Summarised financial information of Associate Companies

The summarised financial information below represents amounts shown in the Associates financial statements.

	2025			2024
	Paymaster Nigeria Limited N'000	Smart Parcel Nigeria Limited N'000	Total N'000	Total N'000
Current assets	-	9,599	9,599	9,599
Non-current assets	10,857	77,013	87,870	87,870
Total assets	10,857	86,612	97,469	97,469
Current liabilities	-	1,000	1,000	1,000
Non-current liabilities	6,673	-	6,673	6,673
Total liabilities	6,673	1,000	7,673	7,673
Net assets	4,184	85,612	89,796	89,796
The following amounts have been included in the amounts above:				
Cash and cash equivalents	-	-	-	-
Current financial liabilities (excluding trade and other payables and provisions)	-	516	516	516
Non-current financial liabilities (excluding trade and other payables and provisions)	-	1,000	1,000	1,000

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

23.3 Summarised financial information of Associate Companies

The summarised financial information below represents amounts shown in the Associates financial statements

	2025		2024	
	Paymaster Nigeria Limited N'000	Smart Parcel Nigeria Limited N'000	Total N'000	Total N'000
Revenue	-	-	-	-
(Loss)/profit from continuing operations	-	(26,044)	(26,044)	(26,044)
Loss for the year	-	(26,044)	(26,044)	(26,044)
Other comprehensive (loss)/income for the year	-	-	-	-
Total comprehensive loss for the year	-	(26,044)	(26,044)	(26,044)
The following amounts have been included in the amount above:				
Direct expenses	-	-	-	-
Other income	-	-	-	-
Impairment charge	-	-	-	-
Depreciation expense	-	(1,866)	(1,866)	(1,866)
Administrative expenses	-	(24,178)	(24,178)	(24,178)

23.4 Reconciliation of the summarised financial information to the carrying amount of the interest in the associate companies recognised in the Group's financial statements:

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
Net assets of the associates	89,796	89,796	89,796	89,796
Proportion of the Group's ownership interest in the associates	25.75%	25.75%	25.75%	25.75%
Gross amount of Group's interest in the associates	23,122	23,122	23,122	23,122
Inter company's balances	-	-	-	-
Carrying amount of the Group's interest in the associates	23,122	23,122	23,122	23,122

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
24. Investment in convertible loans				
Chams Access Convertable loan	200,000	-	200,000	-
Card Centre Convertable loan	815,346	-	815,346	-
Chams Mobile	91,323	-	91,323	-
	<u>1,106,669</u>	<u>-</u>	<u>1,106,669</u>	<u>-</u>
24.1. This represents loans obtained Chams Plc on behalf of its subsidiaries, Chams Access, Card Centre and Chams Moile. This facilities is structured to transition into equity at a future date, thereby strenthning the company capital base				
25. Investment securities at fair value through other comprehensive income				
Unlisted equity (Note 25.1)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
25.1 Movement in investment securities at fair value through other comprehensive income				
At 1 January	101,500	101,500	101,500	101,500
Additions	-	-	-	-
	101,500	101,500	101,500	101,500
Fairvalue loss/Impairment allowance (Note 25.3)	(1,500)	(1,500)	(1,500)	(1,500)
At 31 December	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
25.2 Analysis of equity instruments				
Unitec Nigeria Limited	-	1,500	-	1,500
Joint Komputer Kompany Limited	100,000	100,000	100,000	100,000
	<u>100,000</u>	<u>101,500</u>	<u>100,000</u>	<u>101,500</u>
25.3 Movement in fair value reserve/impairment allowance				
At 1 January	1,500	1,500	1,500	1,500
(Loss)/profit from changes in fair value recognised in OCI (Note 35)	-	-	-	-
At 31 December	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
26. Inventories				
Virtual airtimes	46,022	21,342	-	-
Datacard/spare parts	141,232	48,370	-	-
BVN	7,125	111,054	-	-
Phones and accessories	2,090	9,301	-	-
Goods In transit	285,670	474,253	-	-
Work in progress	299,678	187,252	-	-
G+D Products	60,189	34,833	-	-
	<u>842,006</u>	<u>886,405</u>	<u>-</u>	<u>-</u>
26.1 Inventories are reported at lower of cost and net realisable value.				

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
27. Trade and other receivables				
Trade receivables	5,526,372	2,797,125	851,850	851,850
Impairment loss on trade receivable based on ECL rate (Note 27.3)	<u>(1,290,207)</u>	<u>(1,531,767)</u>	<u>(851,850)</u>	<u>(851,850)</u>
	<u>4,236,165</u>	<u>1,265,358</u>	<u>-</u>	<u>-</u>
Other receivables and prepayments				
Receivable from related parties (Note 39.2.1)	6,089,710	2,717,793	3,377,265	1,648,070
Receivable from staff	87,075	131,678	60,542	59,062
Contract assets	476,646	621,148	-	-
Withholding tax receivables	1,478,350	1,453,977	262,160	230,409
Deposit for license	2,800	2,800	2,800	2,800
Value added tax receivables	571,698	359,016	2,426	2,426
Deposit for shares (Note 39.2.1)	5,900	5,900	-	-
Other receivables	2,004,166	280,300	148,356	814
Prepayments	<u>386,774</u>	<u>193,202</u>	<u>4,743</u>	<u>3,201</u>
	11,103,119	5,765,814	3,858,292	1,946,782
Impairment loss on other receivable based on specific (Note 27.4)	<u>(762,355)</u>	<u>(901,909)</u>	<u>(469,850)</u>	<u>(469,850)</u>
	<u>10,340,764</u>	<u>4,863,905</u>	<u>3,388,442</u>	<u>1,476,932</u>
	<u>14,576,929</u>	<u>6,129,263</u>	<u>3,388,442</u>	<u>1,476,932</u>

27.1. The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

27.2. Expected Credit Loss on account receivables

The group processes transactions on behalf of partner banks and partner merchants and as such we settle transaction value and transaction income to banks and merchants on a daily basis for services routed through the platform. On a periodic basis the group will evaluate partner banks and partner merchants whose outstanding receivables are long overdue and will take the necessary steps to recover all outstanding balances due to us by withholding transaction income that should be settled to them up to the amount we are owed. This helps management recover outstanding balances.

Before accepting any new customer, the company uses an internal credit process to assess the potential customer's credit quality and defines credit limits by customer.

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 debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The group has recognised a loss allowance of 100% against all receivables over 365 days past due because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

CHAMS HOLDING COMPANY PLC

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The group 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 into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables based on the entity's provision matrix. As the group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the entity's different customer segments.

Group	Estimated total gross carrying amount at default N'000	Adjusted Balance N'000	Expected Credit Loss (Average Weighted based on N'000
Days interval			
31 December 2025			
0-30 days	2,324,786	2,324,786	-
31-60 days	118,689	118,689	-
91-180 days	547,149	492,434	54,715
181-365days	1,434,341	1,300,256	134,085
> 365 days	1,101,407	-	1,101,407
	<u>5,526,372</u>	<u>4,236,165</u>	<u>1,290,207</u>
31 December 2024			
0-30 days	1,200,058	1,200,058	-
31-90 days	118,689	33,974	84,715
91-180 days	330,000	4,287	325,713
181-365days	547,149	27,039	520,110
> 365 days	601,229	-	601,229
	<u>2,797,125</u>	<u>1,265,358</u>	<u>1,531,767</u>

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The following table details the risk profile of trade receivables based on the entity's provision matrix. As the company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the entity's different customer segments.

Company			
Days interval	Estimated total gross carrying amount at default N'000	Adjusted Balance N'000	Expected Credit Loss (Average Weighted based on Scenarios) N'000
31 December 2025			
0-30 days	-	-	-
31-90 days	-	-	-
91-180 days	-	-	-
181-365days	-	-	-
> 365 days	<u>851,850</u>	<u>-</u>	<u>851,850</u>
	<u>851,850</u>	<u>-</u>	<u>851,850</u>
31 December 2024			
0-30 days			-
31-90 days			-
91-180 days			-
181-365days			-
> 365 days	<u>851,850</u>	<u>-</u>	<u>851,850</u>
	<u>851,850</u>	<u>-</u>	<u>851,850</u>
	Group	Company	
	2025	2025	2024
	N'000	N'000	N'000
27.3. Reconciliation of impairment for trade receivables			
At the beginning of the period	<u>1,531,767</u>	1,087,566	<u>851,850</u>
Impairment loss recognised (Note 13)	-	523,454	-
Amount written off	<u>(241,560)</u>	<u>(79,253)</u>	<u>47</u>
At the end of the period	<u>1,290,207</u>	<u>1,531,767</u>	<u>851,897</u>
27.4. Reconciliation of impairment for other receivables			
At the beginning of the period	<u>901,909</u>	736,985	<u>469,850</u>
Impairment loss reversed (Note 13)	-	-	-
Additional impairment during the period	<u>1,577</u>	208,819	<u>90,423</u>
Amount written-off	<u>(141,131)</u>	<u>(43,895)</u>	<u>(90,423)</u>
At the end of the period	<u>762,355</u>	<u>901,909</u>	<u>469,850</u>

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	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
28. Cash and cash equivalents				
Cash and bank balances	775,083	1,558,954	103,795	40,153
Short term investments (Note 28.2)	5,205,595	2,162	4,583,433	-
	5,980,678	1,561,116	4,687,228	40,153
Allowance for credit loss (Note 28.3)	(109)	(109)	-	-
	5,980,569	1,561,007	4,687,228	40,153

28.1. Cash and cash equivalent for the purpose of cash flows

For the purposes of the statement of cash flows, cash and short term deposits include cash on hand and in banks, short term investments with an original maturity of three months or less, net of outstanding bank overdrafts. Cash and short term deposits at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash and bank balances (Note 28)	775,083	1,558,954	103,795	40,153
Short term investment - within 3 months maturity (Note 28)	5,205,595	2,162	4,583,433	-
	5,980,678	1,561,116	4,687,228	40,153
Overdraft (Note 31)	(824,531)	(278,229)	(824,531)	-
	5,156,147	1,282,887	3,862,697	40,153

28.2. Short term investments

These represents cash held in fixed deposits in various banks. These investments are placed in short term deposits and are continuously rolled over throughout the year.

28.3 Financial assets fair value through other profit and loss

Investment in quoted share	10,873	10,873	-	-
Fairvalue gain	1,257	-	-	-
	12,130	10,873	-	-

28.3a Financial assets fair value through other profit and loss

At 1 January	-	-		
Fair value gain/(loss)	1,257			
At 31 December	1,257	-		

The investment represents 550,000units at N22.05k of ordinary shares in Access Plc .

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

28.3 Impairment loss on placements with financial institutions

a. The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances

Group	Stage 1	Stage 2	Stage 3	Total
31 December 2025	N'000	N'000	N'000	N'000
Performing				
High grade	-	-	-	-
Standard grade	5,205,595	-	-	5,205,595
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non-performing				
Individually impaired	-	-	-	-
	5,205,595	-	-	5,205,595

b. An analysis of changes in the carrying amount of and the corresponding ECL allowances is as follows:

Gross carrying amount

At 1 January 2025	13,036	-	-	13,036
New assets originated or purchased	5,192,559	-	-	5,192,559
Assets derecognised or repaid	-	-	-	-
At 31 December 2025	5,205,595	-	-	5,205,595

ECL allowance

At 1 January 2025	109	-	-	109
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	-	-	-	-
Credit loss expenses (Note 13)	-	-	-	-
At 31 December 2025	109	-	-	109

31 December 2024

Performing

High grade	-	-	-	-
Standard grade	2,162	-	-	2,162
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-

Non-performing

Individually impaired	-	-	-	-
	2,162	-	-	2,162

An analysis of changes in the carrying amount of and the corresponding ECL allowances is as follows:

Gross carrying amount

At 1 January 2024	1,046,089	-	-	1,046,089
New assets originated or purchased	(1,033,053)	-	-	(1,033,053)
Assets derecognised or repaid	-	-	-	-
At 31 December 2024	13,036	-	-	13,036

ECL allowance

At 1 January 2024	109	-	-	109
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	-	-	-	-
Credit loss expenses (Note 13)	-	-	-	-
At 31 December 2024	109	-	-	109

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
29. Trade and other payables				
Trade payables	3,952,060	1,491,340	5,368	104,685
Other payables and accruals				
Payables to related parties (Note 39.2.1)	2,526,984	1,022,737	452,158	649,768
Salaries payable	378,965	247,023	211,620	159,676
Other staff payable accounts	23,201	23,131	23,201	23,131
Value added tax payable	869,225	569,424	157,089	157,089
Withholding tax payable	12,890	9,044	4,561	6,366
Other statutory deductions (Note 29.2)	367,481	312,018	214,353	183,406
Transit account	46,602	46,602	46,602	46,602
Provision and accruals	349,551	656,204	202,055	184,175
Deposit for shares	333,816	325,092	28,074	19,349
Chams cooperative thrift & credit society	6,443	6,443	6,345	6,345
Dividend payable	59,022	59,022	59,022	59,022
E-Platform payable	110,074	72,771	-	-
Other payables (Note 29.3)	2,692,233	1,179,474	478,612	140,882
	11,779,019	6,274,828	1,889,060	1,740,496

29.1.a All the liabilities above are classified as current. Trade and other payables are non-interest bearing and hence approximate their fair values. The Group does not have any derivative financial instrument.

29.1.b The average credit period for the purchases of major items is 30 days. However, with certain arrangement with major suppliers, payment terms can be renegotiated for longer periods.

29.1.c Statutory liabilities such as VAT, WHT, PAYE, ITF, NSIT, NHF, Pension are expected to be settled in line with the relevant laws/regulations setting them up. With the exception of ITF which is payable yearly, the rest are payable monthly. The entity has defaulted in remitting VAT on a monthly basis and expects future liabilities arising from penalties from the tax authorities.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
29.2. Other statutory deductions				
PAYE	145,329	113,957	86,563	70,224
Pension payable (Note 29.2.1)	173,854	148,083	96,781	77,019
NSITF	3,489	4,389	2,473	3,374
NHF	35,329	30,864	21,986	20,245
Police Trust Fund	508	243	-	-
Industrial training fund ITF -levy	8,972	14,482	6,550	12,544
	367,481	312,018	214,353	183,406

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
29.2.1 Pension payable				
At 1 January	148,083	127,222	77,019	70,082
Contribution during the year (Note 10)	81,110	32,346	47,327	8,411
Remittance	(55,339)	(11,485)	(27,565)	(1,474)
At 31 December	173,854	148,083	96,781	77,019

29.2.1 Included in the other payables are sundry creditors N371 million and non-controlling interest of N43.6 million (31 Dec 2024: N232 million and N43.6 million).

30. Deferred income

Bulk commission received for Virtual Airtime from Service providers
Deferred income on loan

Bulk commission received for Virtual Airtime from Service providers	134,285	608,969	-	-
Deferred income on loan	-	-	-	-
	134,285	608,969	-	-

30.1. Movement in deferred income

At 1 January	608,969	74,736	-	-
Accrued during the year	-	-	-	-
Recognised during the year	(474,684)	534,233	-	-

At 31 December	134,285	608,969	-	-
Current	134,285	608,969	-	-
Non-current	-	-	-	-
	134,285	608,969	-	-

30.2. The deferred revenue for virtual airtime is in respect of the bulk commission received from the telecommunication service providers for bulk purchase of airtime. The bulk commission included in inventory of airtime has not been sold for revenue to be earned as at 31 December 2025. The revenue will be earned when the inventory is sold.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
31. Loans and borrowings				
Overdrafts	824,531	1,648,899	824,531	1,370,672
BOI loan (Note 31.3.i)	-	278,229	-	278,229
Bank loan (Note 31.3.ii)	1,105,181	809,586	476,022	-
Total borrowed fund	1,929,712	2,736,714	1,300,553	1,648,901

31.1 All the borrowings were obtained in naira, the functional currency of the Group. The principal features of the Group's borrowings are described below:

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
31.2. Movement in borrowed funds other than overdraft				
At 1 January	2,458,484	945,908	1,648,901	853,345
Addition during the year	-	1,798,265		500,000
Interest accrued (Note 14.2)	896,337	363,444	585,277	250,987
Repayment (principal + interest)	<u>(2,249,640)</u>	<u>(649,133)</u>	<u>(1,758,156)</u>	<u>44,569</u>
At 31 December	<u>1,105,181</u>	<u>2,458,484</u>	<u>476,022</u>	<u>1,648,901</u>
Current	824,531	278,229	824,531	-
Non-current	<u>1,105,181</u>	<u>2,458,484</u>	<u>476,022</u>	<u>1,648,901</u>
	<u>1,929,712</u>	<u>2,736,713</u>	<u>1,300,553</u>	<u>1,648,901</u>

31.3. Summary of borrowing arrangements

Bank of Industry facility

Bank of Industry granted the company a medium-term facility of N2.5billion on May 2020 with initial drawdown on. The loan has been fully paid off in 2025.

Term loan

Term loan is a facility obtained by the Company from its banker (Providus bank). This facility is repayable by instalments at various dates between 2024 and 2029 with interest rate is 30% per annum.

N500 million loan

N500 million term loan with a tenor of 5 years at interest rate of 30%.

Bank overdrafts

Providus Bank granted the company an overdraft facility of N1 billion in June 2024. The bank overdrafts of N1 billion from Providus Bank was secured by a portion of the Company's asset.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
32. Share capital				
Authorised:				
10 billion ordinary shares of 50 kobo each	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
32.1 Issued and fully paid:				
At 1 January (4,696,060,000 ordinary shares of 50k each)	2,348,030	2,348,030	2,348,030	2,348,030
Issued during the year (4,303,940,000 ordinary shares of 50kobo each)	<u>2,151,970</u>	<u>-</u>	<u>2,151,970</u>	<u>-</u>
At 31 December	<u>4,500,000</u>	<u>2,348,030</u>	<u>4,500,000</u>	<u>2,348,030</u>

32.1.a The Company has one class of ordinary shares which carry no right to fixed income.

32.1.b In line with the Company's regulations of 2020 released by the Corporate Affairs Commission in December 2020, a company that has an unissued shares in its capital shall not later than 31 December 2022 fully issue such shares.

32.1.c On 16 June 2025, Chams Holding Company Plc issued shares through a Rights Issue and a Private Placement, following the approval granted by shareholders at the Annual General Meeting (AGM) held in May 2022. The Rights Issue, which closed on 26 September 2025, comprised an offer of 2,348,030,000 ordinary shares of 50 kobo each to existing shareholders. The offer price was ₦1.70 per share, representing a 32% discount to the prevailing market price. The Rights Issue was structured on the basis of one (1) new ordinary share for every two (2) existing ordinary shares held as at 16 June 2025.

In addition, the Company issued 1,955,910,000 unissued ordinary shares through a Private Placement at ₦1.87 per share, reflecting a 20% discount to the closing market price of ₦2.25 as at 16 June 2025. NB: Fund raise expenses of N151,432,091.98 was deducted from share premium.

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
32.2 Share premium				
At 1 January	35,008	35,008	35,008	35,008
Issued during the year	5,345,801	-	5,345,801	-
At 31 December	5,380,809	35,008	5,380,809	35,008

32.2.a Share premium represents the excess of share issue proceeds over the nominal value of the share.

32.2.b Share premium arising from the issuance of these shares has been recognised in the Statement of Changes in Equity. The basis of computation is outlined below:

	Issued Shares Units	Price N	Normal Value N'million	Premium Price N	Premium Value N'million
Right Offer	2.3Bn	1.7	1,174	1.2	2,818
Private Placement Offer	1.9Bn	1.87	977	1.37	2,680

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

33. (Loss sustained)/accumulated reserve

At 1 January	(1,788,976)	(2,263,209)	144,929	(84,787)
Profit for the year	520,640	474,233	392,284	229,716
At 31 December	(1,268,335)	(1,788,976)	537,213	144,929

33.1 At the board of directors' meeting held on 27 March 2026, the board proposed a dividend of 3 kobo per ordinary shares (2024: Nil) representing N270 million. This is subject to ratification at the next Annual General Meeting (AGM). The amount will be paid less appropriate withholding tax deduction.

'33.2 Loss sustained represents accumulation of losses over the years up to the reporting date.

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
34. Capital reserve				
At the beginning of the period	145,522	145,522	-	-
Capital reserve on consolidation	-	-	-	-
At 31 December 2025	145,522	145,522	-	-
35. Assets revaluation reserve				
At the beginning of the period	4,755,307	4,755,307	1,463,364	1,463,364
Revaluation gain on intangible asset in the year	-	-	-	-
At 31 December 2025	4,755,307	4,755,307	1,463,364	1,463,364
36. Fairvalue reserve				
At the beginning of the period	156	-	-	-
Fairvalue loss in the year	-	156	-	-
At the end of the period	156	156	-	-
37. Non-controlling interest				
At the beginning of the period	4,498,278	4,581,456	-	-
Additional shares acquired	1,613,306	-	-	-
Share of loss for the year	(103,548)	(83,178)	-	-
At the end of the period	6,008,037	4,498,278	-	-

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 N'000	2024 N'000	2025 N'000	2024 N'000
38. Employees and Directors				
38.1 Employees				
38.1.1 Compenstation for the staff are as follows:				
Wages and salaries	1,420,260	1,062,399	512,422	245,392
Defined contribution pension	70,169	32,346	10,588	15,123
	<u>1,490,429</u>	<u>1,094,745</u>	<u>523,010</u>	<u>260,515</u>
	Number	Number	Number	Number
38.1.2 Average number of persons employed during the year by category:				
Executive directors	6	2	2	
Management	25	5	6	2
Non-management	306	12	24	5
	<u>337</u>	<u>19</u>	<u>32</u>	<u>7</u>
38.1.3 Number of employees whose emoluments during the year, fell within the ranges shown below:				
Less than ₦500,000	121	12	-	12
₦500,000 - ₦1,000,000	20	5	5	5
₦1,000,000 and above	112	2	21	2
	<u>253</u>	<u>19</u>	<u>26</u>	<u>19</u>
	N'000	N'000	N'000	N'000
38.2 Directors				
38.2.1 Directors' emoluments:				
The remuneration paid to directors are as follows:				
Executive compensation	3,000	21,687	-	10,800
Fees and sitting allowances	50,760	2,500	38,435	2,500
	<u>3,000</u>	<u>21,687</u>	<u>-</u>	<u>10,800</u>
38.2.2 Fees and other emoluments disclosed above include amounts paid to:				
The Chairman	-	2,500	-	2,500
The highest paid director	-	2,500	-	2,500
38.3 The number of directors who received fees and other emoluments (excluding pension contributions and other allowances) in the following ranges was:				
	Number	Number	Number	Number
Below ₦2,000,000	-	-	-	-
₦2,000,000 - ₦4,000,000	36	2	12	2
Above ₦5,000,000	-	-	-	-
The total number of Directors were	<u>36</u>	<u>2</u>	<u>12</u>	<u>2</u>

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

39. Related party disclosures

39.1 Related party

A related party is a person or an entity that is related to the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person has control, joint control or significant influence over the entity or is a member of its key management personnel.

- An entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly, jointly controlled, or significantly influenced or managed by a person who is a related party.

39.2 Related parties transactions

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. If an entity has had related party transactions during the periods covered by the financial statements, IAS 24 requires it to disclose the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the consolidated and separate financial statements.

	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
39.2.1 Transactions with related parties				
Transactions/balances with related parties during the year are:				
Receivable from related parties				
Current Account with Paymaster Limited (Note 39.2.1.1)	390,949	390,949	390,949	390,949
Current Account with Chams Access Ltd (Note 39.2.1.2)	809,509	-	805,964	387,497
Current Account with Card Centre Ltd (Note 39.2.1.3)	450,053	-	450,859	243,479
Current Account with Chams Switch Ltd (Note 39.2.1.4)	237,629	-	509,346	287,579
Current Account with Chams Mobile Ltd (Note 39.2.1.5)	1,029,077	90,391	1,029,882	148,302
Current Account with Consortium Ltd (Note 39.2.1.6)	190,198	190,198	190,198	190,198
Current Account with Argone Retail Business Limited (Note 39.2.1.7)	137,007	137,007	-	-
Current Account with Chams Agency Limited	4,010	4,010	-	-
Current Account with Chams Plc	1,491,956	1,171,688	-	-
PPM - Femi Williams	67	67	67	67
Finstudies	1,000	-	-	-
Directors Current Account - KL	355,378	372,878	-	-
	5,134,334	2,357,188	3,377,264	1,648,071
Impairment of related parties	-	-	-	-
	5,134,334	2,357,188	3,377,264	1,648,071
Deposit for shares				
Investment in Chams Switch Limited	5,000	5,000	-	-
Investment in Argone Retail Business Limited	900	-	-	-
	5,900	5,000	-	-
Payable to related parties				
Current Account with Chams Plc (Note 39.2.1.8)	2,259,433	197,950	-	-
Current Account with Chams Access Limited	612	83,113	-	-
Cardcentre Limited- Current Account	1,368	-	-	-
Current Account with Chams Switch Limited (Note 39.2.1.4)	115,599	1,074	386,316	-
Directors Current Account	149,972	81,582	65,842	13,452
	2,526,984	363,719	452,158	13,452
Net receivable from related parties	2,613,250	1,998,469	2,925,106	1,634,619

CHAMS HOLDING COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
39.3.1 Compensation of key management personnel				
The summary of compensation of key management personnel for the year is as follows:				
Short term employee benefits	-	-	-	-
Post employment pension benefits	-	-	-	-
Total compensation of key management personnel	-	-	-	-

40. Contingent liabilities and capital commitments

Based on the directors's opinion and the in house legal advise, contingent liability in respect of pending cases during the year is nil (2024: nil).

41. Events after reporting date

The Directors are of the opinion that no transaction has occurred subsequently to the reporting date, which could have had a material effect on these financial statements at that date or which needs to be disclosed in the financial statements in the interest of fair presentation of the financial position at the reporting date or its result for the year then ended.

Management believes the going concern basis is appropriate in the preparation of these consolidated and separate financial statements.

42. Key management personnel

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

Directors

- Sir Demola Aladekomo - Chairman
- Mrs. Mayowa Olaniyan - Group Managing Director

Senior management

- Mrs. Mayowa Olaniyan - Group Managing Director
- Adeoye Onaderu - Group Chief Financial Officer

43. Comparative balances

Where necessary comparative figures have been reclassified to ensure proper disclosure and uniformity in the current year's presentation. This reclassification have no net impact on these financial statements.

CHAMS HOLDING COMPANY PLC

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

OTHER NATIONAL DISCLOSURES

CHAMS HOLDING COMPANY PLC

CONSOLIDATED STATEMENT OF VALUE ADDED FOR THE YEAR ENDED 31 DECEMBER 2025

	Group				Company			
	2025 N'000	%	2024 N'000	%	2025 N'000	%	2024 N'000	%
Sales of products and services	17,654,269		14,841,373		-		-	
Investment income	332,452		48,489		314,340		-	
Other gains	439,196		23,961		985,710		919,630	
	18,425,917		14,913,823		1,300,050		919,630	
Bought in materials and services:								
-Local	(15,175,355)		(12,402,087)		(117,888)		(201,858)	
-Imported	-		-		-		-	
Value added	3,250,562	100	2,511,736	102	1,182,162	101	717,772	100
Applied as follows:								
To pay employees:								
Wages, salaries and other benefits	1,341,262	41	1,094,745	44	174,867	15	210,115	29
To pay government:								
Income tax expenses	409,512	13	498,551	20	16,250	1	14,761	2
To pay provide of capital:								
Finance cost	896,337	28	363,444	14	585,277	50	250,987	35
To provide for assets replacements, payment of dividend and future expansion:								
Depreciation of property, plant & equipment	170,687	5	149,606	6	13,485	1	12,193	2
Depreciation of right-of-use- assets	6,500	-	1,164	0	-	-	-	-
Amortisation of intangible	9,171	-	13,171	1	-	-	-	-
Profit/(loss) for the year	417,093	13	391,055	17	392,284	34	229,716	32
Value added	3,250,562	100	2,511,736	102	1,182,162	101	717,772	100

Value added statement represents the additional wealth which the Group and the company have been able to utilise by its own and its employees' efforts. This statement shows the allocation of that wealth between the employees, government and that retained for the future creation of more wealth.

CHAMS HOLDING COMPANY PLC

FINANCIAL SUMMARY

31 DECEMBER	2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Group					
Financial Position					
Non-current assets					
Right-of-use assets	-	6,500	9,800	15,300.0	21,900.0
Property, plant and equipment	2,859,210	2,932,023	2,323,956	2,249,038	2,261,541
Investment projects	-	-	-	-	460
Intangible assets	7,500,877	7,365,871	7,347,772	7,144,799	5,235,776
Investment in associates	75,000	75,000	75,000	75,000	74,898
Investments in convertible loans	1,106,669	-	17,375	-	-
Investment in Joint Ventures	-	-	-	17,375	17,375
Financial assets fair value through other profit and loss	12,130	-	-	-	-
Investment securities at fair value through other comprehensive income	100,000	100,000	100,000	84,454	92,827
Non-current liabilities					
Deferred tax liabilities	(102,938)	(123,582)	(156,454)	(156,454)	-
Lease liabilities	-	-	-	(10,680)	(10,680)
Long term loan	(1,105,181)	(2,458,484)	(945,908)	(1,251,940)	(1,196,547)
Other Non current asset	1,325,000	1,325,000	-	-	-
Net current liabilities	7,750,728	770,996	895,808	1,282,561	(1,762,915)
	<u>19,521,496</u>	<u>9,993,323</u>	<u>9,667,349</u>	<u>9,449,453</u>	<u>4,734,635</u>
Equity					
Share capital	4,500,000	2,348,030	2,348,030	2,348,030	2,348,030
Share premium	5,380,809	35,008	35,008	35,008	35,008
Loss sustained	(1,268,335)	(1,788,976)	(2,197,974)	(2,275,646)	(2,887,546)
Other reserves:					
- Capital reserve	145,522	145,522	145,522	145,522	145,522
- Assets revaluation reserve	4,755,307	4,755,307	4,755,307	4,755,307	3,887,450
- Fair value reserve	156	156	-	(15,546)	(7,173)
	<u>13,513,459</u>	<u>5,495,047</u>	<u>5,085,893</u>	<u>4,992,675</u>	<u>3,521,291</u>
Non-controlling interest	6,008,037	4,498,278	4,581,456	4,456,778	1,213,344
Total equity	<u>19,521,495</u>	<u>9,993,323</u>	<u>9,667,349</u>	<u>9,449,453</u>	<u>4,734,635</u>
Income statement					
Gross earnings	<u>18,425,917</u>	<u>14,913,823</u>	<u>10,466,513</u>	<u>5,790,431</u>	<u>2,147,857</u>
Profit/(loss) on continuing operations before taxation					
	806,764	856,734	248,490	(129,056)	(913,126)
Income tax	(389,671)	(465,679)	(228,270)	(246,184)	(31,756)
Profit/(loss) on continuing operations before taxation for the year after tax					
	<u>417,093</u>	<u>391,055</u>	<u>20,220</u>	<u>(375,240)</u>	<u>(944,882)</u>
Attributable to:					
Owners of the Company	520,640	474,388	93,218	1,437,269	(820,348)
Non-controlling interest	(103,548)	(83,178)	(57,452)	(49,745)	(124,534)
	<u>417,093</u>	<u>391,210</u>	<u>35,766</u>	<u>1,387,524</u>	<u>(944,882)</u>
Basic earnings/(loss) per share (kobo)	<u>5.78</u>	<u>10.10</u>	<u>1.65</u>	<u>(6.39)</u>	<u>(6.39)</u>
Net asset- (kobo)	4.34	4.26	4.12	4.02	2.02

Earnings/(loss) per share are calculated on the basis of profit/(loss) after taxation and the number of issued and fully paid ordinary shares of each financial year.

Net asset per share

Net asset per share are based on the net assets divided by the number of issued and fully paid ordinary shares of N1.00 each at the end of each financial year.

CHAMS HOLDING COMPANY PLC

FINANCIAL SUMMARY

3 DECEMBER

	2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Company					
Financial position					
Non-current assets					
Property, plant and equipment	1,615,745	1,619,438	1,625,872	1,717,134	1,768,372
Investment projects	-	-	-	-	460
Investment in subsidiaries	4,214,991	4,214,991	4,214,991	4,400,059	3,548,165
Investment in associates	75,000	75,000	75,000	75,000	74,898
Investments in convertible loans	1,106,669	-	-	-	-
Investment securities at fair value through other comprehensive income	100,000	100,000	100,000	84,454	92,827
Non-current liabilities					
Deferred tax asset	-	(16,457)	(156,454)	(156,454)	-
Long term loan	(476,022)	(1,648,901)	(853,345)	(983,995)	(962,706)
Net current (liabilities)/assets	5,222,838	(352,740)	(1,244,449)	(1,407,663)	(639,628)
	<u>11,859,221</u>	<u>3,991,331</u>	<u>3,761,615</u>	<u>3,728,535</u>	<u>3,882,388</u>
Equity					
Share capital	4,500,000	2,348,030	2,348,030	2,348,030	2,348,030
Share premium	5,380,809	35,008	35,008	35,008	35,008
Loss sustained/retained earnings	537,213	144,929	(84,787)	(102,321)	43,159
Other reserves:					
- Assets revaluation reserve	1,463,364	1,463,364	1,463,364	1,463,364	1,463,364
- Fairvalue reserve	-	-	-	(15,546)	(7,173)
Total equity	<u>11,881,386</u>	<u>3,991,331</u>	<u>3,761,615</u>	<u>3,728,535</u>	<u>3,882,388</u>
Income statement					
Gross earnings	<u>1,300,050</u>	<u>919,630</u>	<u>774,362</u>	<u>929,496</u>	<u>497,888</u>
Profit/(loss)/profit on continuing operations before taxation	<u>369,912</u>	<u>104,480</u>	<u>25,228</u>	<u>68,812</u>	<u>(345,274)</u>
Income tax expenses	22,372	125,236	(7,694)	(214,292)	(1,243)
Profit/(loss) for the year after tax	<u>392,284</u>	<u>229,716</u>	<u>17,534</u>	<u>(145,480)</u>	<u>(346,517)</u>
Basic earning/(loss) per share (kobo)	<u>4.36</u>	<u>4.89</u>	<u>0.37</u>	<u>(7.38)</u>	<u>(7.38)</u>
Net asset- (kobo)	<u>2.64</u>	<u>1.70</u>	<u>1.60</u>	<u>1.59</u>	<u>1.65</u>

Earnings/(loss) per share are calculated on the basis of profit/(loss) after taxation and the number of issued and fully paid ordinary shares of each financial year.

Net asset per share

Net asset per share are based on the net assets divided by the number of issued and fully paid ordinary shares of N1.00 each at the end of each financial year.